



SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307 Metro Manila Philippines

Tel: (632) 818-0921 Fax: (632) 818-5293 Email: mis@sec.gov.ph



The following document has been received:

Receiving: DONNA ENCARNADO

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Company Information

SEC Registration No.: A199910065

Company Name: COL FINANCIAL GROUP, INC. DOING BUSINESS UNDER THE NAMES AND STYLES OF CITISECONLINE.COM; COL FINANCIAL; COL SECURITIES; AND CITISECONLINE STOCKBROKERS

Industry Classification: J68120

Company Type: Stock Corporation

Document Information

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COVER SHEET

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SEC Registration Number

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(Company's Full Name)

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

Ms. Catherine L. Ong

(Contact Person)

8636-5411

(Company Telephone Number)

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Month Day
(Calendar Year)

17-Q

(Form Type)
September 30, 2025

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Month Day
(Annual Meeting)

Broker

(Secondary License Type, If Applicable)

CFD

Dept. Requiring this Doc.

Not Applicable

Amended Articles
Number/section

32

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended: **September 30, 2025**
2. Commission identification number **A199910065**
3. BIR Tax Identification No. **203-523-208-000**
4. Exact name of issuer as specified in its charter: **COL FINANCIAL GROUP, INC.**
5. Province, country or other jurisdiction of incorporation or organization: **Pasig City, Philippines**
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office: **2401-B East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City** Postal Code: **1605**
8. Issuer's telephone number, including area code: **(632) 8636-5411**
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 Code, or Sections 4 and 8 of the RSA:

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	5,949,999,998 shares

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

Yes No

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes No

- (b) has been subject to such filing requirements for the past ninety (90) days.

Yes No

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

The unaudited interim consolidated financial statements are filed as part of this Form 17-Q.

Item 2. Management Discussion and Analysis (MD&A) of Financial Conditions and Results of Operations.

The following is a discussion and analysis of the financial performance of COL Financial Group, Inc. (COL, COL Financial, or the Parent Company) and its subsidiaries collectively referred to as “the Group”. The discussion aims to provide readers with an appreciation of its business model and the key factors underlying its financial results. The MD&A should be read in conjunction with the unaudited interim consolidated financial statements of the Group filed as part of this report.

Company Overview

COL Financial Group, Inc. is a publicly listed company in the Philippine Stock Exchange (PSE), incorporated on August 16, 1999.

COL Financial is widely recognized as the leading online stockbroker in the Philippines, serving over half a million clients. Since launching the country’s first non-bank online trading platform in 2005, COL has been at the forefront of democratizing stock market access. At a time when investing was largely limited to a select few, COL broke barriers by leveraging technology and education to empower everyday Filipinos to take control of their financial future.

To build investor confidence and promote financial literacy, COL invested in free seminars, research tools, and educational resources, supporting self-directed investors with the knowledge they needed to make informed investment decisions.

As the market evolved, so did COL. In 2010, the Parent Company launched a dedicated advisory team to serve high-net-worth individuals and institutional clients. By 2014, COL expanded into the fund distribution space, offering access to a broad range of local and global investment products.

In 2019, COL Investment Management Inc. (CIMI), COL’s asset management arm, was established to provide professionally managed solutions tailored to the Filipino investor. In 2022 and 2023, CIMI launched two in-house mutual funds, namely:

- COL Equity Index Unitized Mutual Fund, Inc. (CEIUMF)
- COL Strategic Growth Equity Unitized Mutual Fund, Inc. (CSGEUMF)

These funds reflect COL’s continued commitment to making expert-led investment solutions more accessible to the public.

In line with COL’s continuing initiatives to strengthen its service offerings, it implemented further enhancements to its client engagement framework. Recognizing the growing need of the high-net-worth clients for a more personalized, goal-driven financial guidance, COL formally established its Private Wealth group in June 2025. This unit builds on COL’s long-standing advisory capabilities and provides higher-touch, relationship-based support to clients seeking a more comprehensive approach to managing their investments. Through deeper engagement, customized strategies, and an expanded suite of investment solutions, the Private Wealth group helps clients manage, grow, and preserve their wealth—further strengthening COL’s position as a trusted partner in long-term financial planning.

In parallel with these advancements, COL also undertook strategic realignments to ensure operational focus and long-term sustainability. As part of this effort, COL made the decision to wind down its Hong Kong operations through its subsidiary, COL Securities (HK) Limited (COLHK), which ceased trading operations in May 2024. The Hong Kong Subsidiary is now in the final phase of deregistration, with the necessary clearances secured and the deregistration application filed with the Hong Kong Companies Registry. Completion is pending regulatory approval.

Today, COL continues to be the most trusted online stockbroker in the Philippines, with a consistent focus on technology innovation, investor empowerment, and financial education. As the financial industry transforms, COL is evolving into a full-scale investment platform, enabling Filipinos to build, grow, track, and protect their wealth across multiple asset classes, while staying true to its founding mission of financial inclusion and empowerment.

Business Model

COL Financial is driven by the belief that every Filipino deserves the opportunity to live a richer life—regardless of age, income level, or investment knowledge. Staying true to this mission, COL has made investing more accessible to all, from seasoned market participants to first-time investors.

The business model of COL is anchored on creating long-term value for its customers by addressing their evolving needs through financial education, a broad range of ethical products and services, and expert insights. This approach ensures that clients are equipped with both the knowledge and the right investment solutions to meet their financial goals—no matter where they are in their investing journey.

COL Financial generates a significant portion of its revenue from its core stock brokerage operations in the Philippines. Its key revenue streams include:

- Commissions from stock trades,
- Interest income from margin financing,
- Trail fees from its fund distribution business, and
- Interest income from short-term placements.

Looking ahead, COL Financial remains focused on supporting Filipinos in building wealth by continuously expanding its investment offerings, enhancing its technology-driven solutions, and solidifying its position as the country’s leading online broker.

Industry and Economic Review

The Philippine stock market delivered a volatile performance in the first nine months of 2025, with the Philippine Stock Exchange Index (PSEi) falling 8.8% to close at 5,953.46.

There were some encouraging macroeconomic developments during the period. Inflation, which peaked at 2.9% in January, trended lower amid falling rice and oil prices. This allowed the Bangko Sentral ng Pilipinas (BSP) to cut policy rates by a total of 100 basis points, bringing the benchmark rate down to 4.75%. The labor market also remained healthy, with unemployment averaging 4.10% during the first three quarters, while overseas Filipino remittances rose 3.10% year-on-year in the first nine months of 2025.

Still, both external and domestic headwinds weighed heavily on investor sentiment.

In early April, global equity markets were rattled by U.S. President Donald Trump’s announcement of sweeping reciprocal tariffs. Although global markets later recovered after the measures were scaled back, Philippine equities lagged as listed companies reported generally underwhelming earnings results.

Sector-specific challenges also added pressure on the market. Lower interest rates are expected to compress banks' margins, while the government's anti-corruption drive has raised concerns about demand for high-end property developments. Telecommunications companies face rising competition risk following the passage of the new Open Access Bill. Power firms are dealing with lower spot market prices, and gaming companies are grappling with tighter government regulations.

The ongoing investigations into corruption involving government infrastructure projects further dampened investor confidence and economic activity. Third-quarter GDP growth slowed sharply to 4.00% from 5.50% in the previous quarter, as government spending growth and public construction declined. Growth is expected to remain subdued through year-end as authorities implement reforms to address corruption.

Adding to the challenges, the peso — after appreciating in the first five months of the year — resumed its depreciation, a trend that has historically been unfavorable for equities.

Despite the overall market downturn, trading activity remained resilient. Average daily turnover rose 14.31% year-on-year to ₱7.1 billion, supported by active trading in companies that reported strong earnings or declared higher-than-expected dividends.

Gaming stocks also remained in focus. Shares of DigiPlus Interactive (PLUS) and Bloomberry Resorts Corporation (BLOOM) surged in late April following PLUS's robust earnings report and news that BLOOM was on track to launch its online gaming platform by mid-2025. However, enthusiasm quickly faded by mid-June after lawmakers began cracking down on e-gaming firms, triggering a sharp sell-off in both stocks — though trading volumes stayed elevated.

Business Review

Key Performance Indicators

COL is dedicated to optimizing profitability by efficiently utilizing its capital resources, with the ultimate goal of enhancing shareholder value. To this end, COL consistently monitors and evaluates the effectiveness of its corporate activities and key performance indicators (KPIs) to measure the success of its financial and operational strategies, along with accompanying action plans. Presented below are some of the essential KPIs that COL utilizes for performance measurement:

	September 30, 2025	September 30, 2024
Number of Customer Accounts*	567,354	548,285
Customers' Net Equity (in millions)	₱121,172.23	₱121,719.01
Revenues (in millions)	₱897.13	₱892.41
Annualized Return on Equity	23.88%	25.00%
Risk Based Capital Adequacy Ratio*	782.58%	680.70%
Liquid Capital** (in millions)	HKD-	HKD3.67

* Parent Company only

**HK Subsidiary

COL's customer base continued to grow, with the **number of customer accounts** increasing by 3.48% year-on-year, reaching 567,354 accounts as of end-September 2025. Growth was supported by continuous client engagement initiatives and educational programs aimed at deepening investor knowledge and broadening market participation. The Parent Company also expanded content on income-generating investments to appeal to investors seeking stable, long-term returns.

Despite the increase in customer accounts, **customers' net equity** fell slightly by 0.45% or ₱546.77 million to ₱121.17 billion as of September 30, 2025. Although net cash inflows reached ₱3.60 billion during the past twelve (12) months, this was not enough to offset the drop in share prices as the PSEi index fell by 18.14% during the same period.

Total **revenues** for the first nine months improved slightly by 0.53% to ₱897.13 million due to higher commissions and trail fees, largely offset by lower interest income.

Net income increased by 3.32% to ₱430.70 million, supported by lower income tax provisions and a substantial reduction in losses from COLHK as it wound down its operations. The annualized **return on average equity** (ROAE) remained strong at 23.88%, slightly lower year-on-year due to higher average equity.

The Parent Company maintained compliance with SEC requirements, with a **Risk-Based Capital Adequacy Ratio** (RBCA) of 782.58% as of end September of this year, well above the 110.00% minimum requirement. COLHK has consistently met the requirements of the Hong Kong Securities and Futures Commission (SFC) until its license was revoked on April 7, 2025. At present, COLHK is no longer subject to SFC regulatory obligations.

Material Changes in Financial Condition (September 30, 2025 vs December 31, 2024)

Consolidated assets contracted slightly by 0.32% to ₱12.41 billion as of end September 2025 compared to its end-December 2024 level.

Cash and cash equivalents and cash in a segregated account, primarily consisting of cash in banks and special time deposits, declined by 0.89% to ₱9.62 billion as of end-September 2025, representing 77.50% of the Group's total assets. The decrease was partly attributable to a subsidiary's strategic reallocation from special time deposits to higher-yielding investments, as reflected in the 43.32% increase in financial assets at fair value through profit or loss, which rose to ₱144.98 million.

The value of investment securities held at amortized cost, which is largely comprised of Treasury bills and bonds, increased by 8.77% to ₱1.45 billion from ₱1.34 billion as of end-2024. The increase was a result of the Parent Company's decision to reallocate more funds to longer-term bonds to lock in higher yields as interest rates from short-term time deposits were heading lower.

Total trade receivables fell by 11.36% to ₱881.94 million, largely due to the 18.48% drop in margin receivables to ₱854.94 million, partly offset by the increase in postpaid trade receivables by 161.56% to ₱63.90 million.

Other receivables decreased by 30.19% to ₱72.89 million. The decline was largely attributable to the 32.55% or ₱24.64 million drop in accrued interest from time deposits and bonds to ₱51.06 million as the value of outstanding placements fell and interest rates dropped, as well as the shift toward shorter-tenor time deposits that offered the more competitive rates during the period. Also contributing to the decline in other receivables was the ₱6.83 million or 38.93% drop in mutual fund redemption proceeds as there were less customer redemptions as of end-September 2025 compared to year-end 2024.

Prepayments fell by 12.52% to ₱9.20 million primarily due to the 42.62% decrease in other prepayments to ₱3.78 million. The decrease reflects amounts withheld pending the completion of contract negotiations with certain service providers. This was partly offset by the 33.47% increase in prepaid insurance to ₱4.36 million as premiums are paid during the third quarter of the year and subsequently amortized over a twelve-month period.

Other current assets increased marginally by 0.11% to ₱26.24 million. The slight uptick was driven by higher creditable withholding taxes arising from increased transactions with counterparties, combined with the lower utilization of prior-year income tax overpayments during the period. Since the Parent Company was able to offset taxable income with its remaining Net Operating Loss Carryover (NOLCO) up to September 2025, only minimal tax credits were applied, leaving these balances higher at period-end.

Property and equipment increased by 49.43% to ₱92.70 million as of end-September 2025. The growth was driven mainly by ₱58.55 million in capital expenditures and additions to right-of-use (ROU) assets during the first nine months of the year. A significant portion of these investments supported the upgrade of servers and related infrastructure to enhance the Parent Company's online trading platform, ensuring stronger capacity, faster execution, and a more seamless user experience. Leasehold improvements also increased due to office renovations aimed at optimizing workspace layouts and improving team collaboration. In addition, the renewal of the lease agreement for the Corporate Center accounted for most of the additions to ROU assets.

Trade payables fell slightly by 0.79% to ₱9.76 billion for the year-to-date period. This was largely due to a drop in customers' undeployed funds by ₱94.74 million to ₱9.69 billion. On the other hand, payables to the clearing house increased by ₱17.27 million to ₱71.48 million, largely due to higher outstanding settlement obligations at the close of September 2025 compared with year-end 2024. Settlement obligations in stockbrokerage operations can fluctuate depending on the volume and timing of trades relative to the reporting date.

Other current liabilities fell by 56.31% to ₱73.18 million, mainly due to the settlement of accrued expenses, management bonuses, and the related taxes in January 2025. Unposted customer deposits and mutual fund redemption proceeds likewise declined by 23.76% to ₱13.78 million and 38.37% to ₱10.81 million, respectively, reflecting lower balances at period-end. These decreases were partially offset by an 81.84% increase in trading fees to ₱2.34 million, driven by the pickup in trading activity toward the latter part of the period.

Stockholders' equity increased by 4.82% to ₱2.48 billion, reflecting the ₱430.70 million in net income booked during the first three quarters, partly offset by the distribution of ₱327.25 million in cash dividends to shareholders in June 2025.

Material Changes in the Results of Operations (September 30, 2025 vs September 30, 2024)

In the first nine months of 2025, the Group's consolidated revenues increased marginally by 0.53% year-on-year to ₱897.13 million.

Commission revenues rose by 14.10% to ₱335.80 million, driven primarily by the 18.71% increase in COL's value turnover and higher participation from self-directed clients. The growth, however, was partly tempered by the SEC's removal of the 25-basis-point minimum commission rate in April 2024, which lowered the average commission rate for institutional clients and moderated the overall increase.

Trail fees, likewise, grew by 13.36% to ₱20.17 million, in line with the 15.00% year-on-year increase in mutual fund assets under administration, which reached ₱6.10 billion as of end-September 2025.

However, the growth in commission revenues and trail fees was largely offset by the drop in interest income. Interest income fell by 7.92% to ₱512.96 million, reflecting lower average investible funds and the impact of the 100-basis-point cumulative policy rate cuts during the year, which brought down yields on placements. Meanwhile, interest earned from margin lending remained flat at ₱52.13 million, consistent with the relatively unchanged margin utilization during the period.

Expenses reflected an uptick across various categories in the first nine months of 2025. Cost of Services (COS) increased by 8.44% to ₱195.00 million largely due to higher variable costs associated with increased trading volumes, expanded security and network protection services, and higher commission and trail fee expenses tied to revenue performance.

Commission expense and professional fees rose by 3.69% to ₱58.08 million, driven by higher commission and trail fee expenses consistent with revenue performance and by additional costs arising from transactions executed through external counterparties. Professional fees also rose due to additional services from the IT security provider for enhanced cybersecurity and infrastructure protection.

Personnel costs climbed 15.25% to ₱40.42 million, mainly due to merit increases and higher staffing requirements to support ongoing projects and operational needs.

Communication expenses under COS, likewise, increased by 13.84% to ₱31.56 million mainly due to the expansion of the Parent Company's security and network protection services, which broadened system coverage to include additional critical web services. These enhancements were undertaken to support platform stability and ensure continuous availability during periods of high trading activity.

Stock exchange dues and fees also increased by 18.81% to ₱27.00 million due to the double digit increase in COL's value turnover.

On the other hand, depreciation and amortization expense declined slightly by 0.92% to ₱16.22 million for the nine-month period, mainly due to the completion of depreciation cycles for certain assets. This decrease was partly offset by additional depreciation arising from newly capitalized assets related to infrastructure and system enhancements, as well as completed leasehold improvements, resulting in a modest net decline for the reporting period.

Meanwhile, server maintenance costs booked under repairs and maintenance decreased by 12.63% to ₱3.73 million, mainly due to the reduced number of servers covered under the maintenance contract beginning June 2025 and the lower maintenance requirements for legacy back-office systems that are being phased out as part of the Parent Company's transition to a modernized platform. Discussions for the maintenance arrangement of the new system are ongoing.

Operating Expenses (OPEX), predominantly fixed in nature, increased by 2.96% to ₱151.70 million, largely driven by higher personnel costs, repairs and maintenance, insurance, office supplies, and representation and entertainment expenses. This was partly offset by lower professional fees, advertising and marketing expenses, training, seminars, and meetings, and movements in provision from credit losses which resulted in a recovery as of end-September 2025.

The OPEX portion of personnel costs increased by 15.97% to ₱99.11 million. The increase was mainly driven by regular salary adjustments implemented during the period, which were made to address retention requirements and to keep compensation levels aligned with prevailing market and inflationary conditions. Costs also increased due to the full-period impact of hiring activities completed in late 2024 and in 2025, as well as the filling of previously approved positions and the addition of new roles needed to support current operational requirements. Personnel cost movements reflect normal headcount changes, competitive market dynamics, and planned staffing requirements.

Insurance expense went up 9.40% to ₱5.52 million, stemming from higher renewal cost of health care insurance premiums due to the enrolment of new employees and higher utilization.

Power, light, and water expenses rose by 7.76% to ₱5.35 million, due to higher electricity usage from the continuous testing to ensure system reliability and increased air conditioner operation to maintain optimal cooling for servers and equipment.

Advertising and marketing expenses fell by 48.06% to ₱4.40 million, largely due to lower marketing costs resulting from a revised agreement with a foreign counterparty effective May 2024, as well as savings from using a more cost-effective venue for the Parent Company's sponsored events.

Repairs and maintenance increased by 22.13% to ₱2.28 million, reflecting additional upkeep costs for air conditioning units at the data center.

On the other hand, trainings, seminars, and meetings decreased by 43.34% to ₱2.08 million, respectively, reflecting a reduction in program costs compared to the prior year.

Provision for credit losses shifted from a ₱4.38 million provision to a ₱0.47 million recovery, mainly due to the lower volume of margin receivables in the three (3) to thirteen (13) days aging bracket. The improvement in the aging profile reduced the expected credit loss requirements for the period, resulting in the recognition of a recovery rather than an additional provision.

Other (gains) losses for the period include a ₱5.54 million loss from the sale of certain government securities prior to maturity. The loss arose as the bonds were sold at a discount, reflecting market yields that were higher than their coupon rates at the time of sale. The decision to dispose of the securities formed part of the Parent Company's portfolio rebalancing activities, allowing funds to be redeployed into higher-yielding instruments. The related tax benefit lessened the net effect of the loss, which is expected to be recovered through higher interest earnings from the redeployment of funds into higher-yielding instruments.

Income before income tax amounted to ₱544.38 million, a decline of 3.55% as costs increased at a faster pace than revenues.

Provision for income tax decreased by 12.16% to ₱112.70 million. The reduction in tax expense was mainly due to the reversal of certain deferred tax items related to COLHK's repatriated gains and the full utilization of prior-year NOLCO, as well as lower final taxes resulting from reduced interest income from investments. These were partly offset by a higher provision for regular income tax, reflecting increased taxable income from the recognition of repatriated gains and the growth in commission and trail fee revenues.

Loss from discontinued operations likewise improved significantly, narrowing to ₱0.97 million from ₱19.27 million in the same period last year as COLHK wound down its operations. This substantial reduction in losses contributed positively to the Group's overall performance.

As a result of these movements, net income increased by 3.32% to ₱430.70 million. The improvement in tax expense, combined with the significantly lower losses from discontinued operations, more than offset the decline in pre-tax profit and enabled the Group to post modest earnings growth despite the more challenging operating environment.

Other Matters

- a. COL is not aware of any known trends, demands, commitments, events, or uncertainties that would have a material impact on the Group's liquidity. The Group has not defaulted on its obligations, which primarily arise from withdrawals made by customers. Furthermore, the obligations of the Parent Company are fully funded in compliance with SRC Rule 49.2. As COLHK is in the process of dissolution and all customer funds have been returned, COLHK is no longer required to maintain a fund for the exclusive benefit of its customers.
- b. COL is not aware of any events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.
- c. COL is not aware of any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Group with other persons created during the reporting period.
- d. COL is not aware of any material commitments for capital expenditures.

- e. COL is not aware of any known trends, events, or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations of the Group.
- f. COL is not aware of any significant elements of income or loss that did not arise from the Group's continuing operations.
- g. COL is not aware of any seasonal aspects that had a material effect on the financial condition or results of operations of the Group.

PART II – OTHER INFORMATION

Not applicable. There are no material disclosures that have not been reported under SEC Form 17-C covered by this period.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized, in the City of Pasig on November 18, 2025.

Registrant: **COL FINANCIAL GROUP, INC.**

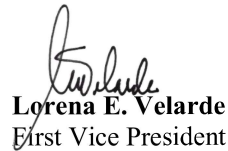
By:



Conrado F. Bate
President and Chief Executive Officer



Catherine L. Ong
Senior Vice President and Treasurer



Lorena E. Velarde
First Vice President and Chief Financial Officer

COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Money Balance	Security Valuation		Money Balance	Security Valuation	
		Long	Short		Long	Short
ASSETS						
Current Assets						
Cash and cash equivalents (Note 4)	₱9,618,556,563			₱9,703,915,783		
Cash in a segregated account (Notes 4 and 5)	–			840,431		
Financial assets at fair value through profit or loss (Note 6)	144,982,948	₱1,085,356		101,161,494	₱1,114,744	
Investment securities at amortized cost (Note 8)	100,295,250			435,119,474		
Trade receivables (Notes 7 and 20)	881,936,983	5,419,873,286		995,011,027	8,325,786,210	
Other receivables (Notes 7 and 20)	72,889,440			104,418,133		
Prepayments	9,199,153			10,515,685		
Other current assets (Note 12)	26,246,488			26,215,330		
Assets from discontinued operations (Note 29)	558,702			–		
Total Current Assets	10,854,665,527			11,377,197,357		
Noncurrent Assets						
Investment securities at amortized cost (Note 8)	1,353,306,290			901,277,555		
Property and equipment (Note 9)	92,697,228			62,032,150		
Investment property (Note 10)	10,724,713			11,381,328		
Intangibles (Note 11)	16,512,736			7,950,356		
Deferred income tax assets (Note 19)	12,168,205			14,429,020		
Other noncurrent assets (Note 12)	70,215,394			75,616,196		
Total Noncurrent Assets	1,555,624,566			1,072,686,605		
TOTAL ASSETS	₱12,410,290,093			₱12,449,883,962		
Securities in box, in Philippine Depository and Trust Corporation and Hong Kong Securities Clearing Company, Limited			₱112,337,567,713			₱108,272,543,819

(Forward)

	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Money Balance	Security Valuation		Money Balance	Security Valuation	
		Long	Short		Long	Short
LIABILITIES AND EQUITY						
Current Liabilities						
Trade payables (Notes 13 and 20)	₱9,762,176,163	₱106,916,609,071		₱9,839,640,484	₱99,945,642,865	
Lease liabilities - current portion (Note 21)	18,950,707			15,230,525		
Income tax payable	9,205			3,671		
Other current liabilities (Note 14)	73,183,700			167,515,053		
Liabilities from discontinued operations (Note 29)	728,444			—		
Total Current Liabilities	9,855,048,219			10,022,389,733		
Noncurrent Liabilities						
Lease liabilities - net of current portion (Note 21)	25,511,185			11,709,072		
Retirement obligation (Notes 18 and 20)	53,637,605			53,637,605		
Deferred income tax liabilities (Note 19)	247,730			90,841		
Total Noncurrent Liabilities	79,396,520			65,437,518		
Total Liabilities	9,934,444,739			10,087,827,251		
Equity						
Capital stock (Note 15)	595,000,000			595,000,000		
Capital in excess of par value	53,219,024			53,219,024		
Accumulated translation adjustment	2,185,335			36,811,363		
Loss on remeasurement of retirement obligation (Note 18)	(35,567,381)			(35,567,381)		
Other equity reserves	(1,019,697)			(1,019,697)		
Retained earnings (Note 15)						
Appropriated	680,709,027			630,242,397		
Unappropriated	1,168,885,118			1,070,617,712		
Equity Attributable to the Equity Holders of the Parent Company	2,463,411,426			2,349,303,418		
Non-controlling Interest (Note 15)	12,433,928			12,753,293		
Total Equity	2,475,845,354			2,362,056,711		
TOTAL LIABILITIES AND EQUITY	₱12,410,290,093	₱112,337,567,713	₱112,337,567,713	₱12,449,883,962	₱108,272,543,819	₱108,272,543,819

See accompanying Notes to Consolidated Financial Statements.

COL FINANCIAL GROUP, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

	For the Nine Months Ended September 30		For the Quarter Ended September 30	
	2025	2024	2025	2024
REVENUES (Note 16)				
Commissions	₱335,802,426	₱294,292,473	₱142,149,053	₱109,874,403
Others:				
Interest income (Notes 4, 5, 6, 7, 8 and 20)	512,961,971	557,056,699	174,173,208	192,303,568
Trail fees	20,170,806	17,793,120	7,251,144	6,227,703
Trading gains - net (Note 6)	2,832,850	1,630,193	1,081,919	1,076,529
Others (Note 6)	25,362,142	21,642,397	10,275,475	10,820,010
	897,130,195	892,414,882	334,930,799	320,302,213
COST OF SERVICES (Note 28)				
Commission expense and professional fees (Note 20)	58,075,259	56,007,919	20,250,655	20,512,698
Personnel costs (Notes 17, 18 and 20)	40,419,098	35,071,967	12,655,160	11,036,633
Communications	31,558,579	27,722,757	10,833,967	9,295,925
Stock exchange dues and fees (Note 16)	26,995,867	22,722,678	11,481,257	8,782,789
Depreciation and amortization (Notes 9, 10, 11 and 21)	16,216,168	16,365,974	7,384,745	4,916,365
Central depository fees	8,117,559	7,698,597	2,785,151	2,651,595
Research	3,860,977	3,701,982	1,274,191	1,281,745
Repairs and maintenance	3,734,601	4,274,394	821,208	2,038,202
Periodicals and other subscriptions	3,162,627	4,133,807	628,324	1,857,921
Others	2,859,972	2,125,371	1,173,336	654,537
	195,000,707	179,825,446	69,287,994	63,028,410
GROSS PROFIT	702,129,488	712,589,436	265,642,805	257,273,803
OPERATING EXPENSES				
Administrative expenses:				
Personnel costs (Notes 17, 18 and 20)	99,109,989	85,465,035	31,008,257	27,124,488
Depreciation and amortization (Notes 9, 10, 11 and 21)	13,771,721	14,548,930	2,932,018	4,946,922
Insurance	5,516,115	5,042,051	1,666,378	2,087,721
Power, light and water	5,351,901	4,966,366	1,510,702	1,851,458
Advertising and marketing	4,399,974	8,471,181	2,536,760	2,405,958
Security and messenger services	4,226,150	3,779,699	1,456,453	1,288,567
Taxes and licenses	3,639,037	3,163,967	1,210,386	1,105,901
Repairs and maintenance	2,275,384	1,863,027	706,654	468,087
Trainings, seminars and meetings	2,084,461	3,679,214	198,647	1,082,201
Directors' fees (Note 20)	1,900,000	1,760,000	400,000	400,000
Office supplies	1,772,034	1,269,974	511,581	468,022
Condominium dues	1,525,801	1,858,369	134,158	620,776
Periodicals and other subscriptions	1,317,818	1,334,693	412,891	455,808
Representation and entertainment	892,503	691,098	333,085	279,882
Membership fees and dues	818,250	1,051,493	275,759	350,200
Communications	543,014	594,997	180,232	204,680
Provision for (recovery from) credit losses (Note 7)	(467,008)	4,375,225	(930,292)	4,516,747
Transportation and travel	454,557	415,349	60,938	155,951
Bank charges	387,262	245,594	133,565	72,482
Professional fees (Note 20)	360,000	1,406,520	120,000	385,000
Rentals (Note 21)	316,442	237,675	114,035	79,875
Others	1,507,727	1,119,101	518,458	360,385
	151,703,132	147,339,558	45,490,665	50,711,111
OTHER (GAINS) LOSSES				
Loss on sale of investment securities at amortized cost	5,542,612	-	204,380	-
Interest expense (Note 21)	423,003	865,232	167,961	250,625
Foreign exchange (gains) losses - net	88,098	(42,112)	(1,667)	2,744
Gain on sale of equipment	(8,896)	-	(8,896)	-
	6,044,817	823,120	361,778	253,369
INCOME BEFORE INCOME TAX	544,381,539	564,426,758	219,790,362	206,309,323
PROVISION FOR (RECOVERY FROM) INCOME TAX (Note 19)				
Current				
Final income tax	92,136,339	100,919,584	31,654,454	34,824,069
Corporate income tax	5,879,346	4,070,026	2,119,242	1,567,102
Deferred	14,688,159	23,318,809	10,443,886	(4,350,897)
	112,703,844	128,308,419	44,217,582	32,040,274
NET INCOME FROM CONTINUING OPERATIONS	431,677,695	436,118,339	175,572,780	174,269,049
NET INCOME (LOSS) FROM DISCONTINUED OPERATIONS (Note 29)	(974,619)	(19,268,543)	1,798	(7,659,745)
NET INCOME	₱430,703,076	₱416,849,796	₱175,574,578	₱166,609,304
Attributable to:				
Equity holders of the Parent Company	₱431,022,441	₱417,258,610	₱175,643,625	₱166,647,202
Non-controlling interest (Note 15)	(319,365)	(408,814)	(69,047)	(37,898)
	₱430,703,076	₱416,849,796	₱175,574,578	₱166,609,304
Basic and Diluted Earnings (Losses) Per Share (Note 25)				
From continuing operations	₱0.0726	₱0.0734	₱0.0295	₱0.0293
From discontinued operations	(0.0002)	(0.0032)	0.0000	(0.0013)

See accompanying Notes to Consolidated Financial Statements.

COL FINANCIAL GROUP, INC. AND SUBSIDIARIES**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	For the Nine Months Ended September 30		For the Quarter Ended September 30	
	2025	2024	2025	2024
NET INCOME	₱430,703,076	₱416,849,796	₱175,574,578	₱166,609,304
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Items that may be reclassified subsequently to consolidated statements of income:</i>				
Translation adjustments - net of tax	10,335,567	1,120,313	12,660	(3,149,829)
TOTAL COMPREHENSIVE INCOME	₱441,038,643	₱417,970,109	₱175,587,238	₱163,459,475
Attributable to:				
Equity holders of the Parent Company	₱441,358,008	₱418,378,923	₱175,656,285	₱163,497,373
Non-controlling interest (Note 15)	(319,365)	(408,814)	(69,047)	(37,898)
	₱441,038,643	₱417,970,109	₱175,587,238	₱163,459,475

See accompanying Notes to Consolidated Financial Statements.

COL FINANCIAL GROUP, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(With Comparative Figures for the Nine Months Ended September 30, 2024)

	Equity Attributable to the Equity Holders of the Parent Company										
	Capital Stock (Note 15)	Capital In Excess of Par Value	Stock Dividend Distributable (Note 15)	Accumulated Translation Adjustment	Loss on Remeasurement Obligation (Note 18)	Other Equity Reserves	Retained Earnings		Total	Non-controlling Interest (Note 15)	Total Equity
							Appropriated (Note 15)	Unappropriated			
Balances at January 1, 2025	₱595,000,000	₱53,219,024	₱-	₱36,811,363	(₱35,567,381)	(₱1,019,697)	₱630,242,397	₱1,070,617,712	₱2,349,303,418	₱12,753,293	₱2,362,056,711
Total comprehensive income (loss)	-	-	-	10,335,567	-	-	-	431,022,441	441,358,008	(319,365)	441,038,643
Capital reduction of subsidiary (Note 15)	-	-	-	(44,961,595)	-	-	-	44,961,595	-	-	-
Declaration of cash dividends (Note 15)	-	-	-	-	-	-	-	(327,250,000)	(327,250,000)	-	(327,250,000)
Appropriation of retained earnings (Note 15)	-	-	-	-	-	-	50,466,630	(50,466,630)	-	-	-
Balances at September 30, 2025	₱595,000,000	₱53,219,024	₱-	₱2,185,335	(₱35,567,381)	(₱1,019,697)	₱680,709,027	₱1,168,885,118	₱2,463,411,426	₱12,433,928	₱2,475,845,354
Balances at January 1, 2024	₱476,000,000	₱53,219,024	₱-	₱34,807,180	(₱35,499,705)	₱-	₱585,919,747	₱1,057,563,532	₱2,172,009,778	₱19,991,825	₱2,192,001,603
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(2,459,697)	(2,459,697)	(6,540,303)	(9,000,000)
Total comprehensive income (loss)	-	-	-	1,120,313	-	-	-	417,258,610	418,378,923	(408,814)	417,970,109
Appropriation of retained earnings (Note 15)	-	-	-	-	-	-	44,322,650	(44,322,650)	-	-	-
Declaration of cash dividends (Note 15)	-	-	-	-	-	-	-	(309,876,000)	(309,876,000)	-	(309,876,000)
Declaration of stock dividends (Note 15)	-	-	119,000,000	-	-	-	-	(119,000,000)	-	-	-
Balances at September 30, 2024	₱476,000,000	₱53,219,024	₱119,000,000	₱35,927,493	(₱35,499,705)	₱-	₱630,242,397	₱999,163,795	₱2,278,053,004	₱13,042,708	₱2,291,095,712

See accompanying Notes to Consolidated Financial Statement

COL FINANCIAL GROUP, INC. AND SUBSIDIARIES**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Nine Months Ended September 30

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax – including discontinued operations	₱543,406,920	₱545,027,533
Adjustments for:		
Interest income (Notes 16 and 20)	(512,961,971)	(557,067,840)
Depreciation and amortization (Notes 9, 10, 11 and 21)	29,987,889	31,012,228
Loss on sale of investment securities at amortized cost (Note 8)	5,542,612	–
Amortization of premium (discount) on investment securities at amortized cost	3,418,644	(516,591)
Interest expense (Note 21)	1,472,521	1,788,513
Loss on disposal of property and equipment (Note 9)	(8,896)	249,094
Dividend income (Notes 6 and 16)	(3,615)	(4,759)
Gain on acquisition of partially owned subsidiary	–	(1,440,000)
Operating income before working capital changes	70,854,104	19,048,178
Decrease (increase) in:		
Cash in a segregated account	840,431	24,793,905
Financial assets at fair value through profit or loss	(43,821,454)	(1,263,264)
Trade receivables	112,728,978	(473,651,218)
Other receivables	98,184,860	82,359,518
Prepayments	757,364	(6,864,182)
Other assets	(7,609,389)	(4,555,485)
Increase (decrease) in:		
Trade payables	(77,464,320)	2,386,191,447
Other current liabilities	(94,349,405)	4,564,923
Net cash provided by operations	60,121,169	2,030,623,822
Interest received	445,464,595	456,147,107
Income taxes paid	(92,136,339)	(100,919,584)
Dividends received	3,615	4,759
Net cash provided by operating activities	413,453,040	2,385,856,104
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to investment securities at amortized cost	(1,052,734,492)	(635,664,676)
Proceeds from sale of investment securities at amortized cost	494,501,768	–
Proceeds from maturity of investment securities at amortized cost	432,066,957	692,318,282
Acquisitions of property and equipment (Note 9)	(23,344,596)	(15,305,370)
Acquisitions of software and licenses (Note 11)	(2,905,891)	(1,730,623)
Proceeds from disposal of property and equipment (Note 9)	8,926	–
Decrease in short-term time deposits (Note 4)	–	200,000,000
Net cash provided by (used in) investing activities	(152,407,328)	239,617,613
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends declared and paid (Note 15)	(327,250,000)	(309,876,000)
Payment of lease liabilities (Note 21)	(19,154,932)	(18,964,438)
Additions to investment in partially owned subsidiary	–	(7,560,000)
Net cash used in financing activities	(346,404,932)	(336,400,438)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(85,359,220)	2,289,073,279
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	9,703,915,783	9,438,980,073
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 4)	₱9,618,556,563	₱11,728,053,352

See accompanying Notes to Consolidated Financial Statements.

COL FINANCIAL GROUP, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

COL Financial Group, Inc. (the Parent Company or COL Financial), a public company listed in the Philippine Stock Exchange (PSE), was registered with the Philippine Securities and Exchange Commission (SEC) on August 16, 1999. Its principal office is located at Unit 2401-B East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, Philippines. The Parent Company became a clearing member of the Securities Clearing Corporation of the Philippines (SCCP) and started operating its own seat as a Trading Participant in the PSE on February 16, 2009.

COL Financial and its subsidiaries, collectively referred hereinto as the “Group”, is primarily engaged in offering stock brokerage and fund distribution services through innovative internet technology. The Group is also engaged in providing financial advice, in the gathering and distribution of financial and investment information and statistics and in acting as financial, commercial or business representative.

2. Basis of Preparation, Statement of Compliance and Summary of Significant Accounting Principles

Basis of Preparation

The accompanying interim consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards Accounting Standards (PFRS). The Group’s interim consolidated financial statements have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The interim consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVTPL) which have been measured at fair value. The Group’s interim consolidated financial statements are presented in Philippine peso (PHP), which is the presentation currency under PFRS. Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency of the Group has been determined to be Philippine peso, except for COL Securities (HK) Limited (COLHK) whose functional currency has been determined to be HK dollar (HK\$). All values are rounded to the nearest peso, except when otherwise indicated.

Basis of Consolidation

The interim consolidated financial statements comprise the accounts of the Parent Company and its subsidiaries as at September 30, 2025 and December 31, 2024, after eliminating significant intercompany balances and transactions. The following are the wholly-owned and majority-owned foreign and domestic subsidiaries (collectively referred hereinto as the “Subsidiaries”) of COL Financial:

Name of Subsidiaries	Principal Place of Business and Country of Incorporation	Effective Percentage of Ownership		Functional Currency
		September 30, 2025	September 30, 2024	
COLHK	Hong Kong	100.00%	100.00%	HK\$
COL Investment Management, Inc. (CIMI)	Philippines	80.00%	70.00%	PHP
COL Equity Index Unitized Mutual Fund, Inc. (CEIUMF)	Philippines	100.00%	100.00%	PHP
COL Strategic Growth Equity Unitized Mutual Fund, Inc. (CSGEUMF)	Philippines	100.00%	100.00%	PHP

CEIUMF and CSGEUMF started offering its Units of Participation on October 4, 2022 and October 6, 2023, respectively. The assets and liabilities held by CEIUMF and CSGEUMF in relation to the investment of the unitholders as at September 30, 2025 and December 31, 2024 are presented in Note 27.

On May 30, 2024, the operations of COLHK was terminated, as approved by the BOD of the Parent Company on February 16, 2024. It is currently in the process of completing the regulatory requirements for the dissolution of the entity. On March 3, 2025, the Hong Kong Companies Registry approved the capital reduction of COLHK, lowering its capital stock to HK\$5,000,000. Subsequently, on April 7, 2025, the Securities and Futures Commission (SFC) revoked COLHK's license to conduct regulated activities.

In July 2024, the Parent Company acquired an additional 9,000,000 shares of CIMI at ₱0.84 per share, increasing its ownership from 70.00% to 80.00%.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of the Parent Company's returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the interim consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resulting gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Non-Controlling Interest

Non-controlling interest represents the portion of profit or loss and net assets not owned, directly or indirectly, by the Parent Company and are presented in the consolidated statements of income, consolidated statements of comprehensive income, and within equity in the consolidated statements of financial position, separately from equity attributable to the Parent Company.

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have a significant impact on the interim consolidated financial statements of the Group.

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Standards and Interpretations Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group does not expect that the future adoption of the said pronouncements will have a significant impact on its interim consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

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

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

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

Summary of Material Accounting Policies

Foreign Currency Translation

Transactions in foreign currencies are initially recorded in the prevailing functional currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the closing functional currency rate of exchange at the reporting period. All differences are taken to the consolidated statement of income.

On consolidation, the assets and liabilities of the consolidated foreign subsidiary are translated into Philippine Peso at the rate of exchange prevailing at the reporting date and their statement of income is translated at the average exchange rates for the year. The exchange differences arising on translation for consolidation are recognized in equity (under ‘Accumulated translation adjustment’). Upon disposal of the foreign subsidiary, the component of OCI relating to the foreign subsidiary is recognized in the consolidated statement of income.

Current versus Non-current Classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in a normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in a normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Net deferred tax assets (liabilities) are classified as non-current.

Cash and Cash Equivalents

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

Cash in a Segregated Account

Until December 2024, cash in segregated account represented clients' funds maintained by COLHK with a licensed bank in the ordinary course of business.

Such balances were recognized as both an asset and a corresponding liability, as COLHK retained the related risks and rewards and had the obligation to return the funds to clients or cover any loss or misappropriation.

Financial Instruments - Initial Recognition and Subsequent Measurement

Date of recognition

Financial instruments are any contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Financial instruments at FVTPL

Financial assets and financial liabilities at FVTPL are recorded in the consolidated statement of financial position at fair value. Changes in fair value are recorded in 'Trading gains (losses) - net' in the consolidated statement of income. Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded in other revenues according to the terms of the contract, or when the right of the payment has been established.

Initial recognition and classification of financial instruments

Financial assets are measured at FVTPL unless these are measured at fair value through other comprehensive income (FVOCI) or at amortized cost. Financial liabilities are classified as either

financial liabilities at FVTPL or financial liabilities at amortized cost. The classification of financial assets depends on the contractual terms and the business model for managing the financial assets. Subsequent to initial recognition, the Group may reclassify its financial assets only when there is a change in its business model for managing these financial assets. Reclassification of financial liabilities is not allowed.

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios. As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they pass the contractual cash flows test (SPPI test).

Investment securities at FVOCI

Investment securities at FVOCI include debt and equity securities. After initial measurement, investment securities at FVOCI are subsequently measured at fair value. The unrealized gains and losses arising from the fair valuation of investment securities at FVOCI are excluded, net of tax as applicable, from the reported earnings and are included in the consolidated statement of comprehensive income as 'Change in net unrealized loss on investment securities at FVOCI'.

Debt securities at FVOCI are those that meet both of the following conditions: (i) the asset is held within a business model whose objective is to hold the financial assets in order to both collect contractual cash flows and sell financial assets; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the outstanding principal amount. The effective yield component of debt securities at FVOCI, as well as the impact of restatement on foreign currency-denominated debt securities at FVOCI, is reported in the consolidated statement of income. Interest earned on holding debt securities at debt securities at FVOCI are reported as 'Interest income' using the effective interest rate (EIR) method. When the debt securities at FVOCI are disposed of, the cumulative gain or loss previously recognized in the consolidated statement of comprehensive income is recognized as 'Trading and securities gain (loss) - net' in the consolidated statement of income. The expected credit losses (ECL) arising from impairment of such investments are recognized in OCI with a corresponding charge to 'Provision for credit losses' in the consolidated statement of income.

Equity securities designated at FVOCI are those that the Group made an irrevocable election to present in OCI the subsequent changes in fair value. Dividends earned on holding equity securities at FVOCI are recognized in the consolidated statement of income as 'Dividends' when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Gains and losses on disposal of these equity securities are never recycled to profit or loss, but the cumulative gains or losses previously recognized in the consolidated statement of comprehensive income is reclassified to 'Retained earnings' or any other appropriate equity account upon disposal. Equity securities at FVOCI are not subject to impairment assessment.

The Group had no investment securities at FVOCI as at September 30, 2025 and December 31, 2024.

Financial assets at amortized cost

Financial assets at amortized cost are debt financial assets that meet both of the following conditions: (i) these are held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows; and (ii) the contractual terms give rise on specified dates to cash flows that are SPPI on the outstanding principal amount. This accounting policy mainly relates to the consolidated statement of financial position captions 'Cash and cash equivalents', 'Cash in a segregated account', 'Trade receivables', 'Other receivables', 'Investment securities at amortized cost' and deposit and refundable contributions to Clearing and Trade Guarantee Fund (CTGF) and refundable deposits under 'Other noncurrent assets', which arise primarily from service revenues and other types of receivables.

After initial measurement, financial assets at amortized cost are subsequently measured at amortized cost using the EIR method, less impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the EIR. The amortization is included in 'Interest income' in the consolidated statement of income. Gains and losses are recognized in statement of income when these investments are derecognized or impaired, as well as through the amortization process. The ECL are recognized in the statement of income under 'Provision for credit losses'. The effects of revaluation on foreign currency-denominated investments are recognized in the consolidated statement of income.

Fair Value Measurement

The Group measures financial instruments, such as financial assets at FVTPL, at fair value at each end of the reporting period. Also, fair values of financial instruments measured at amortized cost are disclosed in Note 24.

Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

The fair value of equity financial instruments that are actively traded in organized financial markets is determined by reference to quoted market close prices at the close of business of the reporting period.

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

Trade Receivables and Payables

Trade receivables from customers, which include margin accounts, and payable to clearing house and other brokers arise from securities purchased (in a regular way transaction) that have been contracted for but not yet delivered and settled at the end of the reporting period. Payable to customers and receivable from clearing house and other brokers arise from securities sold (in a regular way transaction) that have been contracted for but not yet delivered and settled at the end of the reporting period. Refer to the accounting policy for 'Financial instruments' for recognition and measurement. The related security valuation shows all positions as of clearance date.

Derecognition of Financial Instruments

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of income.

Impairment of Financial Assets

The Group recognizes an ECL for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two (2) stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group calculates ECL either on an individual or a collective basis. The Group performs collective impairment by grouping exposures into smaller homogeneous portfolios based on a combination of borrower and account characteristics. Accounts with similar risk attributes (i.e. facility, security, credit

rating, months-on-books, utilization and collateral type, etc.) are pooled together for calculation provisions based on the ECL models.

The Group assesses on a forward-looking basis the ECL associated with its debt instrument asset carried at amortized cost and the exposure arising from unutilized margin trading facility.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group uses a provision matrix that estimates provision rates per days past due bucket based on the SEC requirements, which considers the collateral securities with market value adjusted by certain factor, as required in the Group's risk-based capital calculation and incorporates forward-looking information. A broad range of forward-looking factors are considered as economic inputs, such as growth of the gross domestic product, inflation rates, unemployment rates, interest rates and PSE Composite Index (PSEi) statistical indicators.

For cash and cash equivalents, cash in a segregated account and short-term time deposits, the Group applies the low credit risk simplification.

Generally, the Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Investment securities at amortized cost are considered in default upon occurrence of a credit event such as but not limited to bankruptcy of counterparty, restructuring, failure to pay on an agreed settlement date, or request for moratorium.

Offsetting of Financial Assets and Liabilities

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and the Group intends to either settle on a net basis, or to realize the asset and the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

Property and Equipment

Property and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and amortization and any accumulated impairment losses, if any.

Such cost includes the cost of replacing part of such property and equipment, if the recognition criteria are met.

The initial cost of property and equipment comprises its purchase price, including import duties, non-refundable taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance, are normally charged against income in the period when the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Depreciation and amortization is computed on the straight-line basis over the following estimated useful lives of the assets:

Category	Number of Years
Online trading equipment and facilities	3-10
Furniture, fixtures and equipment	3-10
Transportation equipment	5
Leasehold improvements	5 or term of lease, whichever is shorter

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of income in the year the asset is derecognized. The asset's residual values, if any, useful lives and methods are reviewed and adjusted if appropriate, at each end of the reporting period.

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation (for depreciable investment properties) and impairment in value.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Expenditures incurred after the investment properties have been put into operations, such as repairs and maintenance costs, are normally charged to operations in the year in which the costs are incurred.

Depreciation is calculated on a straight-line basis using the remaining useful lives from the time of acquisition of the investment properties based on appraisal reports but not to exceed 50 years for buildings and condominium units.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

Intangibles

Exchange trading rights

Exchange trading rights are carried at cost less any allowance for impairment losses and are reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying values may be impaired. The exchange trading rights are deemed to have indefinite useful lives as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group. The assessment of indefinite life is reviewed annually to determine whether the indefinite useful life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The Parent Company's exchange trading right remains in use and is not held for sale. Meanwhile, COLHK's exchange trading right, which was non-transferable, became inactive upon the revocation of its broker-dealer license. This right has already been fully impaired in the Group's financial statements.

Software costs

Costs related to software purchased by the Group for use in operations are amortized on a straight-line basis over the estimated life of three (3) to ten (10) years.

Impairment of Non-Financial Assets

The Group assesses at each end of the reporting period whether there is an indication that its prepayments, property and equipment, intangibles and other non-financial assets may be impaired. If any such indication exists or when the annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's value-in-use (VIU) or its fair value less costs to sell. The fair value less costs to sell is the amount obtainable from the sale of an asset at an arm's length transaction, while VIU is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is recognized by a charge against current operations for the excess of the carrying amount of an asset over its recoverable amount in the year in which it arises.

Intangibles with indefinite useful lives are tested for impairment annually at end of the reporting period either individually or at the cash generating unit level, as appropriate. Intangibles with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. A previously recognized impairment loss is reversed by a credit to current operations to the extent that it does not restate the asset to a carrying amount in excess of what would have been determined (net of any accumulated depreciation and amortization) had no impairment loss been recognized for the asset in prior years.

Leases

Group as a lessee

The Group assesses at contract inception whether a contract is or contains a lease. A contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right-of-use on the underlying assets.

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Leases of low-value assets

The Group applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are made by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of income, net of any reimbursement.

Capital Stock and Capital Paid-in Excess of Par Value

The Parent Company's capital stock is stated at par value and classified as equity. Incremental costs directly attributable to the issue of new capital stock are shown in equity as a deduction, net of any related tax benefit, from the proceeds.

Where the Group purchases the Parent Company's capital stock (treasury shares), the consideration paid, including any directly attributable incremental costs (net of applicable taxes) is deducted from equity attributable to the Parent Company's stockholders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity.

Amount of contribution in excess of par value is accounted for as a capital in excess of par value. Capital in excess of par value also arises from additional capital contribution from the stockholders.

Retained Earnings

Retained earnings are accumulated profits realized out of normal and continuous operations of the business after deducting therefrom distributions to stockholders and transfers to capital or other accounts. Cash dividends are recognized as a liability and a deduction from equity when approved by the Parent Company's BOD while stock dividends are recognized as a deduction from retained earnings when approved by the Parent Company's BOD and stockholders. Dividends for the year that are approved after the end of the reporting period are dealt with as an event after the end of the reporting period.

Retained earnings may also include retrospective effect of changes in accounting policy as may be required by the transitional provisions of the new or revised accounting policy.

Unappropriated retained earnings represent the accumulated profits and gains realized out of the normal and continuous operations of the Group after deducting therefrom distributions to stockholders and transfers to capital stocks or other accounts, and which are:

- Not appropriated by its BOD for corporate expansion projects or programs;
- Not covered by a restriction for dividend declaration under a loan agreement;
- Not required under special circumstances obtaining in the Group such as when there is a need for a special reserve for probable contingencies.

Appropriated retained earnings represent that portion which has been restricted and, therefore, not available for dividend declaration.

Revenue Recognition

Revenue from contracts with customers is recognized upon performance of services to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or agent. The Group has concluded that it is the principal in all of its revenue arrangements except for its brokerage transactions. The following specific recognition criteria must also be met before revenue is recognized:

Commissions

Commissions are recognized as income upon confirmation of trade deals. These are computed for every trade transaction based on a flat rate or a percentage of the amount of trading transaction, whichever is higher.

Trail fees

Trail fees are recognized as income as earned. These pertain to the revenue earned by the Parent Company from the distribution of mutual funds of various fund houses to its customers and are computed daily as a percentage of the total assets under administration for each fund.

Revenues outside the scope of PFRS 15

Interest

For all financial instruments measured at amortized cost, interest income is recorded using EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument, including any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR. The adjusted carrying amount is calculated based on the original EIR. The change in carrying amount is recorded as 'Interest income'.

Under PFRS 9, when a financial asset becomes credit-impaired, the Group calculates interest income by applying the EIR to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

Trading gains - net

Results arising from trading activities include all gains and losses from changes in fair value for financial assets and financial liabilities at FVTPL and gains and losses from disposal of investment securities at FVTPL.

Unrealized trading gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealized gains and losses for financial instruments which were realized in the reporting period. Realized gains and losses on disposals of financial instruments classified as at FVTPL are calculated using the first-in, first-out (FIFO) method. They represent the difference between an instrument's initial carrying amount and disposal amount.

Dividend

Dividend income is recognized when the right to receive payment is established, which is the date of declaration.

Other income

Revenue is recognized in the consolidated statement of income as they are earned.

Costs and Expenses

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

Retirement Costs

Defined benefit plan

The Parent Company has a noncontributory defined benefit retirement plan.

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

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning the employees' projected salaries.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service cost, past service costs and gains or losses on non-routine settlements are recognized as 'Retirement costs' under 'Personnel costs'. Past service costs are recognized when plan amendment or curtailment occurs.

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

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to the consolidated statement of income in subsequent periods. Remeasurements recognized in OCI are retained in OCI which are presented as 'Gain (loss) on remeasurement of retirement obligation' under equity.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected

disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Defined contribution plan

The retirement plan of COLHK is a defined contribution retirement plan. Under a defined contribution retirement plan, the entity's legal and constructive obligation is limited to the amount that it agrees to contribute to the fund. Thus, the amount of the post-employment benefits received by the employee is determined by the amount of contributions paid by an entity to a post-employment benefit plan, together with investment returns arising from the contributions. Consequently, actuarial risk (that benefits will be less than expected) and investment risk (that assets invested will be sufficient to meet expected benefits) fall on the employee.

The standard requires an entity to recognize short-term employee benefits when an employee has rendered service in exchange of those benefits.

Earnings per Share (EPS)

Basic EPS is computed by dividing earnings applicable to common stock by the weighted average number of common shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the year.

Diluted EPS is computed by dividing net income by the weighted average number of common shares outstanding during the year, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the year, and adjusted for the effect of dilutive options.

Outstanding share options granted under the Parent Company's share options plan (SOP) will have a dilutive effect under the treasury stock method only when the average market price of the underlying common share during the period exceeds the exercise price of the option. Where the effect of the exercise of all outstanding options has anti-dilutive effect, basic and diluted EPS are stated at the same amount.

Potential ordinary shares are weighted for the period they are outstanding. Potential ordinary shares that are converted into ordinary shares during the period are included in the calculation of diluted EPS from the beginning of the period to the date of conversion; from the date of conversion, the resulting ordinary shares are included in both basic and diluted EPS.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The income tax rates and income tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred income tax

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

Deferred income tax assets and liabilities are recognized for all taxable temporary differences. With respect to investments in foreign subsidiaries, deferred income tax liabilities are recognized except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences including net loss carry-over to the extent that it is probable that sufficient future taxable income will be available against which the deductible temporary differences can be utilized. Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor the taxable income or loss.

The carrying amount of deferred income tax assets is reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that future taxable income will allow the deferred income tax asset to be recovered.

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

Deferred income tax relating to items recognized directly in equity is also recognized in equity. Deferred income tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Contingencies

Contingent liabilities are not recognized in the interim consolidated financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the interim consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on business segments is presented in Note 26.

Discontinued Operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as "Net loss from discontinued operations" in the consolidated statement of comprehensive income. All other notes to the consolidated financial statements include amounts for continuing operations, unless indicated otherwise. The related results of operations of the disposal group that qualified as a discontinued operation are separated from continuing operations and prior year's consolidated statements on income have been restated. Financial information on discontinued operations is presented in Note 29.

Events After the End of the Reporting Period

Post year-end events that provide additional information about the Group's position at the end of the reporting period (adjusting events) are reflected in the interim consolidated financial statements. Post year-end events that are not adjusting events are disclosed when material.

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the interim consolidated financial statements in accordance with PFRS requires the Group to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the interim consolidated financial statements as they become reasonably determinable.

Judgments and estimates and assumptions 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. However, actual outcome can differ from these estimates.

The following are the critical judgments and key assumptions that have a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Judgments

Offsetting of financial assets and liabilities

The Group considers its compliance with the offsetting criteria as a significant judgment in presenting financial assets and liabilities in its consolidated statements of financial position. In making such assessment, the Group determines at each financial asset and liability the existence of an enforceable legal right to offset and if there is an intention to settle on a net basis and to realize the assets and settle the liabilities simultaneously.

Estimates and Assumptions

Impairment of the intangibles

Intangibles include exchange trading rights which are carried at cost less any allowance for impairment loss. Exchange trading rights are reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying values may be impaired. The exchange trading rights are deemed to have indefinite useful lives as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group.

The key assumptions used to determine the recoverable amount of the Group's exchange trading rights are further explained in Note 11. The Parent Company does not intend to sell its exchange trading right in the near future. COLHK's right is nontransferable with an indefinite useful life. As at September 30, 2025 and December 31, 2024, the carrying values of intangibles are disclosed in Note 11.

Estimating recoverability of deferred income tax assets

Deferred income tax assets are recognized for all unused tax losses and temporary differences to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. The Group reviews the carrying amounts of deferred income tax assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. In the case of the Parent Company, management has to assess annually, for income tax purposes, the method of deduction that it should use in order to determine the impact of the temporary differences and the applicable effective tax rate. The deferred income tax assets (liabilities) as at September 30, 2025 and December 31, 2024 are disclosed in Note 19.

Determining retirement obligation

The costs of defined retirement obligation as well as the present value of the defined benefit obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future retirement increases. Due to the complexity of the valuation, the underlying

assumptions and its long-term nature, defined benefit obligation are highly sensitive to changes in these assumptions.

In determining the appropriate discount rate, Management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

4. Cash and Cash Equivalents and Short-term Time Deposits

Cash and Cash Equivalents

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash on hand and in banks	₱284,675,879	₱252,666,475
Short-term cash investments	9,333,880,684	9,451,249,308
	₱9,618,556,563	₱9,703,915,783

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are composed of short-term cash investments with varying periods of up to three (3) months depending on the Group's immediate cash requirements, and earn interest at 3.25% to 6.38% per annum during the nine-month period in 2025 and 2.75% to 6.50% per annum during the twelve-month period in 2024. The Parent Company has United States dollar (US\$)-denominated cash in banks amounting to US\$1,153 and US\$1,129 as at September 30, 2025 and December 31, 2024, respectively, while COLHK has US\$-denominated cash in banks amounting to nil and US\$501 as at September 30, 2025 and December 31, 2024, respectively.

In compliance with Securities Regulation Code (SRC) Rule 49.2 covering customer protection and custody of securities, the Parent Company maintains special reserve accounts for its customers amounting to ₱9,563,839,592 and ₱9,575,721,717 as at September 30, 2025 and December 31, 2024, respectively. The special reserve accounts consist of cash in banks and short-term cash investments which are recorded as 'Cash and cash equivalents'. The Parent Company's reserve requirement is determined based on the SEC's prescribed computations. As at September 30, 2025 and December 31, 2024, the Parent Company's reserve accounts are adequate to cover its reserve requirements.

Short-term Time Deposits

As of December 31, 2023, this account pertains to the Parent Company's time deposits in local banks that have original maturities of more than three (3) months but less than a year and earn interest at 6.00% to 6.25% per annum in 2023. These time deposits matured in January 2024.

Interest income of the Group from cash and cash equivalents and cash in segregated account amounted to ₱401,309,016 and ₱445,647,147 for the nine-month period ended September 30, 2025 and 2024, respectively (Note 16).

5. Cash in a Segregated Account

COLHK receives and holds money deposited by clients in the conduct of the regulated activities of its ordinary business. These clients' monies are maintained with a licensed bank. The Group has classified the clients' monies under current assets in the consolidated statements of financial position and recognized a corresponding payable to customers on grounds that it is liable for any loss or misappropriation of clients' monies (Note 13). It is also not allowed to use the clients' monies to settle its own obligations. As at September 30, 2025, COLHK no longer maintained cash in its segregated

account, as it had ceased its trading operations and its regulatory license was revoked by the Hong Kong SFC on April 7, 2025 (Note 29).

Interest income from cash in segregated account is included under ‘Interest income - banks’ (Notes 4 and 16).

6. Financial Assets at FVTPL

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Government debt securities	₱75,191,528	₱74,311,389
Mutual funds	69,376,819	26,401,984
Listed equity securities	414,601	448,121
	₱144,982,948	₱101,161,494

The peso-denominated government Treasury bill bears a nominal annual interest rate of 6.22% per annum during the twelve-month period in 2024. Interest income earned from these investments amounted to ₱346,297 for the nine-month period ended September 30, 2024. (Note 16).

The Group also invested in peso-denominated government bonds which bear nominal interest rates ranging from 4.63% to 9.25% per annum during the nine-month period in 2025 and twelve-month period in 2024. Interest income earned from the investments amounted to ₱3,145,293 and ₱3,149,323 in September 30, 2025 and 2024, respectively (Note 16).

The dividend income included under ‘Other revenues’ received from investments in mutual funds and shares of stocks of companies listed in the PSE amounted to ₱3,615 and ₱4,759 for the nine-month period ended September 30, 2025 and 2024, respectively (Note 16).

The Group’s net trading gains follow:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Unrealized trading gains	₱2,796,765	₱977,308
Trading gains from sale	36,085	652,885
	₱2,832,850	₱1,630,193

7. Trade Receivables and Other Receivables

Trade Receivables

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Customers (Note 20)	₱854,941,524	₱994,927,871
Clearing house	26,241,053	–
Mutual fund managers	2,386,851	2,182,609
	883,569,428	997,110,480
Less allowance for credit losses on trade receivables from customers	1,632,445	2,099,453
	₱881,936,983	₱995,011,027

The Group's trade receivables from customers and its security valuation follow:

	September 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Money Balance	Security Valuation	Money Balance	Security Valuation
Fully secured accounts:				
More than 250%	₱592,037,141	₱4,949,573,300	₱758,230,269	₱7,847,314,028
Between 200% and 250%	90,708,481	196,519,976	154,795,147	337,660,152
Between 150% and 200%	108,742,403	208,286,864	66,117,514	124,775,695
Between 100% and 150%	49,744,727	51,902,493	4,156,394	4,511,992
Less than 100%	13,693,703	13,590,653	11,609,627	11,524,343
Unsecured accounts	15,069	–	18,920	–
	854,941,524	₱5,419,873,286	994,927,871	₱8,325,786,210
Less allowance for credit losses on receivable from customers	1,632,445		2,099,453	
	₱853,309,079		₱992,828,418	

As at September 30, 2025 and December 31, 2024, the total credit line facility offered by the Parent Company to its customers who qualified for margin accounts amounted to ₱6,093,504,950 and ₱5,729,433,950, respectively.

Trade receivables from margin customers have no specific credit terms but customers are required to maintain the value of their collateral within a specific level. Once the value of the collateral falls down this level, customers may either deposit additional collateral or sell stocks to cover the deficiency in their account balance. Meanwhile, receivables from postpaid customers are required to be settled on two (2) trading days' term for the Parent Company. As at September 30, 2025 and December 31, 2024, COLHK has no outstanding receivables from postpaid customers as it ceased its trading operations on May 30, 2024. The receivables balances become demandable upon failure of the customer to duly comply with these requirements. As at September 30, 2025 and December 31, 2024, ₱841,232,752 and ₱983,299,324, respectively, of the total trade receivables from customers are fully covered by collateral.

Interest income from customers who availed of this margin facility amounted to ₱52,127,734 and ₱51,969,489 for the nine-month period ended September 30, 2025 and 2024, respectively (Note 16).

Trade receivables from clearing house as at September 30, 2025 were fully collected in October 2025.

Receivables from mutual fund managers represent compensation for selling mutual funds to its customers. The fee is calculated daily and collected monthly.

Other Receivables

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Accrued interest on investments	₱51,057,689	₱75,696,652
Mutual fund redemption proceeds (Note 14)	10,714,470	17,545,601
Employee salary loan and advances (Note 20)	2,085,603	2,368,703
Others	9,031,678	8,807,177
	₱72,889,440	₱104,418,133

Allowance for Credit Losses

Movements in the allowance for credit losses follow:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balances at beginning of period	₱2,099,453	₱2,216,128
Recovery from credit losses	(467,008)	(116,675)
Balances at end of period	₱1,632,445	₱2,099,453

8. Investment securities at amortized cost

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Current government debt securities	₱100,295,250	₱435,119,474
Noncurrent government debt securities	1,353,306,290	901,277,555
	₱1,453,601,540	₱1,336,397,029

The peso-denominated government debt securities bear nominal annual interest rate from 2.63% to 6.63% per annum during the nine-month period in 2025 and twelve-month period in 2024, with an EIR from 3.27% to 6.38% per annum during the nine-month period in 2025 and twelve-month period in 2024.

Sale of a government bond resulted in a loss amounting to ₱5,542,612 and nil for the nine-month period ended September 30, 2025 and 2024, respectively.

The Group's investments in government securities are considered of low credit risk since these are rated as Baa2 by an international credit rating company. This credit rating is still considered as 'Investment Grade.'

Interest income earned from these investments amounted to ₱56,379,928 and ₱55,944,280 for the nine-month period ended September 30, 2025 and 2024, respectively (Note 16).

9. Property and Equipment

The composition of and movements in this account follow:

	September 30, 2025 (Unaudited)							Total
	Online Trading Equipment and Facilities	Furniture, Fixtures and Equipment	Transportation Equipment	Leasehold Improvements	Construction in Progress	Right-of-Use Asset - Office Premises		
Cost								
At beginning of period	₱206,244,135	₱36,393,970	₱7,932,715	₱75,090,484	₱-	₱67,124,103	₱392,785,407	
Additions	12,911,250	1,947,640	1,691,072	5,270,425	1,524,209	35,204,707	58,549,303	
Disposals	(976,014)	(136,705)	-	-	-	(30,043,089)	(31,155,808)	
Reclassifications	-	22,668	-	1,501,541	(1,524,209)	-	-	
At end of period	218,179,371	38,227,573	9,623,787	81,862,450	-	72,285,721	420,178,902	
Accumulated depreciation								
At beginning of period	180,870,790	34,417,830	1,475,960	70,702,028	-	43,286,649	330,753,257	
Depreciation and amortization (Note 21)	6,316,564	937,548	1,246,276	2,444,406	-	16,939,398	27,884,192	
Disposals	(975,988)	(136,698)	-	-	-	(30,043,089)	(31,155,775)	
At end of period	186,211,366	35,218,680	2,722,236	73,146,434	-	30,182,958	327,481,674	
Net book value	₱31,968,005	₱3,008,893	₱6,901,551	₱8,716,016	₱-	₱42,102,763	₱92,697,228	
	December 31, 2024 (Audited)							
	Online Trading Equipment and Facilities	Furniture, Fixtures and Equipment	Transportation Equipment	Leasehold Improvements	Construction in Progress	Right-of-Use Asset - Office Premises	Total	
Cost								
At beginning of period	₱207,510,276	₱39,521,892	₱3,696,429	₱72,125,877	₱66,000	₱76,486,996	₱399,407,470	
Additions	7,344,735	1,823,376	4,236,286	3,916,529	-	10,882,413	28,203,339	
Reclassifications	-	-	-	66,000	(66,000)	-	-	
Disposals	(9,038,743)	(5,177,681)	-	(1,068,907)	-	(20,245,306)	(35,530,637)	
Translation adjustments	427,867	226,383	-	50,985	-	-	705,235	
At end of period	206,244,135	36,393,970	7,932,715	75,090,484	-	67,124,103	392,785,407	
Accumulated depreciation								
At beginning of period	182,543,969	37,533,400	61,905	66,765,245	-	40,788,961	327,693,480	
Depreciation and amortization (Note 21)	6,937,692	1,596,094	1,414,055	4,954,705	-	22,742,994	37,645,540	
Disposals	(9,038,738)	(4,922,818)	-	(1,068,907)	-	(20,245,306)	(35,275,769)	
Translation adjustments	427,867	211,154	-	50,985	-	-	690,006	
At end of period	180,870,790	34,417,830	1,475,960	70,702,028	-	43,286,649	330,753,257	
Net book value	₱25,373,345	₱1,976,140	₱6,456,755	₱4,388,456	₱-	₱23,837,454	₱62,032,150	

As at September 30, 2025 and December 31, 2024, the cost of the Group's fully depreciated property and equipment still in use amounted to ₱274,445,837 and ₱261,994,641, respectively. Disposal of property and equipment resulted in gains amounting to ₱8,896 and nil for the nine-month period ended September 30, 2025 and 2024, respectively.

The depreciation and amortization during the reporting period were classified as follows:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Cost of services	₱15,571,690	₱15,492,545
Operating expenses	12,312,502	13,401,967
	₱27,884,192	₱28,894,512

10. Investment Property

This account pertains to an office space held by the Parent Company for capital appreciation. Movements in the account follow:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cost		
At beginning period	₱17,509,736	₱17,509,736
Accumulated depreciation		
At beginning of period	6,128,408	5,252,922
Depreciation	656,615	875,486
At end of period	6,785,023	6,128,408
Net book value	₱10,724,713	₱11,381,328

As at September 30, 2025 and December 31, 2024, the fair value of investment property amounted to ₱38,413,490.

The depreciation of investment property recorded in 'Depreciation and amortization' in the consolidated statements of income amounted to ₱656,615 for the nine-month period ended September 30, 2025 and 2024.

Collaterals

As at September 30, 2025 and December 31, 2024, the Group's investment property is not pledged as collateral.

11. Intangibles

Stock Exchange Trading Rights

Philippine Operations

As at September 30, 2025 and December 31, 2024, the fair value of the exchange trading right amounted to ₱8,000,000, representing the last transacted price of the exchange trading right (as provided by the PSE). As at September 30, 2025 and December 31, 2024, the carrying value of the exchange trading right amounted to ₱5,000,000.

Hong Kong Operations

COLHK's exchange trading right is carried at its cost net of accumulated impairment losses. The carrying value of the exchange trading right is reviewed annually to ensure that this does not exceed the recoverable amount, whether or not an indicator of impairment is present. The stock exchange trading right is a non-transferable right with an indefinite useful life. It is closely associated with COLHK's business activities to have a right to trade the shares in the Hong Kong Stock Exchange (HKEX).

On April 7, 2025, the Hong Kong's SFC approved COLHK's application to revoke its license (Note 29). The Group has fully impaired the exchange trading right of COLHK amounting to HKD2,860,000 in 2017.

Software Costs and Licenses

Movements in the software costs and licenses account follow:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cost		
At beginning of period	P51,211,221	P49,286,669
Additions	2,905,891	1,924,552
Reclassification	7,103,571	–
At end of period	61,220,683	51,211,221
Accumulated amortization		
At beginning of period	48,260,865	46,420,335
Amortization	1,447,082	1,840,530
At end of period	49,707,947	48,260,865
Net book value	P11,512,736	P2,950,356

The amortization of software costs and licenses recorded in 'Depreciation and amortization' in the consolidated statements of income were classified as follows:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Cost of services	P644,478	P873,429
Operating expenses	802,604	490,348
	P1,447,082	P1,363,777

As at September 30, 2025 and December 31, 2024, the costs of the Group's fully amortized software still in use amounted to P43,727,916 and P37,086,667, respectively.

12. Other Assets

Other Current Assets

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Income tax overpayment	P25,481,528	P25,398,959
Deferred input VAT	764,960	816,371
	P26,246,488	P26,215,330

Income tax overpayment pertains to the Group's unused CWT and excess income tax payments.

Other Noncurrent Assets

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Deposit to CTGF	₱59,810,893	₱57,688,271
Intangible assets under development	959,125	7,849,571
Refundable deposits:		
Rental and utility deposits	5,479,636	5,590,962
Other refundable deposits	3,392,520	3,887,610
	69,642,174	75,016,414
Deferred input VAT	573,220	599,782
	₱70,215,394	₱75,616,196

Deposit and refundable contributions to CTGF

The Parent Company, as a clearing member, is required to pay monthly contributions to the CTGF maintained by the SCCP equivalent to 1/500 of 1.00% of the clearing member's total monthly turnover value less block sales and cross transactions of the same flag.

These are refundable upon cessation of the Clearing Members' business and/or termination of their membership with SCCP, provided that all liabilities owing to SCCP at the time of termination, whether actual or contingent, shall have been satisfied or paid in full. The Parent Company recognized total refundable contributions as of September 30, 2025 and December 31, 2024 as 'Other noncurrent assets' amounting to ₱59,810,893 and ₱57,688,271, respectively.

Refundable deposits

Other refundable deposits include those made by the Parent Company to its internet service providers.

13. Trade Payables

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Customers (Note 20)	₱9,690,693,504	₱9,785,431,339
Clearing house	71,480,169	54,206,442
Others	2,490	2,703
	₱9,762,176,163	₱9,839,640,484

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

	September 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
Payable to customers:				
With money balances	₱9,690,693,504	₱101,696,462,890	₱9,785,431,339	₱97,495,145,660
No money balances	–	5,220,146,181	–	2,450,497,205
	₱9,690,693,504	₱106,916,609,071	₱9,785,431,339	₱99,945,642,865

Generally, trade payables to customers are noninterest-bearing and have no specific credit terms.

COLHK's payable to customers pertain to the trust and segregated bank balances received and held for its clients during the conduct of regulated activities. As it is in the process of dissolution, the funds have already been returned to its customers as at September 30, 2025 and December 31, 2024 (Note 7).

Trade payables to clearing house as at September 30, 2025 and December 31, 2024 were fully paid subsequently in October and January 2025, respectively. These payables are noninterest-bearing and are due for settlement within two (2) trading days, in accordance with the settlement convention of the Philippine clearing house (Note 7).

14. Other Current Liabilities

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Due to BIR	₱17,122,827	₱37,793,908
Accrued expenses	14,585,741	42,456,073
Unposted customers' deposits	13,781,485	18,076,186
Mutual fund redemption proceeds (Note 7)	10,812,776	17,545,600
Trading fees	2,341,446	1,287,638
Accrued management bonus	–	37,048,669
Others	14,539,425	13,306,979
	₱73,183,700	₱167,515,053

Due to BIR consists of stock transaction, withholding and output taxes payable to the Philippine BIR.

Accrued expenses and accrued management bonus pertain to accruals of operating expenses that were incurred but not yet paid and accruals made for the employees' performance bonus.

Unposted customer deposits refer to funds received from customers, including initial deposits, additional funding, and remittances from external sources, that were either unverified or received after the back-office processing cut-off. Once confirmed, these funds are credited to the customers' trading accounts on the next business day following the end of the reporting period.

Trading fees pertain to transaction costs and clearing fees on the purchase and sale of stocks that are payable to the regulatory bodies.

'Others' consist mostly of withdrawal proceeds in the form of check, issued and released to the customers of the Parent Company which are outstanding beyond six (6) months.

15. Equity

Capital Stock

The details and movements of the Parent Company's capital stock follow:

	September 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Shares	Amount	Shares	Amount
Common stock - ₱0.10 per share				
Authorized	10,000,000,000	₱1,000,000,000	10,000,000,000	₱1,000,000,000
Issued and outstanding				
Balance at beginning of period	5,949,999,998	₱595,000,000	4,760,000,000	₱476,000,000
Distribution of stock dividends	–	–	1,189,999,998	119,000,000
Balance at end of period	5,949,999,998	₱595,000,000	5,949,999,998	₱595,000,000

All issued and outstanding shares of the Parent Company are listed with the PSE (Note 1). As at September 30, 2025 and December 31, 2024, there were 32 holders of the listed shares of the Parent Company, with a its share price closing at ₱1.50 and ₱1.65 per share, respectively.

Retained Earnings

Appropriated Retained Earnings

In compliance with SRC Rule 49.1 B, *Reserve Fund*, the Parent Company annually sets aside 10.00% of its audited net income to appropriated retained earnings. The minimum appropriation rate varies based on the broker dealer’s unimpaired paid-up capital. If the Parent Company’s paid-up capital becomes impaired, an equivalent amount must be transferred from appropriated retained earnings to the capital account, which shall not be available for dividend payments. In 2024 and 2023, the BOD approved the additional appropriation of ₱50,466,630 and ₱44,322,650, respectively.

On November 15, 2022, the BOD approved the appropriation of ₱100.00 million from the Parent Company’s unrestricted retained earnings as of December 31, 2021 to support its IT development plan and expansion project, which will run until December 2027. On December 27, 2023, the BOD approved the reversal of the utilized portion of appropriated retained earnings earmarked for IT development amounting to ₱27,135,148. As at September 30, 2025 and December 31, 2024, the remaining appropriated retained earnings for the IT development plan and expansion projects amounted to ₱72,864,852.

Dividends

Details of the Parent Company’s dividend distributions from 2024 to 2025 follow:

Type of Dividend	Dividend Rate	Date of Declaration	Date of Record	Approved Date of Payment	Amount
2025					
Regular cash dividend	₱0.0157	April 25, 2025	May 16, 2025	June 4, 2025	₱93,415,000
Special cash dividend	0.0393	April 25, 2025	May 16, 2025	June 4, 2025	233,835,000
					₱327,250,000
2024					
Stock dividend	25.00%	August 16, 2024	October 23, 2024	November 14, 2024	₱119,000,000
Regular cash dividend	₱0.0186	April 26, 2024	May 17, 2024	June 5, 2024	88,536,000
Special cash dividend	0.0465	April 26, 2024	May 17, 2024	June 5, 2024	221,340,000
					₱428,876,000

As at September 30, 2025 and December 31, 2024, the consolidated retained earnings include the retained earnings of the Subsidiaries amounting to ₱14,224,925 and ₱55,995,019, respectively, which are not available for dividend declaration until such amounts are declared to the Parent Company.

Non-Controlling Interest

The Parent Company established CIMI in 2019, initially holding a 70% equity stake, with a non-controlling interest of 30.00%. In July 2024, the Parent Company acquired an additional 10.00% interest in CIMI for ₱7,560,000, increasing its stake to 80.00% and reducing the non-controlling interest to 20.00% as at December 31, 2024, and September 30, 2025.

The difference between the purchase price of ₱7,560,000 and the net asset value of the acquired 10.00% share was recognized under the “Other equity reserves” account within the equity attributable to the equity holders of the Parent Company in the consolidated statements of financial position.

The summarized financial information of CIMI is provided below. This information is based on amounts before inter-company eliminations.

Summarized statements of financial position as of September 30, 2025 (Unaudited) and December 31, 2024 (Audited)

	2025	2024
Cash and cash equivalents (current)	P 1,349,797	P46,801,098
Financial assets at FVTPL (current)	56,915,037	14,527,035
Other receivables (current)	849,256	806,056
Other assets (current)	3,066,290	2,212,277
Property and equipment (non-current)	1,162,186	1,238,010
Other assets (non-current)	307,518	333,005
Trade payables (current)	(591,540)	(509,219)
Accrued expenses (current)	–	(244,241)
Other liabilities (current)	(445,510)	(419,619)
Lease liability (current)	(443,396)	(722,580)
Lease liability (non-current)	–	(255,358)
Total equity	P62,169,638	P63,766,464
Attributable to:		
Equity holders of the Parent Company	P 49,735,710	P51,013,171
Non-controlling interest	12,433,928	12,753,293

Summarized statements of income for the nine months ended September 30, 2025 and 2024 (Unaudited)

	2025	2024
Management fees	P 6,625,140	P4,621,905
Interest income	742,777	2,676,848
Trading gains – net	1,414,517	233,499
Operating expenses	(10,202,887)	(8,273,994)
Loss before income tax	(1,420,453)	(741,742)
Provision for income tax	176,372	684,134
Net loss	(P1,596,825)	(P1,425,876)
Attributable to:		
Equity holders of the Parent Company	(P 1,277,460)	(P1,017,062)
Non-controlling interest	(319,365)	(408,814)

Summarized cash flow information for the nine months ended September 30, 2025 and 2024 (Unaudited)

	2025	2024
Operating activities	(P 44,255,972)	P1,352,347
Investing activities	(625,529)	(89,287)
Financing activities	(569,800)	(543,200)
Net decrease in cash and cash equivalents	(P45,451,301)	P719,860

Dissolution of COLHK

On March 3, 2025, the Hong Kong Companies Registry approved the capital reduction, lowering COLHK's capital stock to HKD5,000,000, as part of its wind-down process following its August 2024 application to revoke its broker-dealer license. The SFC subsequently revoked COLHK's license to perform regulated activity on April 7, 2025 (Note 29).

16. Revenues

Breakdown of the Group's revenues are as follows:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Revenue from contracts with customers		
Commissions	₱335,802,426	₱294,292,473
Trail fees	20,170,806	17,793,120
Others	25,358,527	20,197,637
	381,331,759	332,283,230
Other revenues		
Interest income	512,961,971	557,056,699
Trading gains - net	2,832,850	1,630,193
Others	3,615	1,444,760
	515,798,436	560,131,652
	₱897,130,195	₱892,414,882

'Others' presented in the consolidated statements of income consists of:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Trading charges billed to customer	₱17,879,159	₱14,856,731
Management fee	6,625,140	4,621,903
Dividend income	3,615	4,759
Miscellaneous	854,228	2,159,004
	₱25,362,142	₱21,642,397

Trading charges billed to customer pertains to the regular transaction fees that are normally charged to customers upon execution and completion of trade orders. Since the Parent Company is primarily responsible to its counterparties for the settlement of trading fees charged to its customers, it has concluded that it is acting as a principal and accordingly presents the fees collected from its customers as revenue under 'Others' and treat the subsequent remittance as expense recognized as part of 'Stock exchange dues and fees.'

Stock exchange dues and fees consists of:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Stock trading costs charged to customers	₱17,879,159	₱14,856,731
Membership fees and dues	8,773,589	7,652,271
Dealer trades and other transaction costs	196,176	137,956
Miscellaneous	146,943	75,720
	₱26,995,867	₱22,722,678

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	September 30, 2025 (Unaudited)			
	Commissions	Trail fees	Other income	Total
Continuing operations	₱335,802,426	₱20,170,806	₱25,358,527	₱381,331,759
Discontinued operations	-	-	10,441	10,441
	₱335,802,426	₱20,170,806	₱25,368,968	₱381,342,200

	September 30, 2024 (Unaudited)			
	Commissions	Trail fees	Other income	Total
Continuing operations	₱294,292,473	₱17,793,120	₱20,197,637	₱332,283,230
Discontinued operations	169,276	–	1,028,830	1,198,106
	₱294,461,749	₱17,793,120	₱21,226,467	₱333,481,336

Interest income earned consists of income from:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Banks (Notes 4 and 5)	₱401,309,016	₱445,647,147
Investment securities at amortized cost (Note 8)	56,379,928	55,944,280
Customers (Note 7)	52,127,734	51,969,489
Financial assets at FVTPL (Note 6)	3,145,293	3,495,620
Others	–	163
	₱512,961,971	₱557,056,699

17. Personnel Costs

This account consists of:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Salaries and wages	₱119,332,469	₱105,569,146
Other benefits	20,196,618	14,967,856
	₱139,529,087	₱120,537,002

Other benefits include monetized leave credits of employees and other regulatory benefits.

The above accounts were distributed as follows:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Cost of services	₱40,419,098	₱35,071,967
Operating expenses	99,109,989	85,465,035
	₱139,529,087	₱120,537,002

18. Employee Benefits

Retirement Benefits

The Parent Company has a funded, noncontributory defined benefit retirement plan covering substantially all of its regular employees. The benefits are based on a certain percentage of the final monthly basic salary for every year of credited service of the employees. The defined retirement benefit obligation is determined using the projected unit credit method. There was no plan termination, curtailment or settlement as of September 30, 2025 and December 31, 2024.

Under the existing regulatory framework, RA 7641, The Retirement Pay Law, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

19. Income Taxes

Income taxes include the corporate income tax, as discussed below, and final taxes paid at the rate of 20.00% for interest income on Peso cash deposits and short-term placements and 15.00% for interest income on foreign currency cash deposits and short-term placements. These income taxes, as well as the deferred tax benefits and provisions, are presented as 'Provision for income tax' in the parent company statements of income.

Provision for income tax consists of:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Current:		
Final income tax	₱92,136,339	₱100,919,584
Corporate income tax	5,879,346	4,070,026
Deferred	14,688,159	23,318,809
	₱112,703,844	₱128,308,419

In 2025 and 2024, the Parent Company availed of the itemized deduction method in calculating the allowed deductions for income tax purposes.

Deferred Income Taxes

The components of the Group's net deferred income tax assets (liabilities) follow:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Deferred income tax assets		
Retirement obligation	₱20,478,844	₱21,728,836
Leases liabilities	11,014,539	6,686,003
NOLCO	–	29,023,563
	31,493,383	57,438,402
Deferred income tax liabilities		
Right-of-use assets	(10,427,235)	(5,914,356)
Unrealized gain from expected closure of COLHK	(8,825,376)	(24,742,393)
Unrealized trading gains	(315,828)	(95,256)
Accumulated translation adjustment	–	(12,270,454)
Others	(4,469)	(77,764)
	(19,572,908)	(43,100,223)
	₱11,920,475	₱14,338,179

Realization of the future tax benefits related to the net deferred income tax assets is dependent on many factors, including the Group's ability to generate taxable income, within the carry-over period (see Note 3).

20. Related Party Disclosures

a. The summary of significant transactions and account balances with related parties are as follows:

Category	Commission income	Interest income	Professional fees	Directors' fees	Capital Expenditures	Condominium dues	Rental Payments	Other Expenses
Key management personnel								
September 30, 2025 (Unaudited)	₱738,937	₱1,735,910	₱–	₱–	₱–	₱–	₱–	₱–
September 30, 2024 (Unaudited)	1,008,030	1,073,756	–	–	–	–	–	–
Companies with common officers, directors and stockholders								
September 30, 2025 (Unaudited)	1,224,206	3,911,380	–	–	757,864	330,750	2,646,000	67,000
September 30, 2024 (Unaudited)	1,382,935	3,184,729	437,966	–	239,712	330,750	2,608,200	16,071
Directors								
September 30, 2025 (Unaudited)	326,330	1,103,050	–	1,900,000	–	–	–	–
September 30, 2024 (Unaudited)	422,233	2,038,913	–	1,760,000	–	–	–	–

Category	Trade payables	Trade receivables	Terms	Conditions
Key management personnel				
September 30, 2025 (Unaudited)	₱2,053,604	₱39,966,379	3-day; non-interest bearing/Collectible or payable on demand; interest bearing	Secured; no impairment; no guarantee
December 31, 2024 (Audited)	1,147,950	45,540,892		
Companies with common officers, directors and stockholders				
September 30, 2025 (Unaudited)	3,250,126	67,714,742	3-day; non-interest bearing/ Collectible or payable on demand; interest bearing/Payable upon billing; non-interest bearing	Secured; no impairment; no guarantee
December 31, 2024 (Audited)	–	85,944,886		
Directors				
September 30, 2025 (Unaudited)	21,601,112	–	3-day; non-interest bearing/ Collectible or payable on demand; interest bearing	Secured; no impairment; no guarantee
December 31, 2024 (Audited)	5,599,912	25,262,326		

- a. Trade receivables from and payables to related parties are due to be settled in two (2) trading days in the Philippines, except for trade receivables under margin accounts. Trade receivables from related parties under margin accounts are interest-bearing, not guaranteed but secured by shares of stocks (except for trade receivables amounting to ₱15,069 and ₱18,920, which was unsecured as of September 30, 2025 and December 31, 2024, respectively (Note 7). The trade receivables from related parties are not impaired.
- b. As of September 30, 2025 and December 31, 2024, the Group also has unsecured noninterest-bearing employee salary loans and advances amounting to ₱2,085,603 and ₱2,368,703 with remaining terms ranging from six (6) months to one (1) year, which are included under 'Other receivables' (Note 7).
- c. Compensation of key management personnel of the Group follows:

	September 30, 2025	September 30, 2024
	(Unaudited)	(Unaudited)
Short-term employee benefits	₱35,230,841	₱23,228,161
Retirement costs	–	32,726
Other benefits	–	523,613
	₱35,230,841	₱23,784,500

21. Leases

The Group leases its office premises under separate operating lease agreements expiring on various dates and whose lease terms are negotiated every one (1) to three (3) years.

The Group applied a single recognition and measurement approach for all leases. Set-out below are the carrying amount of lease liabilities and the movements during the period:

	September 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
At beginning of period	₱26,939,597	₱39,146,553
Additions	35,204,707	10,882,413
Accretion of interest	1,472,520	2,292,059
Payments	(19,154,932)	(25,381,428)
At end of period	₱44,461,892	₱26,939,597
Current	₱18,950,707	₱15,230,525
Non-current	25,511,185	11,709,072
	₱44,461,892	₱26,939,597

The following are the amounts recognized in the consolidated statements of income:

	September 30, 2025	September 30, 2024
	(Unaudited)	(Unaudited)
Cost of Services		
Depreciation expense (Note 9)	₱10,091,226	₱8,693,537
Interest expense on lease liabilities	1,049,517	913,281
	11,140,743	9,606,818
Operating Expenses		
Depreciation expense (Note 9)	6,848,172	8,388,385
Interest expense on lease liabilities	423,003	865,232
	7,271,175	9,253,617
	₱18,411,918	₱18,860,435

The Group also has lease contracts on low-value assets. The Group applies the recognition exemption for these leases. Rental costs charged to operations pertaining to leases of low-value assets amounted to ₱316,442 and ₱237,675 for the nine-month period ended September 30, 2025 and 2024, respectively.

Shown below is the maturity analysis of the undiscounted lease payments:

	September 30, 2025	September 30, 2024
	(Unaudited)	(Unaudited)
Within one (1) year	₱21,230,717	₱20,481,422
More than 1 years to 2 years	14,856,616	7,273,420
More than 2 years to 3 years	11,494,334	4,013,235
More than 3 years to 4 years	793,800	3,175,200
More than 4 years to 5 years	–	793,800
	₱48,375,467	₱35,737,077

22. Capital Management

The primary objective of the Group's capital management is to ensure that the Group maintains healthy capital ratios in order to support its business, pay existing obligations and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the periods ended September 30, 2025 and December 31, 2024.

The Amended Implementing Rules and Regulations of the SRC effective March 6, 2004 include, among others, revisions in the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows:

- a. To allow a net capital of ₱2,500,000 or 2.50% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities,
- b. To allow the SEC to set a different net capital requirement for those authorized to use the Risk-Based Capital Adequacy (RBCA) model, and
- c. To require unimpaired paid-up capital of ₱100,000,000 for broker dealers, which are either first time registrants or those acquiring existing broker dealer firms and will participate in a registered clearing agency; ₱10,000,000 plus a surety bond for existing broker dealers not engaged in market making transactions; and ₱2,500,000 for broker dealers dealing only in proprietary shares and not holding securities.

The SEC approved Memorandum Circular No. 16 dated November 11, 2004 which provides the guidelines on the adoption in the Philippines of the RBCA Framework for all registered brokers dealers in accordance with SRC. These guidelines cover the following risks:

- a. position or market risk,
- b. credit risks such as counterparty, settlement, large exposure, and margin financing risks, and
- c. operational risk.

The Parent Company, as a registered broker dealer in securities, is subject to stringent regulations of the SEC and other regulatory bodies, particularly with respect to maintaining prescribed Risk-Based Capital Adequacy (RBCA) levels. The RBCA measures the broker dealer's total risk against its liquid capital. To remain compliant, the Parent Company must observe the following requirements:

- Maintain an RBCA ratio of at least 110%.
- Maintain Net Liquid Capital (NLC) of at least ₱5,000,000 or 5% of aggregate indebtedness, whichever is higher.
- Ensure that Aggregate Indebtedness (AI) does not exceed 2,000% of NLC.

If the minimum RBCA ratio of one hundred ten percent (110.00%) or the minimum NLC is breached, the Parent Company shall immediately cease doing business as a broker dealer and shall notify the PSE and SEC. As at September 30, 2025 and December 31, 2024, the Parent Company is compliant with the foregoing requirements.

The Parent Company's capital pertains to equity per books adjusted for deferred income tax assets and assets not readily convertible into cash.

The RBCA ratio of the Parent Company as of September 30, 2025 and December 31, 2024 are as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Equity eligible for net liquid capital	₱2,403,616,627	₱2,218,801,053
Less: Ineligible Assets	420,677,229	526,396,798
NLC	₱1,982,939,398	₱1,692,404,255
Position risk	₱46,478,980	₱34,261,435
Operational risk	180,673,741	194,611,489
Large exposure risk	26,231,321	14,367,447
Total Risk Capital Requirement (TRCR)	₱253,384,042	₱243,240,371
AI	₱9,911,453,605	₱10,049,661,554
5.00% of AI	₱495,572,680	₱502,483,078
Required NLC	₱495,572,680	₱502,483,078
Net Risk-Based Capital Excess	₱1,487,366,718	₱1,189,921,177
Ratio of AI to NLC	499.84%	593.81%
RBCA ratio (NLC/TRCR)	782.58%	695.77%

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

1. Ineligible assets

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

2. Operational risk requirement

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

3. Position risk requirement

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

4. AI

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

On May 28, 2009, the SEC approved the PSE's Rules Governing Trading Rights and Trading Participants, which supersede the Membership Rules of the PSE. Section 8(c) of Article III of the said rules requires trading participants to have a minimum unimpaired paid-up capital, as defined by the SEC, of ₱20,000,000 effective December 31, 2009, and ₱30,000,000 effective December 31, 2010 and onwards. As at September 30, 2025 and December 31, 2024, the Parent Company is compliant with this capital requirement.

The Parent Company's regulated operations have complied with all externally-imposed capital requirements as at September 30, 2025 and December 31, 2024.

COLHK monitors capital using liquid capital as provided for under Hong Kong's Securities and Futures Ordinance (Cap. 571) and Securities and Futures (Financial Resources) Rules (Cap. 571N). COLHK's policy is to keep liquid capital at the higher of the floor requirement of HK\$3,000,000 and computed variable required capital. As at December 31, 2024, COLHK is compliant with the said requirement. However, effective April 7, 2025, COLHK ceased monitoring its liquid capital following the revocation of its license by the SFC.

23. Financial Risk Management Objectives and Policies

The main purpose of the Group's financial instruments is to fund its operations. The Group's principal financial instruments consist of cash and cash equivalents, cash in a segregated account, financial assets at FVTPL, investment securities at amortized cost, trade receivables, other receivables, deposit and refundable contributions to CTGF, refundable deposits under other noncurrent assets, trade payables and other current liabilities, which arise from operations.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, equity price risk and foreign currency risk.

The BOD reviews and agrees on the policies for managing each of these risks which are summarized below:

Credit risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due. It is inherent to the stock brokerage business as potential losses may arise due to the failure of its customers and counterparties to fulfill their trading obligations on settlement dates or the possibility that the value of collateral held to secure obligations becoming inadequate due to adverse market conditions.

The business model of the Group minimizes its exposure to credit risk. The Group's customers, except those granted with a credit line facility by the Parent Company, are required to deposit funds to their accounts and their purchases are limited to their cash deposit. In order to manage the potential credit risk associated with the Parent Company's margin lending activities, the Group has established policies and procedures in evaluating and approving applications for margin financing as well as the review of credit performance and limits. In addition, the Parent Company requires its margin customers a Two Peso (₱2) security cover for every One Peso (₱1) exposure. The security cover can either be in cash or a combination of cash and marginable stock identified by the Parent Company using a set of criteria.

The Group utilizes an internal credit rating system based on its assessment of the quality of its financial assets. The Group classifies its financial assets into the following credit grades:

- *High grade* - This pertains to accounts with a very low probability of default as demonstrated by the counterparty's long history of stability, profitability and diversity. This applies to highly rated financial obligors, strong corporate counterparties and personal borrowers with whom the Group has excellent repayment experience.
- *Standard grade* – This pertains to counterparties with no history of default. This applies to financial assets that are performing as expected.

Financial assets at amortized cost

The Group's financial assets at amortized cost, which are neither past due nor impaired, are classified as high grade and are in stage 1 of the ECL model, due to its high probability of collection (i.e. the counterparty has the evident ability to satisfy its obligation).

Cash and cash equivalents, cash in a segregated and short-term time deposits account are considered high grade and are in stage 1 of the ECL model. These are deposited with reputable banks duly approved by the BOD and have low probability of insolvency. These are considered to be low credit risk investments.

Trade receivables from margin customers have no specific credit terms but customers are required to maintain the value of their collateral within a specific level. Once the value of the collateral falls down this level, customers may either deposit additional collateral or sell stock to cover any shortfall. Meanwhile, receivables from postpaid customers are required to be settled on two (2) trading days' term for the Parent Company and COLHK. The receivable balances become demandable upon failure of the customer to duly comply with these requirements. As at September 30, 2025 and December 31, 2024, ₱854,926,455 and ₱994,908,951 of the total receivables from customers is secured by collateral comprising of equity securities of listed companies with a total market value of ₱5,419,873,286 and ₱8,325,786,210, respectively (Note 7).

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses, while also considering the regulatory requirements under SRC Rule 52.1. The provision matrix is based on the Group's historical observed default rates. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The aging analyses of the Group's trade receivables as at September 30, 2025 and December 31, 2024 are summarized in the following table (gross of allowance for credit losses):

	Days after trade date				Total
	T+0 to T+1	T+2 to T+12	T+13 to T+30	T+31 to T+365	
September 30, 2025 (Unaudited)					
Expected loss rate	0.00%	2.00%	0.00%	0.00%	0.19%
Trade receivables	₱105,624,889	₱80,868,811	₱111,086,321	₱557,361,503	₱854,941,524
Expected credit loss	–	1,617,376	–	15,069	1,632,445
December 31, 2024 (Audited)					
Expected loss rate	0.00%	2.00%	0.00%	0.00%	0.21%
Trade receivables	₱55,105,917	₱104,026,697	₱200,844,528	₱634,950,729	₱994,927,871
Expected credit loss	–	2,080,533	–	18,920	2,099,453

Past due accounts pertain to margin accounts of the Parent Company. A margin account has no due date and becomes demandable only when the equity percentage of the customers falls below 33.33%. The loss rate for trade receivables is considered minimal.

Transactions through the stock exchange are covered by the guarantee fund contributed by member brokers and maintained by the clearing house.

Investment securities at amortized cost are classified as high grade. The Group's investments in government securities are considered of low credit risk since these are rated as Baa2 by an international credit rating company. This credit rating is still considered as 'Investment Grade.'

Refundable deposits under other noncurrent assets are classified as high grade and are in stage 1 of the ECL model since the amount shall be kept intact by the lessor throughout the term of the contract and shall be returned after the term.

Deposit and refundable contributions to CTGF

Deposit and refundable contributions to CTGF pertains to contributions made by the Parent Company to a guarantee fund as required by the SCCP and is classified as high grade. The Parent Company does not expect significant exposure on the balance as the amount shall be kept intact by the SCCP as a requirement to conduct stock brokerage business and shall be returned after the Parent Company ceases to operate its business.

Other receivables

These receivables from counterparties with no history of default and are not past due as at the end of the reporting period are classified as standard grade.

Collateral and other credit enhancement

Margin customers are required to maintain the value of their collateral within a specific level. Once the value of the collateral falls down this level, customers may either deposit additional collateral or sell stock to cover their shortfall.

Collateral comes in the form of financial assets. This pertains to securities listed and traded in the PSE and lodged with the Philippine Depository and Trust Corporation under the account of the Parent Company. The market value of the securities is closely monitored to ensure compliance with the required levels of collaterals.

The Group's exposure to credit risk arising from default of the counterparty has a maximum exposure equal to the carrying amount of the particular instrument plus any irrevocable loan commitment or credit facility.

There are no significant concentrations of credit risk within the Group.

Maximum exposure to credit risk and collateral and other credit enhancements

Except for receivable from customers, the carrying values of the Group's financial assets as reflected in the consolidated statements of financial position as of September 30, 2025 and December 31, 2024 represent the financial asset's maximum exposure to credit risk as there are no collateral held or other credit enhancements related to these financial assets.

	September 30, 2025 (Unaudited)			
	Gross Carrying Amount	Fair Value of Collateral*	Maximum Exposure to Credit Risk	Financial effect of collateral and other credit enhancements
Receivable from customers				
Unsecured	₱15,069	₱–	₱15,069	₱15,069
Partially secured	13,693,703	13,590,653	103,050	13,590,653
Fully secured	841,232,752	5,406,282,633	–	841,232,752
	₱854,941,524	₱5,419,873,286	₱118,119	₱854,838,474

December 31, 2024 (Audited)				
	Gross Carrying Amount	Fair Value of Collateral*	Maximum Exposure to Credit Risk	Financial effect of collateral and other credit enhancements
Receivable from customers				
Unsecured	₱18,920	₱–	₱18,920	₱18,920
Partially secured	11,609,627	11,524,343	85,284	11,524,343
Fully secured	983,299,324	8,314,261,867	–	983,299,324
	<u>₱994,927,871</u>	<u>₱8,325,786,210</u>	<u>₱104,204</u>	<u>₱994,842,587</u>

Liquidity Risk

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

The Group manages its liquidity profile to meet the following objectives: a) to ensure that adequate funding is available at all times; b) to meet commitments as they arise without incurring unnecessary costs; and c) to be able to access funding when needed at the least possible cost.

As at September 30, 2025 and December 31, 2024, all of the Group's financial liabilities, which consist of trade payables and other current liabilities (except statutory payables), are contractually payable on demand and up to a 60-day term.

Correspondingly, the financial assets that can be used by the Group to manage its liquidity risk as at September 30, 2025 and December 31, 2024 consist of cash and cash equivalents, financial assets at FVTPL and trade receivables.

Market Risk

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchanges rates, commodity prices, equity prices and other market changes. The Group's market risk originates from its holdings of equity instruments and foreign currency-denominated financial instruments.

Equity price risk

Equity price risk is the risk to earnings or capital arising from changes in stock exchange indices relating to its quoted equity securities. The Group's exposure to equity price risk relates primarily to its financial assets at FVTPL which pertain to investments in shares of stock of companies listed in the PSE and in mutual fund shares. The Group's policy is to maintain the risk within an acceptable level. Movement in share price is monitored regularly to determine the impact on its financial position.

Since the carrying amount of financial assets subject to equity price risk is immaterial relative to the interim consolidated financial statements, Management believes that disclosure of equity price risk sensitivity analysis as at September 30, 2025 and December 31, 2024 is not significant.

Foreign currency risk

The Group's policy is to maintain foreign currency exposure within acceptable limits and within existing regulatory guidelines. The Group believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits for a financial institution engaged in the type of business in which the Group is engaged.

The Group's exposure to foreign currency exchange risk arises from its US\$-denominated cash in banks amounting to US\$1,105 and US\$1,630 as at September 30, 2025 and December 31, 2024, respectively (Note 4).

Since the amount of US\$-denominated cash in bank subject to foreign currency risk is immaterial relative to the interim consolidated financial statements, Management believes that disclosure of foreign currency risk analysis as at September 30, 2025 and December 31, 2024 is not significant.

Offsetting of Financial Assets and Liabilities

The table below presents information about rights to offset related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreements or similar agreements.

September 30, 2025 (Unaudited)							
Financial Instruments Recognized at End of Reporting Period by Type	Gross Carrying Amounts (Before Offsetting)	Gross Amounts Offset in Accordance with the Offsetting Criteria	Net Amount Presented in Consolidated Statements of Financial Position	Effect of Remaining Rights of Set-Off (Including Rights to Set Off Financial Collateral) that do not Meet PAS 32 Offsetting Criteria			
				Financial Instruments	Fair Value of Financial Collateral		Net Exposure
					[d]	[e]	
	[a]	[b]	[c] = [a-b]	[d]	[e]	[f] = [c-d-e]	
Financial Assets							
Receivable from customers	₱854,941,524	₱-	₱854,941,524	₱10,642,007	₱844,181,398	₱118,119	
Receivable from clearing house	26,241,053	-	26,241,053	26,241,053	-	-	
	₱881,182,577	₱-	₱881,182,577	₱36,883,060	₱844,181,398	₱118,119	
Financial Liabilities							
Payable to customers	₱9,690,693,504	₱-	₱9,690,693,504	₱10,642,007	₱-	₱9,680,051,497	
Due to clearing house	71,480,169	-	71,480,169	26,241,053	-	45,239,116	
	₱9,762,173,673	₱-	₱9,762,173,673	₱36,883,060	₱-	₱9,725,290,613	
December 31, 2024 (Audited)							
Financial Instruments Recognized at End of Reporting Period by Type	Gross Carrying Amounts (Before Offsetting)	Gross Amounts Offset in Accordance with the Offsetting Criteria	Net Amount Presented in Consolidated Statements of Financial Position	Effect of Remaining Rights of Set-Off (Including Rights to Set Off Financial Collateral) that do not Meet PAS 32 Offsetting Criteria			
				Financial Instruments	Fair Value of Financial Collateral		Net Exposure
					[d]	[e]	
	[a]	[b]	[c] = [a-b]	[d]	[e]	[f] = [c-d-e]	
Financial Assets							
Receivable from customers	₱994,927,871	₱-	₱994,927,871	₱1,444,248	₱993,379,419	₱104,204	
	₱994,927,871	₱-	₱994,927,871	₱1,444,248	₱993,379,419	₱104,204	
Financial Liabilities							
Payable to customers	₱9,785,431,339	₱-	₱9,785,431,339	₱1,444,248	₱-	₱9,783,987,091	
Due to clearing house	54,206,442	-	54,206,442	-	-	54,206,442	
	₱9,839,637,781	₱-	₱9,839,637,781	₱1,444,248	₱-	₱9,838,193,533	

24. Fair Value Measurement

The following table shows the carrying value and fair value of the Group's investment securities at amortized cost, refundable deposits, investment securities at amortized cost and investment property, whose carrying value does not approximate its fair value as at September 30, 2025 and December 31, 2024:

	Carrying Values		Fair Values	
	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>Financial assets</i>				
Investment securities at amortized cost	₱1,453,601,540	₱1,336,397,029	₱1,076,095,271	₱1,173,054,124
Refundable deposits	8,872,156	9,478,572	7,727,937	8,256,145
<i>Non-financial assets</i>				
Investment property	10,724,713	11,381,328	38,413,490	38,413,490

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

Financial assets at FVTPL

The Group's financial assets at FVTPL are carried at their fair values as at September 30, 2025 and December 31, 2024. Fair value of financial assets at FVTPL is based on the closing quoted prices of stock investments published by the PSE. Fair value of mutual funds is based on net asset values computed and published by the mutual fund providers. Fair value of debt securities is based on the quoted market price in an active market as at September 30, 2025 and December 31, 2024.

Refundable deposits

The fair value of the refundable deposits is based on the present value of the future cash flows discounted using credit adjusted risk-free rates for a similar type of instrument using 2.80% as at September 30, 2025 and December 31, 2024. There are no changes in the valuation techniques in 2025 and 2024.

Investment securities at amortized cost

The fair value of the investment is based on the quoted market price in an active market as at September 30, 2025 and December 31, 2024.

Investment property

The fair value of the investment property has been based on highest and best use of property being appraised. Valuations were derived on the basis of recent sales of similar properties in the same areas as the investment property and taking into account the economic conditions prevailing at the time the valuations were made and comparability of similar properties sold with the property being valued.

Fair Value Hierarchy

All assets and liabilities for which fair value is measured or disclosed in the interim consolidated financial statements are categorized within the fair value hierarchy as follows:

	September 30, 2025 (Unaudited)			
	Carrying Value	Level 1	Level 2	Level 3
<i>Financial asset measured at fair value:</i>				
Financial assets at FVTPL	₱144,982,948	₱75,606,129	₱69,376,819	₱–
Deposit and refundable contributions to CTGF	59,810,893	–	–	59,810,893
<i>Financial asset for which fair values are disclosed:</i>				
Refundable deposits	8,872,156	–	–	7,727,937
Investment securities at amortized cost	1,453,601,540	1,076,095,271	–	–
<i>Non-financial asset for which fair values are disclosed:</i>				
Investment property	10,724,713	–	–	38,413,490
	December 31, 2024 (Audited)			
	Carrying Value	Level 1	Level 2	Level 3
<i>Financial asset measured at fair value:</i>				
Financial assets at FVTPL	₱101,161,494	₱74,759,510	₱26,401,984	₱–
Deposit and refundable contributions to CTGF	57,688,271	–	–	57,688,271
<i>(Forward)</i>				

	December 31, 2024 (Audited)			
	Carrying Value	Level 1	Level 2	Level 3
<i>Financial asset for which fair values are disclosed:</i>				
Refundable deposits	9,478,572	–	–	8,256,145
Investment securities at amortized cost	1,336,397,029	603,468,714	569,585,410	–
<i>Non-financial asset for which fair values are disclosed:</i>				
Investment property	11,381,328	–	–	38,413,490

During the period ended September 30, 2025 and the year ended December 31, 2024, there were no transfers among levels one (1), two (2) and three (3) of fair value measurements.

25. EPS Computation

As at September 30, 2025 and December 31, 2024, the Parent Company has no outstanding potentially dilutive securities, hence, basic earnings per share are equal to diluted earnings per share.

As a result of the stock dividends declared by the Parent Company on August 16, 2024 to stockholders of record as of October 23, 2024 and distributed on November 14, 2024 (see Note 15), the weighted average number of outstanding common shares have been adjusted retrospectively for all periods presented as required under PFRS.

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Earnings (losses) attributable to equity holders of the Parent Company		
From continuing operations	₱431,997,060	₱436,527,156
From discontinued operations (Note 29)	(974,619)	(19,268,544)
Divided by:		
Weighted average number of shares for basic earnings per share	5,949,999,998	4,760,000,000
Adjustment related to stock dividend	–	1,189,999,998
Weighted average number of shares, after adjustment for stock dividends	5,949,999,998	5,949,999,998
Basic and diluted earnings (losses) per share		
From continuing operations	₱0.0726	₱0.0734
From discontinued operations	(0.0002)	(0.0032)

26. Segment Information

Business Segments

The Group's business segments follow:

- Stockbrokerage services pertaining to the Group's stockbrokerage companies, mainly the Parent Company and COLHK; and
- Others pertaining to the Group's subsidiaries other than COLHK. This includes CIMI which is an asset management firm and CEIUMF and CSGEUMF which are unitized funds.

The following table presents certain information regarding the Group's business segments:

	September 30, 2025 (Unaudited)			
	Stockbrokerage services	Others	Elimination	Total
Revenue from external customers:				
Commissions	₱335,802,426	₱–	₱–	₱335,802,426
Interest	508,611,232	4,350,739	–	512,961,971
Trail fees	24,465,671	–	(4,294,865)	20,170,806
Others	75,402,262	9,502,497	(56,709,767)	28,194,992
Segment revenue	944,281,591	13,853,236	(61,004,632)	897,130,195
Cost of services	(194,978,869)	(4,316,703)	4,294,865	(195,000,707)
Operating expenses	(133,260,350)	(5,656,256)	985,195	(137,931,411)
Depreciation and amortization	(13,052,345)	(719,376)	–	(13,771,721)
Other losses	(6,009,424)	(35,258)	(135)	(6,044,817)
Income before income tax	596,980,603	3,125,643	(55,724,707)	544,381,539
Provision for income tax	(111,648,991)	(1,054,853)	–	(112,703,844)
Net income from continuing operations	₱485,331,612	₱2,070,790	(₱55,724,707)	₱431,677,695
Segment assets	₱12,439,056,187	₱178,122,919	(₱206,889,013)	₱12,410,290,093
Segment liabilities	9,968,554,058	1,728,375	(35,837,694)	9,934,444,739
Capital expenditures:				
Fixed assets	22,719,067	625,529	–	23,344,596
Cash flows arising from:				
Operating activities	466,878,077	(53,425,037)	–	413,453,040
Investing activities	(151,781,799)	(625,529)	–	(152,407,328)
Financing activities	(345,835,132)	(569,800)	–	(346,404,932)
	December 31, 2024 (Audited)			
	Stockbrokerage services	Others	Elimination	Total
Revenue from external customers:				
Commissions	₱382,311,716	₱–	(₱62)	₱382,311,654
Interest	749,282,851	9,079,092	–	758,361,943
Trail fees	28,562,109	–	(4,318,939)	24,243,170
Others	22,175,781	6,660,969	32	28,836,782
Segment revenue	1,182,332,457	15,740,061	(4,318,969)	1,193,753,549
Cost of services	(303,702,996)	(4,334,541)	4,318,969	(303,718,568)
Operating expenses	(244,598,650)	(7,058,450)	–	(251,657,100)
Depreciation and amortization	(18,043,770)	(1,387,011)	–	(19,430,781)
Other losses	(4,942,333)	(84,069)	–	(5,026,402)
Income before income tax	611,044,708	2,875,990	–	613,920,698
Provision for income tax	(126,891,180)	(1,474,917)	–	(128,366,097)
Net income	₱484,153,528	₱1,401,073	₱–	₱485,554,601
Segment assets	₱12,785,061,650	₱176,722,412	(₱511,900,100)	₱12,449,883,962
Segment liabilities	10,287,209,563	2,398,658	(201,780,970)	10,087,827,251
Capital expenditures:				
Fixed assets	17,231,640	89,286	–	17,320,926
Cash flows arising from:				
Operating activities	378,715,611	(8,372,833)	–	370,342,778
Investing activities	237,499,646	(89,286)	–	237,410,360
Financing activities	(342,089,428)	(728,000)	–	(342,817,428)

27. Mutual Fund Operations

The following assets and liabilities held by the mutual fund subsidiaries in relation to the investment of the unitholders are not included in the accompanying statements of financial position as these are not assets of the mutual fund subsidiaries:

CEIUMF

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash and cash equivalents	₱4,615,342	₱10,686,411
Financial assets at FVTPL	250,170,183	223,690,902
Other assets	340,013	5,093,228
Due to investors	(99,725)	(10,524,901)
Other liabilities	(468,059)	(516,343)
Net assets attributable to unitholders	₱254,557,754	₱228,429,297

CSGEUMF

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash and cash equivalents	₱11,966,191	₱9,482,321
Financial assets at FVTPL	433,551,811	373,483,638
Due from broker	2,672,664	–
Other assets	598,452	216,109
Due to investors	(163,548)	(443,645)
Due to broker	–	(2,589,484)
Other liabilities	(988,397)	(868,079)
Net assets attributable to unitholders	₱447,637,173	₱379,280,860

28. Cost of Services

This account consists of:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Personnel costs (Notes 17, 18 and 20)	₱40,419,098	₱35,071,967
Professional fees	32,162,305	31,522,305
Communications	31,558,579	27,722,757
Stock exchange dues and fees (Note 16)	26,995,867	22,722,678
Commission expense	25,912,954	24,485,614
Depreciation and amortization (Notes 9, 10, 11 and 21)	16,216,168	16,365,974
Central depository fees	8,117,559	7,698,597
Research	3,860,977	3,701,982
Repairs and maintenance	3,734,601	4,274,394
Periodicals and other subscriptions	3,162,627	4,133,807
Others	2,859,972	2,125,371
	₱195,000,707	₱179,825,446

On April 6, 2022, the BIR issued a ruling to the Parent Company confirming the inclusion in its cost of services of: salaries, wages and benefits; outside services; materials, supplies and facilities; depreciation; rental; and other office costs that are considered as direct costs and expenses that are inherently necessary to deliver the services required in the conduct of its business activities as a service-oriented company.

Outside services comprise agents' commissions, as well as professional fees paid to third-party independent contractors. These expenses are directly associated with and indispensable for the Parent Company's provision of essential services to its customers.

‘Others’ include among others, office supplies and computer accessories which are utilized in providing the service and are considered as essential expense items for an entity engaged in the business of stockbrokerage and dealership in securities.

29. Discontinued Operations

On April 7, 2025, the Hong Kong’s SFC approved COLHK’s application to revoke its license resulting for its operations to be classified as discontinued operations.

The assets and liabilities of COLHK have been presented separately in the consolidated statement of financial position as “Assets from discontinued operations” and “Liabilities from discontinued operations”, respectively.

The results of COLHK’s operations for the current and comparative periods are presented as a single amount in the consolidated statement of income as “Net loss from discontinued operations”. Comparative figures have been restated accordingly to reflect discontinued operations separately from continuing operations. Further details of the assets, liabilities, income, and expenses relating to the discontinued operations are disclosed below:

Assets from discontinued operations as of September 30, 2025 (Unaudited) and December 31, 2024 (Audited)

	2025	2024
Prepayments	P558,702	P–
Assets from discontinued operations	P558,702	P–

Liabilities from discontinued operations as of September 30, 2025 (Unaudited) and December 31, 2024 (Audited)

	2025	2024
Deferred tax liability	P728,444	P–
Liabilities from discontinued operations	P728,444	P–

Summarized statements of income from discontinued operations for the nine months ended September 30, 2025 and 2024 (Unaudited)

	2025	2024
Revenues	P10,441	P1,209,246
Cost of services	–	(12,206,795)
Operating expenses	(985,195)	(7,786,015)
Other income (losses)	135	(615,661)
Loss before income tax	(974,619)	(19,399,225)
Provision for income tax	–	(130,682)
Loss from discontinued operations	(P974,619)	(P19,268,543)

Summarized cash flow information from discontinued operations for the nine months ended September 30, 2025 and 2024 (Unaudited)

	2025	2024
Operating activities	(P25,958,864)	(P130,964,015)
Net decrease in cash and cash equivalents	(P25,958,864)	(P130,964,015)

SCHEDULE I
COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS
PURSUANT TO SRC RULE 68, AS AMENDED

Below are the financial ratios that are relevant to the Group as of and for the periods ended September 30, 2025 and 2024:

Ratio	Formula	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	
Current ratio	Total current assets divided by Total current liabilities	1.10:1	1.11:1	
	Total current assets	₱10,854,665,527		
	Divide by Total current liabilities	9,855,048,219		
	<u>Current ratio</u>	<u>1.10</u>		
Debt-to-equity ratio	Total liabilities divided by Average equity	4.13:1	5.63:1	
	Total liabilities	₱9,934,444,739		
	Divide by Average equity	2,406,357,422		
	<u>Debt-to-equity ratio</u>	<u>4.13</u>		
	Average equity is computed as follows:			
	Beg. total equity	₱2,349,303,418		
	Ending total equity	2,463,411,426		
	Total	4,812,714,844		
	Divide by	2		
	<u>Average equity</u>	<u>2,406,357,422</u>		
Quick ratio	Total liquid assets divided by Total current liabilities	1.10:1	1.10:1	
	Total liquid assets	₱10,818,661,184		
	Divide by Total current liabilities	9,855,048,219		
	<u>Quick ratio</u>	<u>1.10</u>		
<i>*Liquid assets comprise of cash and cash equivalents, short-term time deposits, financial assets at FVTPL, investments securities at amortized cost, trade receivables and other receivables.</i>				
Asset-to-equity ratio	Total assets divided by Average equity	5.16:1	6.66	
	Total assets	₱12,410,290,093		
	Divide by Average equity	2,406,357,422		
	<u>Asset-to-equity ratio</u>	<u>5.16</u>		

Ratio	Formula	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Return on assets	Net income divided by Average assets Net income ₱431,022,441 Divide by Average assets 12,430,087,028 <hr/> Asset-to-equity ratio 3.47% <hr/> Average assets is computed as follows: Beg. total assets ₱12,449,883,962 Ending total assets 12,410,290,093 <hr/> Total 24,860,174,055 Divide by 2 <hr/> Average assets 12,430,087,028 <hr/>	3.47%	3.07%
Return on average stockholder's equity (annualized)	Net income divided by Average stockholder's equity Net income (annualized) ₱574,696,588 Divide by Average equity 2,406,357,422 <hr/> Return on average stockholder's equity (annualized) 23.88% <hr/>	23.88%	25%
Net profit margin	Net income divided by Total revenues Net income ₱431,022,441 Total revenues 897,130,195 <hr/> Net profit margin 48.04% <hr/>	48.04%	46.76%