

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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E	X	C	H	A	N	G	E		R	O	A	D		O	R	T	I	G	A	S		C	E	N	T	E	R			
P	A	S	I	G		C	I	T	Y																					

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

Atty. Sharon T. Lim

Contact Person

8636-5411

Company Telephone Number

1	2	3	1
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Month Day
Fiscal Year

SEC Form 20-IS
Definitive Information Statement

FORM TYPE

0	4	2	5
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Month Day
Annual Meeting

Secondary License Type, If Applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

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Total Number of Stockholders

Total Amount of Borrowings

Domestic

none
Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

COL FINANCIAL GROUP, INC.

24/F East Tower, Tektite Towers
Exchange Road, Ortigas Center
Pasig City, Philippines

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

Notice is hereby given that the Annual Stockholders' Meeting of COL Financial Group, Inc. ("COL", the "Corporation", or the "Company"), will be conducted virtually on 25 April 2025, Friday, at 2:00 P.M. through <https://shareholders.colfinancial.com>.

The Agenda of the Meeting is as follows:

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Previous Stockholders' Meeting
4. Presentation of the President's Report
5. Ratification of all Acts and Proceedings of the Board of Directors and Management
6. Approval of the 2024 Audited Financial Statements
7. Election of the Board of Directors
8. Appointment of External Auditors
9. Other Matters
10. Adjournment

Only stockholders of record at the close of business on 24 March 2025 are entitled to notice of, and to vote at, said meeting and any adjournment thereof. As per the Amended By-Laws, the Stock and Transfer Books of the Corporation will be closed from 24 March 2025 to 25 April 2025.


The stockholders may only attend the meeting by remote communication. The meeting will be streamed live, and stockholders who wish to attend the meeting must register at <https://shareholders.colfinancial.com> on or before 8 April 2025. Registration shall be subject to validation procedures.

Stockholders who wish to cast their votes may vote electronically in absentia using the same platform, or through proxy.

Stockholders may also send their duly accomplished proxies on or before the close of business hours on 8 April 2025 through email at corporatesecretary@colfinancial.com.

The procedures for attendance and voting during the 2025 ASM are set forth in the Information Statement.

The Corporation shall send written notice of the meeting to all stockholders as of record date at least twenty-one (21) calendar days prior to the date of the annual stockholders' meeting. In addition, an electronic copy of the Information Statement, Management Report, and other pertinent documents will be made available through the Corporation's website (<https://www.colfinancial.com>) and through the PSE Edge Portal (<https://edge.pse.com.ph>).


SHARON T. LIM
Corporate Secretary

PROXY

The undersigned stockholder of COL FINANCIAL GROUP, INC. (the “Corporation”) hereby appoints _____ as attorney and proxy, with power of substitution, to represent and vote all shares registered in my name as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of the Corporation on April 25, 2025, and at any adjournments thereof for the purpose of acting on the following matters:

	Item	Vote		
1.	Approval of the Minutes of the Previous Stockholders’ Meeting	<input type="radio"/> Yes	<input type="radio"/> No	<input type="radio"/> Abstain
2.	Ratification of all Acts and Proceedings of the Board of Directors and Management	<input type="radio"/> Yes	<input type="radio"/> No	<input type="radio"/> Abstain
3.	Approval of the 2024 Audited Financial Statements	<input type="radio"/> Yes	<input type="radio"/> No	<input type="radio"/> Abstain
4.	Election of Directors			
	<input type="radio"/> Distribute my votes equally among the candidates			
	<input type="radio"/> Cumulate my votes (indicate no. of votes)*			
	<i>*Your maximum no. of votes is equivalent to your shares x 11, e.g. 100 shares x 11= 1,100 votes. You can distribute your votes equally among the candidates or cumulate your votes (give all your votes to one or several candidates in any manner, provided that your total number of votes does not exceed your maximum no. of votes.) Fractional votes are not allowed.</i>			
	Edward K. Lee _____	Alexander C. Yu _____		
	Conrado F. Bate _____	Paulwell Han _____		
	Kosuke Mizuno _____	Hernan G. Lim _____		
	Raymond C. Yu _____	Wellington C. Yu _____		
	Arthur G. Gindap (Independent) _____	Betty C. Siy-Yap (Independent) _____		
	Roberto C. Benares (Independent) _____			
5.	Appointment of SyCip Gorres Velayo & Co. as the external auditor of the Corporation	<input type="radio"/> Yes	<input type="radio"/> No	<input type="radio"/> Abstain
6.	At their discretion, the proxy is authorized to vote upon such other matters as may properly come before the meeting	<input type="radio"/> Yes	<input type="radio"/> No	<input type="radio"/> Abstain

This proxy supersedes any previous proxies executed by the undersigned and shall continue to be in effect until withdrawn by notice delivered to the Secretary of the Corporation, but shall not apply in instances wherein the undersigned personally attends the meeting.

Signature above Printed Name of Stockholder

Total No. of Shares Owned

Date

THIS PROXY MUST BE RECEIVED BY THE OFFICE OF THE CORPORATE SECRETARY THROUGH EMAIL AT CORPORATESECRETARY@COLFINANCIAL.COM ON OR BEFORE APRIL 8, 2025 (TUESDAY). FOR CORPORATE STOCKHOLDERS, PLEASE ATTACH A COPY OF THE SECRETARY'S CERTIFICATE ON THE AUTHORITY OF THE SIGNATORY TO APPOINT THE PROXY AND SIGN THIS FORM.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED 'FOR' THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY MANAGEMENT OR THE BOARD OF DIRECTORS.

A STOCKHOLDER GIVING PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED.

NOTARIZATION OF THIS PROXY IS NOT REQUIRED.

THIS PROXY IS NOT A SOLICITATION OR A REQUEST FOR A PROXY BY THE CORPORATION. LIKEWISE, TO THE BEST OF THE KNOWLEDGE OF THE CORPORATION, NO OTHER PERSON HAS MADE A SOLICITATION FOR A PROXY. THE CORPORATION HAS NOT BEEN INFORMED BY ANY OF ITS DIRECTORS OF ANY INTENT BY THE LATTER TO OPPOSE ANY ACTION INTENDED TO BE TAKEN BY THE CORPORATION.

SINCE NO SOLICITATION IS BEING MADE, THERE IS NO CONTRACT OR ARRANGEMENT, OR COSTS OR ANTICIPATED COSTS TO BE DISCLOSED.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
[] Preliminary Information Statement
[✓] Definitive Information Statement
2. Name of Registrant as specified in its charter: **COL Financial Group, Inc.**
3. **Metro Manila, Philippines**
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number: **A199910065**
5. BIR Tax Identification Code: **203-523-208**
6. **24/F East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City 1605**
Address of principal office Postal Code
7. Registrant's telephone number, including area code: **(632) 8636-5411**
8. Date, time and place of the meeting of security holders:

Date	:	<u>25 April 2025</u>
Time	:	<u>2:00 PM</u>
Place	:	<u>https://shareholders.colfinancial.com</u> <i>(shareholders may only attend by remote communication subject to pre-registration procedures)</i>
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **31 March 2025**
10. In case of Proxy Solicitations:
Name of Person Filing the Statement/Solicitor: **Not Applicable**
Address and Telephone No.: **Not Applicable**
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding as of 28 February 2025
<u>Common</u>	<u>5,949,999,998</u>
12. Are any or all of registrant's securities listed in a Stock Exchange? Yes ☒ No ☐
Name of Exchange : **Philippine Stock Exchange**
Class : **Common shares**

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. DATE, TIME, AND PLACE OF MEETING OF SECURITY HOLDERS

- (a) Date: 25 April 2025
Time: 2:00 p.m.
Place: <https://shareholders.colfinancial.com>
(shareholders may only attend by remote communication subject to pre-registration procedures)
- (b) Approximate date on which copies of the information statement are first to be sent or given to security holders: 31 March 2025

WE ARE NOT ASKING YOU FOR A PROXY AND
YOU ARE NOT REQUESTED TO SEND US A PROXY

Item 2. DISSENTERS' RIGHT OF APPRAISAL

Section 80, Title X of the Revised Corporation Code provides that a stockholder may exercise their right of appraisal in any of the following instances: (a) in case an amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets; (c) in case of merger or consolidation; and (d) in case of investment of corporate funds for any purpose other than the primary purpose of the corporation. Section 81, Title X of the Revised Corporation Code further states that only a dissenting stockholder who voted against the proposed corporate action may exercise the right of appraisal.

COL Financial Group, Inc. (“COL”, the “Corporation”, or the “Company”) adopts the procedures laid out in Title X of the Revised Corporation Code for a valid exercise of appraisal right.

Item 3. INTEREST OF CERTAIN PERSONS IN OR OPPOSITION TO MATTERS TO BE ACTED UPON

- (a) No current director or officer of COL, or nominee for election as director of the Corporation or any associate thereof, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon other than election to office.
- (b) The Corporation has not received any information in writing from any person who intends to oppose any action to be taken at the Annual Stockholders’ Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

- (a) **Class of Voting Securities** : Common shares
- Number of Shares Outstanding as of 28 February 2025** : 5,949,999,998
- Number of votes entitled** : One (1) vote per share

The Corporation's Amended By-Laws provide that one share entitles the holder thereof to one vote, except in the election of the members of the Board where any stockholder can cumulate their votes.

- (b) **Record Date**

Stockholders of record as of **24 March 2025** ("Record Date") are entitled to notice and to vote at the Corporation's Annual Stockholders' Meeting.

- (c) **Manner of Voting**

A stockholder entitled to vote at a meeting has the right to vote in person or by proxy. With respect to the election of directors, in accordance with Section 23 of the Revised Corporation Code, a stockholder with the number of shares held in their name in the Corporation's stock books as of the Record Date may vote such number of shares for as many persons as there are directors to be elected or they may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of their shares, or they may distribute them on the same principle among as many candidates as they shall see fit: Provided, that the total number of votes cast by them shall not exceed the number of shares owned by them as shown in the books of the Corporation multiplied by the total number of directors to be elected; Provided, however, that no delinquent stocks shall be voted.

A stockholder may vote electronically in absentia using the web address <https://shareholders.colfinancial.com>. A stockholder voting electronically in absentia shall be deemed present for the purposes of quorum. Please refer to Annex "G" for information on electronic voting in absentia.

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(d) **Security Ownership of Record and Beneficial Owners of more than 5% of the Corporation's voting securities as of 28 February 2025 are as follows:**

Title of Class	Name, Address of Record Owner and Relationship with the Issuer	Name of Beneficial Owners and Relationship with Record Owner	Citizenship	No. of Shares Held Directly (D) or under PCD (P)	Percent (%)
Common	PCD Nominee Corp. G/F Makati Stock Exchange Bldg., 6767 Ayala Avenue, Makati	Various	Filipino	2,122,873,810 (D)	35.68
			Non-Filipino	729,494,064 (D)	12.26
	Daiwa Securities Group, Inc.¹ GranTokyo North Tower, 9-1, Marunouchi 1-chrome, Tokyo, Japan	Daiwa Securities Group, Inc.	Japanese	924,050,000 (P)	15.53
	Lee, Edward K. Mahogany St., Makati	Lee, Edward K.	Filipino	778,125,000 (D) 395,649,250 (P)	21.74
	Lee, Lydia C. Mahogany St., Makati			12,500,000 (D) 45,028,000 (P)	
	Lee, Edmund C. Mahogany St., Makati			25,500,000 (P)	
	Teo, Eleanore L. or Lee, Edmund C. Mahogany St., Makati			25,000,000 (P)	
	ELLE & Co., Inc.² 2701C East Tower, PSE Centre, Exchange Rd, Ortigas Center, Pasig			11,918,750 (P)	
	Yu, Alexander C. Ortega St., San Juan	Yu, Alexander C.	Filipino	662,981,563 (P)	13.85
	Yu, Elizabeth N. Ortega St., San Juan			29,258,750 (P)	
	Yu, Adrian Alexander N. Ortega St., San Juan			43,443,750 (P)	
	Yu, Michelle Angeline N. Ortega St., San Juan			50,722,500 (P)	
	Yu, Tiffany Anne N. Ortega St., San Juan			37,500,000 (P)	

¹ Mr. Kosuke Mizuno has been named and appointed by Daiwa Securities Group, Inc. ("Daiwa") to exercise Daiwa's voting power.

² Mr. Edward K. Lee, Chairman of the Board of ELLEE & Co., Inc. ("Ellee"), has been named and appointed to exercise Ellee's voting power.

Security Ownership of Management (as of 28 February 2025)

Title of Class	Name of Owner	Position	Citizenship	Total No. of Shares	Percent (%)
Common	Edward K. Lee	Chairman	Filipino	1,293,721,750	21.74
Common	Alexander C. Yu	Vice-Chairman	Filipino	823,906,563	13.85
Common	Conrado F. Bate	Director/President/CEO	Filipino	248,415,748	4.18
Common	Hernan G. Lim	Director	Filipino	219,077,312	3.68
Common	Raymond C. Yu	Director	Filipino	239,756,750	4.03
Common	Wellington C. Yu	Director	Filipino	125,000	0.00
Common	Kosuke Mizuno	Director	Japanese	1	0.00
Common	Paulwell Han	Director	Chinese	123,948,437	2.08
Common	Arthur G. Gindap	Independent Director	Filipino	150,000	0.00
Common	Roberto C. Beñares	Independent Director	Filipino	1,250	0.00
Common	Betty C. Siy-Yap	Independent Director	Filipino	1,250	0.00
Common	Catherine L. Ong	SVP/Treasurer	Filipino	54,910,000	0.92
Common	Juan G. Barredo	FVP – Chief Customer Experience Officer	Filipino	10,021,875	0.17
Common	Nikos J. Bautista	FVP – Chief Technology Officer	Filipino	14,502,500	0.24
Common	Lorena E. Velarde	FVP – Chief Financial Officer	Filipino	5,625,000	0.09
Common	April Lynn L. Tan	FVP – Chief Investor Relations and Corporate Strategy	Filipino	15,225,000	0.26
Common	Melissa O. Ng	VP – Head of Operations	Taiwanese	3,234,375	0.05
Common	Sharon T. Lim	VP – Head of Legal & Compliance	Filipino	568,125	0.01
Common	Joyce G. Chan	VP – Head of Client Services	Filipino	7,333,750	0.12
Common	Gabriel Jose E. Mendiola	AVP - Software Development	Filipino	54,156,250	0.91
Common	Rea P. Orteza	AVP – Head of Accounting Operations	Filipino	5,750	0.00
Common	Key Officers and Directors (as a group)			3,114,686,686	52.35

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(e) **Changes in Control**

There were no persons holding more than five percent (5%) of a class of shares under a voting trust or similar agreement.

The Corporation is not aware of any voting trust agreement or any other similar agreement, which may result in a change of control in the Corporation. No change in control of the Corporation has occurred since the beginning of its last fiscal year.

Item 5. DIRECTORS AND EXECUTIVE OFFICERS

(a) **The Board of Directors/Nominees for Election at the Annual Stockholders' Meeting**

i. **Directors and Executive Officers**

Pursuant to the Corporation's Amended By-Laws, the Directors are elected at the Annual Stockholders' Meeting by stockholders entitled to vote. Each Director holds office until the next annual election when their successor is duly elected, unless they resign, die, or are removed prior to such election.

The nominees for election to the Board of Directors are the following:

1. Edward K. Lee
2. Alexander C. Yu
3. Conrado F. Bate
4. Paulwell Han
5. Kosuke Mizuno
6. Hernan G. Lim
7. Raymond C. Yu
8. Wellington C. Yu
9. Arthur G. Gindap
10. Betty C. Siy-Yap
11. Roberto C. Benares

A summary of the qualifications of the incumbent directors, nominees for directors for election at the annual stockholders' meeting and incumbent officers is attached as **Annex "A"**. The certification on whether any of the directors works in government is attached as **Annex "B"**.

ii. **Independent Directors**

The nominees for election as Independent Directors of the Board of Directors are as follows:

Nominees for Independent Director (a)	Person/Group recommending nomination (b)	Relation of (a) and (b)
Arthur G. Gindap*	Conrado F. Bate	None
Betty C. Siy-Yap**	Conrado F. Bate	None
Roberto C. Benares**	Conrado F. Bate	None

**first appointed in March 2019*

***first appointed in February 2021*

In approving the nominations for Independent Directors, the Nomination Committee took into consideration the guidelines prescribed in SRC Rule 38, SEC Memorandum Circular No. 16 series of 2006, and SEC Memorandum Circular No. 19 series of 2016, on the nomination of

Independent Directors. The Nomination Committee is composed of Mr. Arthur G. Gindap, as Chairman, and Mr. Alexander C. Yu and Atty. Sharon T. Lim, as members.

The Certifications of each of the Independent Directors are attached as **Annex “C”**.

iii. Guidelines or criteria followed in the conduct of the nomination and election of Independent Director/s

Article III, Section 2(a) of the Corporation’s Amended By-Laws states that:

“Nomination and Procedure for Election of Independent Directors – Nomination of Independent Director/s shall be conducted by a Nomination Committee prior to a stockholders’ meeting. All nominations of Independent Directors shall be made in writing and signed by the nominating stockholders and shall include the acceptance and conformity by the would-be nominees.

The Nomination Committee (the “Committee”) shall have at least three (3) members, one of whom shall be an Independent Director. It shall promulgate the guidelines or criteria to govern the conduct of the nomination. The same shall be properly disclosed in the Company’s information or proxy statement or such other reports required by the Securities and Exchange Commission (the “SEC”).

The Committee shall pre-screen the qualification and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for Independent Director(s).

After nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for Independent Directors (as required under Part IV (A) and (C) of Annex “C” of the SRC Rule 12 of the Implementing Rules and Regulations of the Securities Regulation Code), including, but not limited to, the following information:

- (i) Name, age, and citizenship;
- (ii) List of positions and offices that each such nominee held, or will hold, if known, with the corporation;
- (iii) Business experience during the past five (5) years;
- (iv) Directorship held in other companies;
- (v) Involvement in legal proceedings;
- (vi) Security ownership.

The list shall be made available to the SEC and to all stockholders through the filing and distribution of the Information Statement or in such other reports required by the SEC. The name of the person or group of persons who recommended the nomination of the Independent Director shall be identified in such report including any relationship with the nominee.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Independent Director/s. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders’ meeting.

The Chairman of the stockholders’ meeting has the responsibility to inform all stockholders in attendance of the mandatory requirement of electing Independent Director/s and to ensure that an Independent Director/s is elected during the stockholders’ meeting.

Specific slot/s for Independent Directors shall not be filled-up by unqualified nominees.

In case of failure of election for Independent Director/s, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.

Any controversy or issue arising from the selection, nomination or election of Independent Directors shall be resolved by the SEC by appointing Independent Directors from the list of nominees submitted by the stockholders.”

iv. Significant Employees

No single person is considered to have made a significant contribution to the business since COL considers the collective efforts of all its employees as instrumental to the overall success of the Corporation’s performance.

v. Family Relationships

Mr. Alexander C. Yu & Mr. Raymond C. Yu, and Mr. Edward K. Lee & Ms. Catherine L. Ong are siblings. Aside from them, there are no other family relationships either by consanguinity or affinity up to the fourth (4th) civil degree among its directors, executive officers, and nominees for election as directors.

vi. Involvement in Legal Proceedings

The Corporation is not aware of any of the following events having occurred during the past five (5) years up to the date of this report that are material to an evaluation of the ability or integrity of any director, nominee for election as director, executive officer, underwriter, or controlling person of the Corporation:

- (1) Any bankruptcy petition filed by or against any business of which any of the above persons was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior to that time;
- (2) Any order or judgment, or decree, not subsequently reversed, suspended, or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting the involvement of any of the above persons in any type of business, securities, commodities, or banking activities; and
- (3) Any findings by a domestic or foreign court of competent jurisdiction (in civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, that any of the above persons has violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

COL is not involved in and none of its properties are subject to, any material legal proceedings that could potentially affect its operations and financial capabilities.

(b) Resignation of Directors

Mr. Sohei Obara stepped down as director of the Corporation last 16 August 2024. His resignation was not due to any disagreement with the Corporation regarding its business operations, policies, and/or practices. As of the date of this report, all of the current directors have agreed to stand for re-election.

(c) **Certain Relationships and Related Transactions**

Transactions between related parties are based on terms similar to those offered to nonrelated parties. The transactions are done in the normal conduct of operations and are recorded in the same manner as transactions that are entered into with other parties.

Item 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

(a) **Compensation of Executives**

Below is a summary of the guaranteed pay of the five highest-paid executive officers and the Corporation's executives and officers as a group:

SUMMARY COMPENSATION TABLE			
Annual Compensation			
(in ₱ Million)	Annual Salary 2025 (est.)	Annual Salary 2024	Annual Salary 2023
a) Chief Executive Officer and the Four Most Compensated Executives:			
<i>Conrado F. Bate</i> President & CEO <i>Catherine L. Ong</i> SVP/Treasurer <i>Juan G. Barredo</i> Chief Customer Experience Officer <i>Lorena E. Velarde</i> Chief Financial Officer <i>April Lynn L. Tan</i> Chief Investor Relations and Corporate Strategy			
All above-named Executives and Officers as a Group	₱33.88	₱30.46	₱27.80
b) All other Executives and Officers as a Group	₱12.57	₱11.49	₱10.50

(b) **Compensation of Directors**

Each director is entitled to a reasonable per diem, which amount shall, according to Article III, Section 8 of the Corporation's Amended By-laws, not exceed ten percent (10%) of the net income before income tax of the Corporation during the previous year.

Below is a summary of the per diem given to the directors of the Corporation as a group:

	Year Ended 31 December (in ₱ million)	
	2024	2023
Per diem to the Board of Directors as a group	₱2.10	₱2.20

The per diems received by each director in 2024 are broken down as follows:

Director	Per Diem
Conrado F. Bate	P250,000
Paulwell Han	P250,000
Hernan G. Lim	P250,000
Raymond C. Yu	P300,000
Wellington C. Yu	P300,000
Arthur G. Gindap	P250,000
Betty C. Siy-Yap	P300,000
Roberto C. Benares	P200,000
TOTAL	P2,100,000

The remaining directors (namely, Edward K. Lee, Alexander C. Yu, and Kosuke Mizuno) have waived their right to receive per diems. Aside from this, directors do not receive any other form of remuneration in their capacity as such directors.

(c) **Warrants and Options**

There are no outstanding warrants or options held by directors or officers. There are no actions to be taken with regard to election, any bonus or profit-sharing, change in pension / retirement plan, granting of or extension of any options, warrants, or rights to purchase any securities.

Item 7. INDEPENDENT PUBLIC ACCOUNTANTS

- (a) The accounting firm Sycip, Gorres, Velayo & Co. (“SGV”) served as COL's external auditor for the last fiscal year. The Board of Directors intends to nominate SGV for re-appointment this fiscal year.

Representatives of SGV are expected to be present at the stockholders’ meeting and will be available to respond to appropriate questions. They will have the opportunity to make a statement if they so desire.

As of 31 December 2024, SGV has been COL's external auditor for the past twenty-five (25) years. It assigns a different engagement partner to conduct its annual audit in compliance with the requirement of SRC Rule 68, Paragraph 3 (Qualifications of Independent Auditors). For the audit year 2024, Ms. Janet A. Paraiso has been assigned as the Partner-in-charge for COL.

(b) **Changes in and Disagreements with Accountants**

There are no disagreements with SGV on accounting and financial disclosure for the last five (5) years.

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(c) **Audit and Audit-Related Fees**

The following table sets out the aggregate fees billed for each of the last two (2) fiscal years for professional services rendered by SGV:

	Year Ended 31 December (in ₱ million)	
	2024	2023
Audit and Audit-Related Fees in connection with the annual review of the Parent Corporation's financial statements	₱2.75	₱2.44
Tax Fees	None	None

Appointment of COL's external auditor and its audit fees are upon recommendation of the Audit Committee. All services rendered by SGV have prior approval of the President as recommended by the Audit Committee. Actual work by SGV proceeds thereafter. In 2024, the Audit Committee was chaired by Ms. Betty C. Siy-Yap with Mr. Wellington C. Yu, Mr. Raymond C. Yu, and Mr. Hernan G. Lim as members.

Item 8. COMPENSATION PLANS

No action is to be taken with respect to any plan to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. AUTHORIZATION OR ISSUANCE OF SECURITIES OTHER THAN FOR EXCHANGE

There is no action to be taken with respect to the authorization or issuance of any securities other than for exchange of outstanding securities of the registrant.

Item 10. MODIFICATION OR EXCHANGE OF SECURITIES

There is no action with respect to the modification of any class of securities in exchange for outstanding securities of another class.

Item 11. FINANCIAL AND OTHER INFORMATION

The Corporation's audited financial statements as of 31 December 2024 are attached hereto as Annex "F" while the Management's Discussion and Analysis of financial conditions and results of operations, market price of shares and dividends, and other information related to the Corporation's financial information is attached hereto as Annex "D".

Item 12. MERGERS, CONSOLIDATIONS, ACQUISITIONS AND SIMILAR MATTERS

There is no action taken by the Corporation with respect to any merger, consolidation, or acquisition.

Item 13. ACQUISITION OR DISPOSITION OF PROPERTY

There is no action taken with respect to the acquisition or disposition of any property.

Item 14. RESTATEMENT OF ACCOUNTS

There is no action taken with respect to the restatement of any asset, capital, or surplus account.

D. OTHER MATTERS

Item 15. ACTION WITH RESPECT TO REPORTS

The following matters are on the Agenda of the Annual Stockholders' Meeting for the approval of the stockholders:

- (a) Approval of the Annual Report and the Corporation's Audited Financial Statements as of 31 December 2024 containing the performance of the Corporation and its financial condition (*See Annex "F"*);
- (b) Approval of the Minutes of the Previous Stockholders' Meeting (*See Annex "E"*); and
- (c) Ratification of all Acts, Proceedings of the Board of Directors and Management (*See Item 18*).

Item 16. MATTERS NOT REQUIRED TO BE SUBMITTED

There are no matters or actions to be taken up in the meeting that will not require the vote of the stockholders as of the record date.

Item 17. AMENDMENT OF CHARTER, BY-LAWS, OR OTHER DOCUMENTS

There are no actions to be taken with respect to the amendment of the Articles of Incorporation or By-laws of the Corporation.

Item 18. OTHER PROPOSED ACTION

The items with respect to the ratification of the acts of the Board of Directors and management for the past year up to the date of the meeting include the designation of authorized signatories to vote the shares of its subsidiaries as well as those items entered into the ordinary course of business such as the opening of bank accounts and designation of bank signatories and other requirements in connection with the Corporation's operations.

Item 19. VOTING PROCEDURES

(a) Vote required for approval and election

Article II of the Amended By-Laws of the Corporation provides that in all regular or special meeting of stockholders, a majority of outstanding capital stock must be present or represented in order to constitute a quorum. If no quorum is constituted, the meeting shall be adjourned until requisite amount of stock shall be present.

A stockholder who participates through remote communication, in absentia, or such other alternative modes of communication shall be deemed present for purposes of the quorum.

With regard to the election of members of the Board of Directors, the nominees receiving the highest number of votes shall be declared elected pursuant to Section 23 of the Revised Corporation Code. With respect to the ratification of Board actions, a majority vote is required.

(b) Method by which votes will be counted

The method by which the votes will be counted shall be by shares and not per capita. Any stockholder may cumulate their votes as provided in the Revised Corporation Code. Only the personnel of the office of the Corporate Secretary and the Stock Transfer Agent are authorized to count the votes.

As approved by a majority of the Board of Directors, the Corporation will conduct the annual stockholders' meeting by remote communication through <https://shareholders.colfinancial.com>. Voting shall be done by remote communication, electronically in absentia through the same platform, or by voting through proxy. A stockholder voting electronically in absentia will be deemed present at the meeting for purposes of quorum.

To enable the Corporation to perform validation procedures, identify the shareholders participating by remote communication and record their presence for purposes of quorum, the shareholders must complete the registration requirements in said portal by 8 April 2025. Information on participation through remote communication and electronic voting in absentia are included in **Annex "G."**

Proxies must be submitted by email to corporatesecretary@colfinancial.com on or before 8 April 2025.

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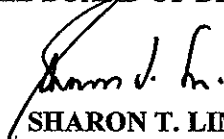
THE REGISTRANT WILL PROVIDE WITHOUT CHARGE TO EACH PERSON UPON WRITTEN REQUEST OF ANY SUCH PERSON, A COPY OF THE REGISTRANT'S ANNUAL REPORT OR SEC FORM 17-A. SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO THE FOLLOWING:

ATTY. SHARON T. LIM
CORPORATE SECRETARY
24/F EAST TOWER, TEKTITE TOWERS,
EXCHANGE ROAD, ORTIGAS CENTER, PASIG CITY

After reasonable inquiry and to the best of my knowledge and belief, I hereby certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Pasig on 27 March 2025.

COL Financial Group, Inc.

FOR THE BOARD OF DIRECTORS


SHARON T. LIM
Corporate Secretary

ANNEX “A”
DIRECTORS AND EXECUTIVE OFFICERS

The names of the incumbent and nominee directors and key executive officers of the Corporation, their respective ages, periods of service, directorships in other reporting companies, and positions held in the last five years, are as follows:

MEMBERS OF THE BOARD

Edward K. Lee
Chairman and Founder

Edward K. Lee, 70, Filipino, took Bachelor of Science in Industrial Management Engineering at De La Salle University. He is concurrently the Founder and Chairman of the Board of COL Financial Group, Inc., CTS Global Equity Group, Inc., Caylum Trading Institute, and COL Investment Management, Inc. Mr. Lee served as a nominee of CTS Global Equity Group, Inc. to the Manila Stock Exchange and presently to the Philippine Stock Exchange. He was elected as one of the Governors of the Philippine Stock Exchange and was the Chairman of the Computerization committee of the Manila Stock Exchange and PSE in 1994. He went on to become a member of the Board of Directors of A. Soriano Corporation serving for two terms. Mr. Lee was also nominated as a finalist to the 2007 Entrepreneur of the Year Philippines by Ernst & Young. In 2015, he was awarded with the Theodore Vail Most Outstanding JA Alumni Awardee. From 2016 to 2019, he was appointed as an official board member of JA Asia Pacific. He was the recipient of the 2023 Lasallian Achievement Award by the De La Salle Alumni Association (DLSAA) and is honored as the distinguished Master Innovator awardee at the 3rd Mansmith Innovation Awards.

Alexander C. Yu
Vice-Chairman

Alexander C. Yu, 69, Filipino, is a Bachelor of Science in Mechanical Engineering graduate of De La Salle University. He is currently the Vice Chairman of COL Financial Group, Inc. since 1999 and the Vice Chairman and Treasurer of CTS Global Equity Group, Inc. since 1986. He is also currently a Director of Caylum Trading Institute and Director and Treasurer of Winner Industrial Corp., both for more than 10 years. He is the proprietor of Trans-Asia General Merchandise and in 1997, he served as a Director of A. Soriano Corporation.

Conrado F. Bate
President and Chief Executive Officer

Conrado F. Bate, 62, Filipino, holds a Bachelor of Arts Degree in Economics and Bachelor of Science Degree in Marketing Management from De La Salle University. He is currently the President and Chief Executive Officer of COL and also serves as a director of COL Investment Management, Inc. He is also the President of Shareholder’s Association of the Philippines since 2022, and has been a member of its Board of Trustees for the past six years. Mr. Bate possesses extensive experience in the Philippine stock brokerage and fund management industry. His previous roles include serving as Vice President of JP Morgan Philippines in 2002, President and CEO of Abacus Securities Corporation from 1995 to 1997, and Vice President of Fund Management Division of Philamlife Insurance Company from 1990 to 1995. He has also played a pivotal role in various leadership positions, having been a member of the Board of Directors of the Philippine Stock Exchange from 2005 to 2006, where he served as Chairman of the Investor Education Committee and Member of the Legislative Committee. Mr. Bate has also contributed his expertise as an independent director of the ATR Kim Eng Asset Management from 2005 to 2010, and he continues to serve in a similar capacity for Corston-Smith Asset Management Sdn. Bhd. since February 2009.

Wellington C. Yu
Director

Wellington C. Yu, 81, Filipino, finished his degree in BS Chemical Engineering at De La Salle University in 1965 and his MBA and MS Chemical Engineering degrees from the University of Pittsburgh. From 1973 to 1985, he was the Dean of the College of Business and Economics of De La Salle University and of the Graduate School of Business from 1981 to 1984. He was conferred the title Dean Emeritus in the College of Business and Economics in De La Salle University. He was the Senior Vice President of Tropical Rent-A-Car in Hawaii from 1986 to 1990 and President of Suntrips, Inc. of San Jose, California from 1990 to 1997. In 2012, Xavier School San Juan awarded him the title “Exemplary Alumnus”.

Raymond C. Yu
Director

Raymond C. Yu, 71, Filipino, graduated with a Bachelor of Science Degree in Commerce from De La Salle University in 1974. He is currently the President of Winner Industrial Corporation. He has served as a director of Caylum Trading Institute since 2013 and has been a director for more than 16 years of the following corporations: COL Financial Group, Inc., Cedarside Holdings Corp., Cedarside Industries, Inc., Barrington Carpets, Inc., and Citimex, Inc.

Hernan G. Lim
Director

Hernan G. Lim, 72, Filipino, is currently the President of Hoc Po Feeds Corporation and HGL Development Corporation. Mr. Lim is a Director of Caylum Trading Institute since 2013 and has also been a Director of Citimex, Inc., COL Financial Group, Inc., and Barrington Carpets, Inc. for more than 10 years. He holds a Bachelor of Science degree in Electronics and Communications Engineering from the University of Santo Tomas. He also took the Basic Management Course at the Asian Institute of Management.

Paulwell Han
Director

Paulwell Han, 65, Chinese, is a graduate of Business Finance from the San Francisco State University, USA. He is currently the Director and General Manager of different corporations located in Hong Kong, namely: Etta Trading Company Limited, Yee Ting Tong Company Limited, Tecworld Investment Co., Ltd., Silver Jubilee Co., Ltd., and Sunning Restaurant.

Kosuke Mizuno
Director

Mr. Kosuke Mizuno, 56, Japanese, is the Head of Asia & Oceania at Daiwa Securities Group Inc., a role in which he leverages over three decades of distinguished experience in the global securities industry. With a career spanning 32 years, Mr. Mizuno has cultivated deep expertise and leadership acumen across key financial hubs, including Hong Kong, Singapore, Japan, and the United States. Throughout his tenure at Daiwa, he has held multiple senior leadership positions, driven business growth and innovation while amassing extensive knowledge in strategic business management and team supervision. A graduate of Keio University, Mr. Mizuno earned a Bachelor of Arts degree in Economics in 1992. Demonstrating a commitment to continuous learning and professional development, he further enhanced his leadership capabilities by completing the prestigious Stanford Executive Program at Stanford Business School in 2023. His unique blend of global perspective, strategic vision, and operational excellence continues to make a significant impact on Daiwa Securities Group and the broader financial industry.

Arthur G. Gindap
Independent Director

Arthur G. Gindap, 63, Filipino, currently serves as a Director of Keyland Corporation, Chairman of Benilde Romancon Hospitality Services, Inc., and Director of Anawim (a Mercy Ministry of Bro. Bo Sanchez). He is also a Director of Keyland Ayala Properties, Inc. He previously held the position of Senior Vice President and Business Unit General Manager at Robinsons Hotels & Resorts from 2018 to 2023. Prior to that, Mr. Gindap was the Vice President & Regional General Manager for the Philippines, Thailand, and Laos, as well as the Vice President of Global Operations & Customer Service at Ascott Limited, serving from 2004 to 2018. With over 40 years of experience in the hotel, hospitality, and real estate industries, Mr. Gindap has built an extensive and distinguished career. He holds a degree in Hotel and Restaurant Administration from Sheridan College in Canada.

Betty C. Siy-Yap
Independent Director

Betty C. Siy-Yap, 63, Filipino, is the SVP and Chief Finance Officer and Chief Risk Officer of Manila Electric Company. She sits as a member of the board of various corporations such as Clark Electric Distribution Corporation, CIS Bayad Center, Inc., Meralco Industrial Engineering Services Corporation, MERALCO PowerGen Corporation, Global Business Power Corporation, Miescor Infrastructure Development Corporation, and Union Galvasteel Corporation. She is also a trustee of the Immaculate Conception Academy and a member of the Finance and Budget Committee and the Audit and Risk Committee of Ateneo de Manila University. She is likewise the President of Lighthouse Overseas Insurance Limited and the Treasurer of First Pacific Leadership Academy. She previously served as a Director of Rockwell Land Corporation, a member of the Market Governance Board of the Philippine Dealing Exchange Corp., Vice Chairman of the Board of Accountancy of the Professional Regulation Commission, and a Partner at SyCip Gorres Velayo & Co. Ms. Siy-Yap holds a Bachelor of Science Degree in Business Administration and Accountancy from the University of the Philippines and a Master's in Business Administration from J.L. Kellogg School of Management at Northwestern University/The Hong Kong University of Science and Technology.

Roberto C. Benares
Independent Director

Roberto C. Benares, 72, Filipino, currently sits as a member of the Board of Directors of the Bank of Commerce, BlastAsia Corporation, Quokka Development Corporation, Quokka Corp., Pattern Farms Design Inc., and Amalgamated Investment Bancorporation. He served as the President and CEO of Bank of Commerce from 2013 to 2018 and as Executive Director and later on Managing Director of Maybank ATR Kim Eng Capital Partners, Inc. from 2001 to 2013. Over the years, Mr. Benares held various positions at Asian Alliance Investment as Managing Director, Insular Investment & Trust Corporation as Executive Vice President, Philamlife as Vice President, and United Coconut Planters Bank as Vice President for Account Management. Mr. Benares holds a degree of BS Mechanical Engineering from De La Salle University and has a Master's Degree in Business Management from the Asian Institute of Management.

EXECUTIVE OFFICERS

The key members of the management team, aside from those above mentioned, are as follows:

Catherine L. Ong

SVP – Treasurer

Catherine L. Ong, 73, Filipino, COL's SVP – Treasurer, is also the Chairman of COL Equity Index Unitized Mutual Fund, Inc. and COL Strategic Growth Equity Unitized Mutual Fund, Inc., the SVP – Chief Audit Executive and Director of CTS Global Equity Group, Inc. and the Executive Vice President and Treasurer of Cedarside Industries, Inc., Barrington Carpets, Inc., and Citimex, Inc. She has held the latter position for more than 30 years. She was formerly a director of COL. She has extensive experience in banking, having held various positions in Metropolitan Bank and Trust Company (Metrobank). She was an Assistant Vice President and Area Supervisor of Metrobank and served as a Director of Metrobank's subsidiary, Pan Philippines Life Insurance Corp. (now known as Philippine Axa Life). Ms. Ong graduated from the Philippine Women's University with a Bachelor of Science Degree in Business Administration, Major in Accounting.

Juan G. Barredo

FVP – Chief Customer Experience Officer

Juan “Juanis” G. Barredo, 57, Filipino, Chief Customer Experience Officer for COL, oversees the positive operations of COL's Business Center, its Sales division as well as its Premium and Retail Customer Service divisions. He also spearheads the COL Investor Seminar Series, the flagship investor education program of the Corporation, geared to empower COL customers and the investing public to build their knowledge base through a series of progressive stock market training sessions so that they can confidently invest in the Philippine Stock Market. He has addressed an audience of over 200,000 people nationwide with topics ranging from the basics of stock market investing to introductory and advanced technical analysis seminars. Mr. Barredo holds a Bachelor of Arts degree in Philosophy from De La Salle University in 1990 and is a Certified Securities Representative.

Nikos J. Bautista

FVP – Chief Technology Officer

Nikos J. Bautista, 56, Filipino, is the Chief Technology Officer of COL. He was also a consultant and a committee member for the Trading System Project of the PSE which was launched successfully mid-2010 and for various projects of the PDEX. He was with the I.T. Department of the PSE as manager, in charge of all the I.T.-related activities of the Exchange from 1993 to 1997. In 1997, he joined Computershare, an Australian-based software development company specializing in trading systems wherein he took charge of all technical aspects of the business. In 2000, he put up a software development company, Finatechs, Inc., where he served as its President and Chief Executive Officer until 2003. Mr. Bautista is a graduate of De La Salle University with a Bachelor of Computer Science Degree with Masteral Courses in Computer Science.

Lorena E. Velarde

FVP – Chief Financial Officer

Lorena E. Velarde, 54, Filipino, is the Chief Financial Officer of COL and was appointed in such position after having served as the Corporation's Financial Controller from 2010 to 2020. She is concurrently an Associated Person of CTS Global Equity Group, Inc. and the Treasurer of COL Investment Management, Inc., COL Equity Index Unitized Mutual Fund, Inc., and COL Strategic Growth Equity Unitized Mutual Fund, Inc. With a career spanning key leadership roles in accounting, Ms. Velarde has gained extensive experience in financial planning, fund management, and operational oversight. She began her professional journey at SyCip Gorres Velayo & Co., where she honed her

expertise in tax, accounting, and financial reporting. Ms. Velarde graduated from University of Santo Tomas, and is a Certified Public Accountant.

April Lynn L. Tan

FVP – Chief Investor Relations and Corporate Strategy

April Lynn L. Tan, Filipino, 49, is the Chief Investor Relations and Corporate Strategy of COL. She is the Corporation's Chief Equity Strategist. Under this role, she has been consistently voted as one of the top three equity strategists by the Fund Managers' Association of the Philippines, and in 2019, she was voted as "Best Strategist" in the country. She was appointed as the head of COL's Research Team in 2003 and has been doing equity research since 1996. She is also a Certified Securities Representative and a Certified Investment Solicitor. Outside of her work with COL, she writes a weekly column named "Intelligent Investing" for the Philippine Daily Inquirer. From 2020 to 2024, she hosted the TV show "Insight with April Lee Tan" for ANC. She is an active member of the CFA Society of the Philippines and was the President of the Society from 2009 to 2016. Under her leadership, CFA Philippines won the "Global CFA Institute Research Challenge" thrice and several Society Excellence Awards including the "Most Outstanding Society" for its size. Ms. Tan holds a Bachelor of Science Degree in Management Engineering from the Ateneo de Manila University. In 2000, she earned the right to use the Chartered Financial Analyst (CFA) designation.

Melissa O. Ng

VP – Head of Operations

Melissa O. Ng, 52, Taiwanese, holds a Bachelor of Science Degree in Applied Economics and a Bachelor of Science Degree in Business Management from De La Salle University. She earned her MBA (Silver Medalist) from De La Salle University in 2000. She has been with COL since 2007 and has previous banking experience from Security Bank and Union Bank of the Philippines.

Sharon T. Lim

VP – Head of Legal & Compliance

Sharon T. Lim, 45, Filipino, started with the Corporation as its Compliance and Legal Officer and was appointed as the Head of the Legal and Compliance Department in 2016. She was appointed as Corporate Secretary on November 2018 and also serves as the Corporate Secretary of CTS Global Equity Group, Inc., COL Equity Index Unitized Mutual Fund, Inc., COL Strategic Growth Equity Unitized Mutual Fund, Inc., and COL Investment Management, Inc. She was the Head of COL's Human Resources Department from 2016 up to 2019. Atty. Lim previously worked at Puyat, Jacinto, and Santos Law Offices and Picazo Buyco Tan Fider and Santos Law Offices. She graduated with a degree of Bachelor of Science in Management Engineering from the Ateneo de Manila University, Bachelor of Laws from the University of the Philippines, and Master of Laws (Corporate & Financial Services Law) from the National University of Singapore. She was admitted to the Philippine Bar in 2007, is a licensed Associated Person and Certified Information Privacy Manager.

Joyce G. Chan

VP – Head of Client Services

Joyce G. Chan, 40, Filipino, graduated with a Bachelor of Arts degree in Communications from Ateneo De Manila University. She started as a Management Associate with the Philam Group of Companies before becoming a Corporate Trainer and Development Officer. She joined COL in 2010 as its Sales Manager and was later on appointed as the Head of Customer Support. She was recently promoted as Head of Client Services of the Corporation, handling the operations of both the Customer Support Department and the Premium Clients Group of COL. She is a Certified Securities Representative, Certified Investment Solicitor, Certified UITF Sales Person, and a Fellow in the Life Management Institute with Honors.

Gabriel Jose E. Mendiola

AVP - Software Development

Gabriel Jose E. Mendiola, 43, Filipino, is the Head of Software Development of COL. He started working at the Corporation in 2007 as the I.T. Manager, and is currently in charge of the design, development, and evaluation of computer software or systems used by COL. He is also involved in dictating technical standard, tools, and platforms. Before joining COL, he worked at Unisys Philippines, Ltd. and at GXS Philippines, Inc. as Senior Software Engineer. Mr. Mendiola is a Computer Science – Information Technology graduate of De LaSalle University.

Rea P. Orteza

AVP – Head of Accounting Operations

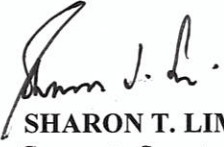
Rea P. Orteza, 45, Filipino, started as the Accounting Manager of CTS Global Equity Group, Inc. where she served for 10 years before transitioning to COL. She was appointed as Accounting Senior Manager in 2016 and AVP – Head of Accounting Operations in 2021. Ms. Orteza is a B.S. Accountancy graduate from the Central Philippine University and is a certified public accountant.

ANNEX "B"
CERTIFICATION ON
GOVERNMENT EMPLOYMENT

CERTIFICATION

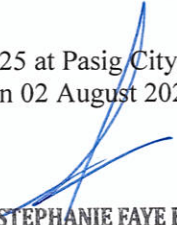
This is to certify that, upon review of the records of **COL Financial Group, Inc.** (the "Corporation") in my possession, none of the members of the Corporation's Board of Directors, including its Independent Directors, are employed by any government agency.

This certification is issued this 13th March 2025 at Pasig City, Philippines.


SHARON T. LIM
Corporate Secretary

Subscribed and sworn to before me this 13th March 2025 at Pasig City, affiant exhibiting to me her Passport No. P7315563B issued at DFA NCR Manila on 02 August 2021.

Doc No. 17 ;
Page No. 13 ;
Book No. 6 ;
Series of 2025.


ATTY. STEPHANIE FAYE B. REYES
For the Cities of Pasig, San Juan
and the Municipality of Pateros
Expiring on 31 December 2026
Appointment No. 82 (2025-2026) Pasig City
Roll No. 64239/IBP LRN 13768/RSM
PTR No. 3039915/01.03.25/Pasig City
MCLE Compliance No. VIII-0011510/04.14.28
2703C East Tower Tektite Towers (formerly PSE
Centre), Exchange Road, Ortigas Center, Pasig City 1605

ANNEX "C"

CERTIFICATION OF INDEPENDENT DIRECTORS

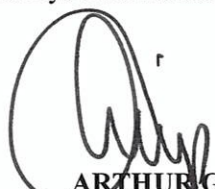
I, **ARTHUR G. GINDAP**, Filipino, of legal age, and a resident of Unit CC-1B 110/115 Upper McKinley Road, McKinley Town Center, Fort Bonifacio, Taguig, Metro Manila 1630, after having been duly sworn in accordance with law do hereby declare that:

1. I am an independent director of **COL Financial Group, Inc.** and have been its independent director since 2019.
2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
Keyland Ayala Properties, Inc.	Director	2024 - Present
Keyland Corporation	Director	2022 - Present
Benilde Romancon Hospitality Services, Inc.	Chairman	2022 - Present
Anawim (a Mercy Ministry of Bro. Bo Sanchez)	Director	2023 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **COL Financial Group, Inc.**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other SEC issuances.
4. I am not related to any of the directors, officers, or substantial shareholders of **COL Financial Group, Inc. and its subsidiaries and affiliates**, as defined under Rule 38.2.3 of the Implementing Rules and Regulations of the Securities Regulation Code.
5. To the best of my knowledge, I am not subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.
7. I shall inform the corporate secretary of **COL Financial Group, Inc.** of any changes in the abovementioned information within five days from its occurrence.

Done this MAR 13 2025, at Pasig City.


ARTHUR G. GINDAP
Affiant

SUBSCRIBED AND SWORN TO BEFORE ME this MAR 13 2025 at Pasig City, affiant exhibited to me his Driver's License No. N03-94-174273 valid until 15 September 2033.

Doc. No. 84 ;
Page No. 12 ;
Book No. 6 ;
Series of 2025.

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2703C East Tower Tektite Towers (formerly PSE
Centre), Exchange Road, Ortigas Center, Pasig City 1605

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **ROBERTO C. BENARES**, Filipino, of legal age, and a resident of 37 Solar Street, Bel-Air Village, Makati City, after having been duly sworn in accordance with law do hereby declare that:

1. I am an independent director of **COL Financial Group, Inc.** and have been its independent director since 2021.
2. I am affiliated with the following companies or organizations:

Name of Office	Position	Period of Service
Pattern Farms Design, Inc.	Director	1990 - Present
Quokka Corp.	Director	2006 - Present
Quokka Development Corp.	Chairman/Director	2013 - Present
Bank of Commerce	Director	29 April 2013 - Present
BlastAsia Corporation	Director	19 May 2021 - Present
Amalgamated Investment Bancorporation	Director	26 April 2023 - Present

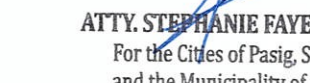
3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **COL Financial Group, Inc.**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other SEC issuances.
4. I am not related to any of the directors, officers, or substantial shareholders of **COL Financial Group, Inc. and its subsidiaries and affiliates**, as defined under Rule 38.2.3 of the Implementing Rules and Regulations of the Securities Regulation Code.
5. To the best of my knowledge, I am not subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.
7. I shall inform the corporate secretary of **COL Financial Group, Inc.** of any changes in the abovementioned information within five days from its occurrence.

Done this MAR 13 2025, at Pasig City.


ROBERTO C. BENARES
Affiant

SUBSCRIBED AND SWORN TO BEFORE ME this MAR 13 2025, at Pasig City, affiant exhibited to me his Senior Citizen ID Number 66488, issued at Makati City.

Doc. No. 13 ;
Page No. 12 ;
Book No. 6 ;
Series of 2025.



ATTY. STEPHANIE FAYE B. REYES
For the Cities of Pasig, San Juan
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2703C East Tower Tektite Towers (formerly PSE
Centre), Exchange Road, Ortigas Center, Pasig City 1605

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **BETTY C. SIY-YAP**, Filipino, of legal age, and a resident of 7 Caroline Street, Parkway Village, Quezon City, after having been duly sworn in accordance with law do hereby declare that:


1. I am an independent director of **COL Financial Group, Inc.** and have been its independent director since 2021.
2. I am affiliated with the companies or organizations indicated in Annex C-2-a.
3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **COL Financial Group, Inc.**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other SEC issuances.
4. I am not related to any of the directors, officers, or substantial shareholders of **COL Financial Group, Inc. and its subsidiaries and affiliates**, as defined under Rule 38.2.3 of the Implementing Rules and Regulations of the Securities Regulation Code.
5. To the best of my knowledge, I am not subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance, and other SEC issuances.
7. I shall inform the corporate secretary of **COL Financial Group, Inc.** of any changes in the abovementioned information within five days from its occurrence.

Done this MAR 13 2025, at Pasig City.


BETTY C. SIY-YAP
Affiant

SUBSCRIBED AND SWORN TO BEFORE ME this MAR 13 2025, at Pasig City, affiant exhibited to me her PhilHealth ID Number 19-090352236-8.

Doc. No. 12 ;
Page No. 12 ;
Book No. 6 ;
Series of 2025.


ATTY. STEPHANIE FAYE B. REYES
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2703C East Tower Tektite Towers (formerly PSE
Centre), Exchange Road, Ortigas Center, Pasig City 1605

ANNEX “C-2-a”

Company/Organization	Position/Relationship	Period of Service
Meralco PowerGen Corporation	Director Chairman, Audit Committee Chairman, Risk Committee	2004 to present
Manila Electric Company	SVP, Chief Finance Officer and Chief Risk Officer	July 2009 to present
Aclara Meters Philippines, Inc.	Vice Chairman	2010 to present
CIS Bayad Center, Inc.	Director	2010 to present
Indra Philippines, Inc.	Director	2010 to present
Clark Electric Distribution Corporation	Director	April 2010 to present
MRail, Inc.	Director	2011 to present
One Meralco Foundation, Inc.	Trustee	2011 to present
First Pacific Leadership Academy, Inc.	Treasurer	March 2012 to present
MSpectrum, Inc.	Director	2016 to present
MOVEM, Inc.	Director	2018 to present
Shin Clark Power Holdings, Inc.	Director; Treasurer	2019 to present
Immaculate Conception Academy	Trustee	July 2019 to present
Comstech Integration Alliance, Inc.	Board Advisor	2020 to present
Meralco Financial Services Corporation	Chairman; Director	2020 to present
Meralco Industrial Engineering Services Corporation	Director	2020 to present
MIESCOR Logistics, Inc.	Director	2020 to present
MIESCOR Builders, Inc.	Director	2020 to present
Radius Telecoms, Inc.	Director	2020 to present
Ateneo de Manila University	Member, Finance and Budget Committee	July 2020 to present
Union Galvasteel Corporation	Independent Director Chairman, Audit Committee	August 2020 to present
Global Business Power Corporation	Director Chairman, Audit Committee Chairman, Risk Committee	April 2021 to present
PacificLight Energy Pte. Ltd. (Singapore)	Director	July 2021 to present
Miescor Infrastructure Development Corporation	Director	November 2021 to present
Lighthouse Overseas Insurance Limited (Bermuda)	President; Director	2021 to present
Ateneo de Manila University	Chairman, Audit and Risk Committee	January 2024 to present

ANNEX “D” MANAGEMENT REPORT

Management's Discussion and Analysis (MD&A) of Financial Condition and Results of Operations

The following discussion provides a detailed analysis of the financial performance, business drivers, and strategic direction of COL Financial and its subsidiaries collectively referred to as the “Group”. It is intended to give stakeholders a clear understanding of the factors influencing the Group’s financial results, as well as insights into industry trends and COL’s positioning within the market.

This section should be read in conjunction with the audited consolidated financial statements included in this report, along with other relevant disclosures that provide further context on COL’s financial condition and operational performance.

A. Company Overview

COL Financial Group, Inc. (“COL”, “COL Financial”, or the “Parent Company”) 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”); and
- 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 2024, COL made a strategic decision to wind down its Hong Kong operations thru COL Securities (HK) Limited (“COLHK” or the “HK Subsidiary”). With the entry of large discount brokerage firms offering near-zero commissions and a rapidly changing investment landscape, maintaining long-term viability became increasingly difficult. The HK Subsidiary ceased trading operations on May 30, 2024, and is expected to complete its deregistration by August 31, 2025.

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.

B. 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.

C. Industry and Economic Review

The Philippine market continued to suffer from heightened volatility in 2024, with the Philippine Stock Exchange index (“PSEi”) ending the year up by only 1.20%.

Market performance was weak in the first half of the year amid concerns over rising inflation, both domestically and in the United States. However, local stocks rallied strongly in the third quarter due to growing confidence that the Federal Reserve System (“Fed”) would start cutting rates in September. The market rally in the third quarter was further supported by declining domestic inflation and the unexpected announcement of the Bangko Sentral ng Pilipinas (“BSP”) of a fourth-quarter reduction in banks’ reserve requirement ratio.

Unfortunately, the market’s strong performance in the third quarter was not sustained for the rest of the year. Sentiment for Philippine stocks were negatively affected by the release of weaker than expected third quarter Gross Domestic Product growth and corporate earnings results.

Donald Trump’s victory in the U.S. presidential election exacerbated market volatility. Bond rates surged while the U.S. dollar strengthened due to concerns that his plans to increase tariffs, reduce taxes, and implement stricter immigration enforcement would lead to higher inflation, higher government deficits and debts, pressuring the Fed to maintain interest rates elevated.

Although the Philippines is not too vulnerable to higher tariffs being a domestically driven economy, higher U.S. rates and the stronger dollar would hurt BSP’s ability to cut rates. The resulting weakness of the peso also made Philippine stocks less attractive to foreign investors who are vulnerable to foreign exchange risks. Consequently, the PSEi gave back all its gains in the third quarter to close the year having hardly changed compared to the previous year.

Average daily value turnover in the PSE remained very thin at ₱6.10 billion. Foreign investors also remained net sellers despite momentarily turning into net buyers during the third quarter, with total net selling amounting to ₱25.25 billion in 2024.

D. Business Review

1. *Key Performance Indicators*

COL Financial remains focused on maximizing profitability through the strategic allocation of resources, with the overarching goal of enhancing shareholder value. To ensure sustainable growth, it continuously evaluates the effectiveness of its corporate initiatives and key performance indicators, which serve as critical benchmarks in assessing the success of its financial and operational strategies.

Outlined below are some of the key performance indicators used to measure COL Financial's progress:

	2024	2023
Number of Customer Accounts*	553,098	530,695
Customers' Net Equity (in millions)	₱117,061.93	₱107,112.56
Revenues (in millions)	₱1,193.75	₱1,091.82
Return on Average Equity (ROE)	21.51%	20.66%
Risk Based Capital Adequacy Ratio*	695.77%	632.06%
Liquid Capital** (in millions)	HKD3.48	HKD4.26

* *Parent Company only*

***HK Subsidiary*

COL's client base continued to expand, adding 22,403 new accounts from its Philippine operations, reflecting a 4.22% year-on-year increase, bringing the total to 553,098 as of the end of 2024. The strong market performance in the third quarter, along with targeted marketing initiatives focused on dividend stocks, fixed-income funds, and global investment products, contributed to client acquisition despite the overall muted performance of the PSEi.

Customers' net equity rose by 9.29% to ₱117.06 billion by year-end, driven by net inflows from both new and existing investors, as well as dividend payouts from listed companies. The PSEi, however, closed the year only marginally higher by 1.20%.

Revenues grew by 9.34% to ₱1.19 billion, reflecting increases across all major income streams, including commissions, interest income, and trail fees.

The combination of revenue growth, controlled operating expenses, and lower income tax provisions resulted in a 14.08% increase in net income, reaching ₱485.55 million. Consequently, return on equity (ROE) improved to 21.51% in 2024, up from 20.66% in 2023.

COL Financial and its HK Subsidiary remained fully compliant with regulatory requirements in both jurisdictions. As of year-end 2024, the Parent Company's Risk-Based Capital Adequacy Ratio stood at 695.77%, significantly above the minimum requirement of 110.00%. Meanwhile, COLHK maintained HKD3.48 million in liquid capital, exceeding the regulatory threshold of HKD3.00 million or 5.00% of adjusted liabilities.

2. Other Financial Soundness Indicators

	2024	2023	Formula
Profitability ratios:			
Return on assets	3.93%	3.36%	Net income/Average assets
Net profit margin	40.73%	39.07%	Net income/Net sales
Solvency and liquidity ratios:			
Current ratio	1.14	1.11	Current assets/Current liabilities
Debt to equity ratio	4.46	4.91	Total liabilities/Ave. stockholders' equity
Quick ratio	1.13	1.11	Liquid assets/Current liabilities

3. Material Changes in Financial Condition

a. 2024 vs. 2023

Consolidated assets grew modestly by 1.04% year-on-year, reaching ₱12.45 billion as of the end of 2024.

Cash and cash equivalents, including cash in segregated accounts and short-term time deposits, primarily consisting of bank deposits and special time deposits, rose by ₱40.17 million or 0.42%, bringing the total to ₱9.70 billion. This accounted for 77.95% of the Group's total assets. Meanwhile, investment securities at amortized cost, composed mainly of Treasury bills and bonds, declined by 4.02% to ₱1.34 billion. The shift toward higher cash reserves was a strategic decision to take advantage of more attractive yields from time deposits compared to government and corporate debt securities.

Financial assets at fair value through profit or loss ("FVTPL") rose by 11.11% to ₱101.16 million, primarily driven by the mutual fund subsidiary's increased investments in money market mutual funds. This shift reflects the Group's strategy of maintaining liquidity while waiting for the right opportunity to deploy capital into equities. By prioritizing highly liquid, low-risk placements, COL ensures that funds remain readily available while still earning competitive returns. This approach enables the Group to maximize investment flexibility and take advantage of market opportunities as they arise. It also mitigates exposure to short-term market volatility, preserving capital while positioning for future growth.

Total trade receivables increased by 13.07% to ₱995.01 million, primarily driven by a 15.98% rise in receivables from customers to ₱994.93 million. Margin receivables grew by 16.88% to ₱968.40 million, reflecting higher client demand for leveraged trading. These increases were partially offset by the decline in receivables from the clearing house and other brokers, both of which were fully settled by year-end. Receivables from the clearing house decreased as the Parent Company's customers were in a net buying position during the last two trading days of 2024. Meanwhile, receivables from other brokers were fully collected and returned to COLHK clients in line with its dissolution process.

Other receivables increased by 13.42% to ₱104.42 million, largely driven by a 301.12% surge in mutual fund redemption proceeds to ₱17.55 million. This sharp rise reflects increased client redemptions, likely influenced by market volatility, shifting risk appetites, or liquidity needs. Meanwhile, accrued interest on investments declined by 2.11% to ₱75.70 million, primarily due to lower interest rates and investible funds.

Prepayments increased by 19.36% to ₱10.52 million, primarily driven by a 23.23% rise in prepaid insurance to ₱3.27 million due to higher premiums paid during the year. Other prepayments also

grew by 31.83% to ₱6.59 million, reflecting increased fees paid to certain service providers. These increases were partially offset by a 43.43% drop in prepaid taxes to ₱0.66 million.

Property and equipment declined by 13.50% to ₱62.03 million as depreciation and amortization expenses of ₱37.65 million outpaced capital expenditures and additions to right-of-use (“ROU”) assets, which amounted to ₱17.32 million and ₱10.88 million, respectively.

Trade payables decreased slightly by ₱58.64 million or 0.59% to ₱9.84 billion year-on-year. This was largely due to the 1.14% decrease in clients’ undeployed funds. Outstanding payables to the clearing house increased to ₱54.21 million as the Parent Company’s customers were in a net buying position during the last two trading days of 2024.

Other current liabilities were higher by 33.28% at ₱167.52 million. This was largely due to the 301.12% jump in mutual fund redemption proceeds to ₱17.55 million and the 136.80% increase in unposted customers’ deposits to ₱18.08 million. Accrued expenses and management bonuses, which were paid in January 2025, and related taxes due to the Bureau of Internal Revenue (“BIR”) likewise increased by a total of 17.64% to ₱117.30 million.

Net deferred income tax positioned as an asset of ₱14.34 million as of end 2024, compared to a liability of ₱10.11 million as of end 2023. This shift was primarily due to the Parent Company’s recognition of deferred tax assets amounting to ₱29.02 million on its net operating loss carry-over (“NOLCO”) and ₱21.73 million on accrued retirement liability. Based on Management’s projections, these deferred tax assets are expected to be fully utilized through the itemized deduction method, which will offset taxable income in future periods. These were partially offset by the recognition of a deferred tax liability of ₱24.74 million on the expected gain from the liquidation of the Hong Kong subsidiary.

Stockholders’ equity was up 7.76% to ₱2.36 billion due to the booking of ₱485.55 million in net income, partly offset by the payment of ₱309.88 million worth of cash dividends by the Parent Company. In 2024, the Parent Company also declared and paid stock dividends worth ₱119.00 million.

b. 2023 vs. 2022

COL’s asset base fell by 5.84% to ₱12.32 billion as of end 2023 compared to its end 2022 level.

Cash and cash equivalents, cash in a segregated account and short-term time deposits composed mainly of cash in banks and special time deposits were lower by 8.17% to ₱9.66 billion as of end 2023. The said amount was equivalent to 86.67% of COL’s current assets. Cash and cash equivalents fell as more funds were placed in government securities to lock in higher rates. Consequently, Financial assets at FVTPL and Investment securities at amortized cost which reflect investments in Treasury bills and bonds increased by 36.64% to ₱1.48 billion from ₱1.09 billion as of end 2023 and 2022, respectively. Cash and cash equivalents also fell as customers kept a smaller portion of their portfolios in cash.

Total trade receivables were down by 26.17% to ₱880.01 million. Trade receivables fell as outstanding margin loans dropped by 4.76% year-on-year to ₱828.56 million. Receivables from clearing house also fell sharply by 90.50% to ₱10.89 million as there were less selling orders as of end 2023 compared to end 2022. Receivables from other broker likewise dropped by 75.58% to ₱11.56 million.

Other receivables increased by 40.70% to ₱92.06 million. This was mainly due to the 45.87% increase in accrued interest to ₱77.33 million brought about by the steep rise in interest rates on time deposits.

Receivables from fund houses also increased by 113.82% to ₱4.37 million as the value of redemptions were higher in end 2023 compared to the same period in 2022.

Prepayments increased by 15.64% to ₱8.81 million, mainly due to the 428.19% jump in prepaid taxes to ₱1.20 million. This was brought about by the payment of final taxes on Treasury bills that were purchased in the fourth quarter of 2023 and will mature in the first half of 2024. Prepaid insurance also increased by 13.56% to ₱2.70 million.

Property and equipment decreased by 24.37% to ₱71.71 million. Depreciation expense reached ₱44.94 million and was larger than the amount of capital expenditures and the addition to ROU assets amounting to only ₱10.29 million and ₱11.56 million, respectively.

Trade payables decreased by 9.10% to ₱9.90 billion year-on-year. This was largely due to the 8.08% drop in clients' undeployed funds. Payables to clearing house fell to zero as the Parent Company's customers were in a net selling position during the last two trading days of 2023.

Other current liabilities rose 18.65% to ₱125.68 million, primarily due to higher accrued expenses and management bonuses, which were paid in January 2024, along with increased taxes payable to the BIR. Additionally, mutual fund redemption proceeds surged 112.59% to ₱4.37 million. These increases were partially offset by a 32.61% decline in unposted customer deposits and a 20.15% reduction in trading fees payable.

Stockholders' equity was up 11.03% to ₱2.19 billion due to the booking of ₱425.63 million in net income, partly offset by the payment of ₱199.92 million worth of cash dividends by the Parent Company.

4. *Material Changes in the Results of Operations*

a. 2024 vs. 2023

Consolidated revenues grew 9.34% to ₱1.19 billion in 2024, as all major revenue streams posted gains. Commission revenues increased 15.99% to ₱382.31 million, driven by a 23.80% rise in the Parent Company's average daily value turnover to ₱607.86 million, despite the PSE's overall average daily value turnover remaining steady at ₱6.10 billion. This propelled COL's ranking in the PSE (by value traded) to fourth place in 2024, up from 11th in 2023.

Interest income grew at a slower pace of 7.04% to ₱758.36 million. The 2.38% increase in interest income from customers to ₱70.70 million was driven by higher margin utilization, while a 50-basis point rise in average interest rates led to a 7.55% increase in interest income from banks and fixed income assets to ₱687.67 million. Meanwhile, trail fees rose 10.33% to ₱24.24 million, primarily due to the expansion of assets under administration ("AUA") in the Parent Company's fund distribution business.

Cost of services ("COS") increased 8.34% to ₱303.72 million, mainly due to a 16.41% rise in personnel costs and a 5.21% increase in professional fees, which together accounted for 49.41% of COS. Commission expenses and stock exchange dues and fees, both tied to trading volume, rose 25.61% and 20.46%, respectively, driven by the 19.80% increase in the Parent Company's consolidated value turnover. These cost increases were partially offset by a 25.60% decline in depreciation and amortization under COS to ₱20.93 million, following the full depreciation of servers purchased in 2018.

Aggregated personnel costs under COS and operating expenses rose 12.30% to ₱282.56 million, representing the largest share of total expenses at 49.16%. This increase was driven by new hires to support the Group's manpower needs, salary adjustments for existing employees, and higher

bonuses to retain key talent and remain competitive. Total professional fees across COS and operating expenses rose 4.74% to ₱56.66 million, accounting for 9.86% of total expenses, mainly due to higher IT security contract renewals, increased audit fees, and additional consultancy services.

Depreciation and amortization under COS and operating expenses declined 14.83% to ₱40.36 million, as capital expenditures and additions to ROU assets amounted to only ₱17.32 million and ₱10.88 million, respectively. The full depreciation of the 2018 server purchases in the first half of 2024 further contributed to the reduction in expense.

Commission expenses increased 25.61% to ₱33.32 million, driven by the growth in agency-led trading volume, while stock exchange dues and fees rose 20.46% to ₱30.24 million, in line with the Parent Company's higher consolidated value turnover.

Operating expenses, which are mostly fixed, increased 10.61% to ₱271.09 million. The rise was largely due to higher personnel costs (+10.05%), advertising and marketing expenses (+54.47%), trainings, seminars, and meeting expenses (+208.18%), and insurance expenses (+19.25%). Advertising and marketing expenses increased primarily due to costs related to the Parent Company's foreign counterparties, whose marketing agreements only began in December 2023. Expenses for trainings, seminars and meetings rose significantly due to various workshops and programs conducted as part of the Group's commitment to the professional training and development of its employees and agents. Meanwhile, the increase in insurance expenses was primarily due to higher premiums upon the renewal of the group health insurance for employees.

Provision for income taxes declined 1.90% to ₱128.37 million, primarily due to the recognition of the Parent Company of deferred tax assets amounting to ₱29.02 million on its NOLCO and ₱21.73 million on retirement liabilities. This was partially offset by the booking of deferred tax liabilities of ₱24.74 million on the gain that is expected to be realized upon the completion of the dissolution procedures of its Hong Kong subsidiary.

Given these factors, operating income increased 9.27% to ₱618.95 million, while pre-tax profit rose 10.32% to ₱613.92 million. Ultimately, consolidated net income grew at a faster pace of 14.08% to ₱485.55 million, benefiting from the lower tax provision.

b. 2023 vs. 2022

Consolidated revenues in 2023 rose 30.60% to ₱1.09 billion, driven by a 110.64% surge in interest income to ₱708.47 million, which offset a 26.27% decline in commission revenues to ₱329.60 million. Margin utilization improved, boosting interest income from lending by 21.50%, while rising rates pushed income from placements up 128.76%. The PSE's average daily value turnover fell 31.30% to ₱5.31 billion, leading to a smaller market share for local investors at 47.70% from 59.92% in 2022. Trail fees dipped slightly by 0.65% to ₱21.97 million due to a shift in mutual fund asset mix, with the share of higher-earning local equity and index funds declining to 76.10% from 80.00% in 2022.

COS remained flat at ₱280.33 million. Personnel costs and professional fees, comprising 47.51% of COS, increased by 14.89% and 4.93%, respectively, but were offset by lower trading-related expenses. Commission expenses and stock exchange dues, which track value turnover, fell 11.01%, while depreciation and amortization under COS declined 11.83% to ₱28.13 million. Consolidated personnel costs under COS and operating expenses rose 12.66% to ₱251.62 million, mainly due to higher bonuses reflecting stronger earnings while Professional fees rose 4.57% to ₱54.10 million, attributed to IT security contract renewals and additional marketing and IT consultancy services.

Operating expenses increased 8.31% to ₱245.08 million, driven by an 11.47% rise in personnel costs and higher repairs, maintenance, and representation expenses. Repairs and maintenance

surged 91.34% to ₱2.17 million due to additional servicing of data center air-conditioning units. Representation and entertainment expenses jumped 271.80% to ₱3.37 million, reflecting efforts to expand the institutional business. Rental expenses increased 276.01% to ₱1.40 million as COLHK's short-term lease renewal was recorded as a direct rental expense. Stock exchange dues and fees declined 26.75% to ₱25.10 million, reflecting reduced trading activity, while communication expenses fell slightly by 2.68% to ₱40.63 million. Depreciation and amortization across COS and operating expenses fell 10.38% to ₱47.39 million as capital expenditures were limited to ₱10.29 million, primarily incurred in the last quarter.

The provision for income taxes rose 73.19% to ₱130.86 million due to higher final taxes on interest income from bank deposits and fixed-income assets. Given these movements, operating income grew 71.78% to ₱566.42 million, pre-tax profit climbed 75.10% to ₱556.48 million, and consolidated net income surged 75.69% to ₱425.63 million.

5. *Other Matters*

- a. COL is not aware of any known trends, demands, commitments, events or uncertainties that will have a material impact on the Group's liquidity. The Group has not defaulted in paying its obligations, which arise mostly from withdrawals made by customers. In addition, obligations of the Parent Company are fully funded in compliance with the Securities Regulation Code (SRC) Rule 49.2 while COLHK maintains a fund for the exclusive benefit of its customers in compliance with the regulations of the Securities and Futures Commission of Hong Kong.
- 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.

E. Prospects for the Future

1. *Near-Term Prospects*

Stockbrokers in the Philippine stock market are expected to enjoy a better year in 2025. Economic growth is expected to accelerate this year as inflation and interest rates are already on the way down, helping both consumer spending and investments to grow at a faster pace. The economy should also benefit from the mid-term elections as GDP growth has historically been stronger during election years. The Philippines is also a domestically driven economy, making us less vulnerable

to a potential trade war with the U.S. Finally, Philippine stocks are very cheap in terms of valuation and are under owned by foreign investors, implying significant capital appreciation potential.

The stronger performance of the Philippine stock market in 2025 should lead to higher value turnover, benefiting stockbrokers through higher commissions. Demand for mutual funds should likewise increase, leading to higher management fees for COL's newly launched funds, and higher trail fees for its fund distribution business.

2. *Medium to Long-Term Prospects*

The medium to long term outlook of the Philippine market remains very attractive. The economy and earnings of listed companies should benefit from the country's above average growth pace, brought about by its favorable demographics, fast-growing BPO sector and resilient OFW remittances.

The PSE also has various initiatives that should help boost activity in the local stock market. Among them are the relaxation of listing rules and allowing short selling. Coupled with the very low penetration rate of retail investors in the stock market and the economy's favorable growth outlook, the said factors should bode well for the performance of the Philippine stock market and for COL going forward.

F. Market Price and Dividends

1. *Market Information*

The common shares of COL Financial were listed at the PSE on July 12, 2006 under the ticker symbol "COL". The total number of outstanding shares of COL as of December 31, 2024 is 5,949,999,998 with a market capitalization of ₱9.82 billion as of the end of 2024, based on the closing price of ₱1.65 per share.

The high and low sales prices of COL shares transacted at the PSE for each quarter within the last two (2) years are as follows:

	2024		2023	
	High	Low	High	Low
1 st Quarter	2.14	1.68	3.22	2.84
2 nd Quarter	1.94	1.70	3.10	2.85
3 rd Quarter	1.88	1.65	3.06	2.91
4 th Quarter	2.18	1.55	2.96	2.44

As of March 26, 2025, the closing price of COL shares is ₱1.590 per share.

2. *Holders of Common Equity*

As of February 28, 2025, there are thirty-one (31) holders of common shares of COL. The top twenty (20) common shareholders of the Parent Company are as follows:

	Name	No. of Common Shares Total	Percentage of Total Shares Outstanding held by each
1	PCD Nominee Corporation	5,079,951,187	85.3773
2	Lee, Edward K.	778,125,000	13.0777
3	Ang, Valentina L.	62,500,000	1.0504
4	Lee, Lydia C.	12,500,000	0.2101
5	Tan, Jessalynn L.	12,500,000	0.2101
6	Lim, Hernan G.	1,250,000	0.0210
7	Yu, Raymond C.	1,250,000	0.0210
8	Han, Paulwell	1,250,000	0.0210
9	Barretto, Serafin Jr. P.	150,000	0.0025
10	Estacion, Manuel S.	125,000	0.0021
11	Yu, Wellington C. Or Yu, Victoria O.	125,000	0.0021
12	Villanueva, Myra P.	75,000	0.0013
13	Filio, Sernando	62,500	0.0011
14	Gara, Rosario	62,500	0.0011
15	Khoo Boo Boon	12,500	0.0002
16	Hapi Iloilo Corporation	12,500	0.0002
17	Litman, Joel A.	12,500	0.0002
18	Guerzon, Maria Carmen	8,350	0.0001
19	Villanueva, Milagros P.	6,250	0.0001
20	Villanueva, Myrna P.	6,250	0.0001
	TOTAL	5,949,984,537	99.9997

3. *Dividends*

a. **Cash Dividends**

The Board of Directors of COL, in its meeting held on April 26, 2007, approved a policy of declaring an annual regular cash dividend of twenty per cent (20%) of its net income. The payment of dividends shall be taken out of the unappropriated retained earnings of the Parent Company. There are no restrictions that limit payment of dividends on common shares.

The following is a summary of the cash dividend declared and distributed by the Company in 2023 and 2024:

Year	Amount / Share	Type	Ex-Date	Record Date	Payment Date
2024	₱ 0.0186	Regular	May 16, 2024	May 17, 2024	June 5, 2024
	₱ 0.0465	Special	May 16, 2024	May 17, 2024	June 5, 2024
2023	₱ 0.0114	Regular	May 11, 2023	May 16, 2023	June 2, 2023
	₱ 0.0306	Special	May 11, 2023	May 16, 2023	June 2, 2023

b. Stock Dividends

In the meetings held by the Board of Directors of COL on 16 August 2024, and by its stockholders on 27 September 2024, the Board and stockholders approved the stock dividend declaration equivalent to 25% of the Company's outstanding capital stock amounting to ₱119,000,000 or 1,190,000,000 common shares with par value of ₱0.10 per share, sourced from the Company's authorized and unissued capital stock. Fractional shares resulting from the issuance were paid in cash, based on the closing price on record date and computed up to two (2) decimal places. The record date for the entitlement to the stock dividend was on 23 October 2024 with the payment date set on 24 November 2014.

4. *Recent Sales of Unregistered or Exempt Securities*

There was no sale of unregistered or exempt securities as of December 31, 2024.

5. *Discussion on Compliance with leading practice on Corporate Governance*

- a. Compliance with the Parent Company's Corporate Governance Manual is being monitored regularly by the Compliance Officer. Orientation and workshop meetings are held to operationalize the Manual. As a guide, the Parent Company uses the Corporate Governance Scorecard for Publicly-listed Companies as its evaluation system to measure level of compliance with its Manual.
- b. A continuing and on-going review and evaluation of the Parent Company's key result areas and key performance indicators of all its departments are being closely monitored to ensure that measures are being undertaken to fully comply with the Company's adopted leading practices on good governance.
- c. There are no deviations from the Parent Company's Manual on Corporate Governance that it is aware of.
- d. The Parent Company continues to review and evaluate its policies and measures being undertaken to continue to adhere to the principles and practices of good corporate governance.

ANNEX "E"

COL FINANCIAL GROUP, INC.
Special Stockholders' Meeting
27 September 2024, Friday, 2:00 P.M.
conducted virtually via <https://shareholders.colfinancial.com>

<i>Shareholders Present:</i>	No. of Outstanding and Voting Shares	Percentage of Total
	4,330,468,799	90.98%
<i>Directors Present:</i>	Edward K. Lee	Founder, Chairman and Director
	Alexander C. Yu	Vice-Chairman & Director
	Conrado F. Bate	Director
	Hernan G. Lim	Director
	Raymond C. Yu	Director
	Paulwell Han	Director
	Wellington C. Yu	Director
	Kosuke Mizuno	Director
	Arthur Gerrard Gindap	Independent Director
	Roberto C. Benares	Independent Director
	Betty C. Siy-Yap	Independent Director
<i>Also Present:</i>	Sharon T. Lim	Corporate Secretary
	Stephanie Faye B. Reyes	Assistant Corporate Secretary

1. Call to Order and Proof of Notice

The Chairman of the Board called the meeting to order. The Corporate Secretary ("Secretary") reported that stockholders as of record date of 4 September 2024 were notified of the meeting as follows:

- The Notice of the Meeting was sent to stockholders via courier or personal delivery on 6 September 2024; and
- Digital copies of the Corporation's Information Statement, Management Report, 2nd Quarterly Report, Notice and Agenda for the Stockholders' Meeting, and other pertinent documents were also uploaded and may be viewed in the Corporation's website and the PSE Edge.

2. Determination of Quorum, Instruction on Rules of Conduct and Voting Procedures

The Secretary certified that there was a quorum for the meeting. Out of the total authorized capital stock of the Corporation of Four Billion Seven Hundred Sixty Million (4,760,000,000) common shares, Four Billion Three Hundred Thirty Million Four Hundred Sixty-Eight Thousand Seven Hundred Ninety-Nine (4,330,468,799) shares constituting ninety point ninety-eight percent (90.98%) of the subscribed and outstanding capital stock entitled to vote were present in the meeting.

Thereafter, the Secretary explained that the rules of conduct and voting procedures are set forth in the Definitive Information Statement. She highlighted, among others, the following points:

- Stockholders who registered in the Shareholders' Portal ("Portal") by 5:00 pm on 13 September 2024 may send their questions or comments either by email to the corporate secretary or by inputting their questions or comments directly in the Portal in the space provided for in the tab marked as 'Legal'.
- There are two (2) resolutions proposed for adoption in the meeting.
- Stockholders who successfully registered in the Portal may cast their votes on the proposed resolutions through the Portal until 3:00 pm of 27 September 2024.
- The votes cast as of 13 September 2024 after the end of the proxy validation process have been tabulated. These votes are from stockholders owning Four Billion Three Hundred Thirty Million Four Hundred Sixty-Eight Thousand Seven Hundred Ninety-Nine (4,330,468,799) voting shares, representing approximately One Hundred percent (100%) of the total voting shares represented in this meeting and ninety point ninety-eight percent (90.98%) of the total outstanding voting shares. The results of the preliminary tabulation will be referred to throughout the meeting. However, the results of the final tabulation of votes with full details of the affirmative and negative votes and abstentions will be reflected in the minutes of the meeting.

3. Approval of the Minutes of the Previous Meeting

The Chairman presented the minutes of the previous stockholders' meeting held on 26 April 2024. The stockholders passed and approved the following resolution:

"RESOLVED, that the minutes of the meeting of the stockholders held on 26 April 2024 be, as it is hereby confirmed, ratified, and approved."

As tabulated by the Secretary, the votes on the motion for the approval of the minutes of the 26 April 2024 Stockholders' Meeting were as follows:

	Yes	No	Abstain
Approval of the Minutes of the Previous Meeting	4,330,468,799	-	-

4. Ratification of the Declaration of Stock Dividends

The President discussed the proposed stock dividends to be declared by the Corporation. The stockholders passed and approved the following resolution:

"RESOLVED, that the Stockholders of COL Financial Group, Inc. (the "Corporation") representing at least two-thirds (2/3) of its outstanding common shares hereby ratify and approve the following resolutions of the Board of Directors:

"RESOLVED, that COL FINANCIAL GROUP, INC., (the "Corporation") approves, as it hereby approves, the declaration of stock dividends equivalent to twenty-five percent (25%) of the Corporation's outstanding capital stock, amounting to One Hundred Nineteen Million Pesos (Php119,000,000.00) or One Billion One Hundred Ninety Million (1,190,000,000) common shares, with a par value of Ten Centavos (Php0.10) per share (the "Stock Dividends") to be paid on 14 November 2024 ("Payment Date") to all stockholders of record as of 23 October 2024 ("Record Date");

"RESOLVED FURTHER, that the Stock Dividends shall be sourced from the authorized and unissued capital stock of the Corporation;

"RESOLVED FURTHER, that the fractional shares resulting from the Stock Dividend declaration will be paid in cash based on the closing price on Record Date and computed up to two (2) decimal places;

"RESOLVED FURTHERMORE, that in connection with the foregoing, the following are hereby approved:

- a. The filing of the Application for Listing, Listing Agreement, and any other required documents with the PSE for the listing of the Stock Dividends; and
- b. The authority of the Board of Directors of the Corporation and such other persons as are duly authorized by them ("Authorized Persons") to sign, execute, deliver, and/or amend, for and on behalf of the Corporation, in connection with or as contemplated by the additional listing of the Stock Dividends, any and all documents, contracts, agreements, certificates, undertakings and instruments as may be required or necessary to give effect to the foregoing resolutions, and to do such further acts and things as any such Authorized Persons shall deem necessary or appropriate in connection with, or to carry out the actions contemplated by, the foregoing resolutions, including to do and perform (or cause to be done and performed), in the name and on behalf of the Corporation, all such acts, and to make, execute, deliver, issue, or file (or cause to be made, executed, delivered, or filed) with any person including any governmental authority or agency, all such agreements, documents, instruments, certificates, consents and waivers, and all amendments to any such agreements, documents, instruments or certificates, and to pay, or cause to be paid, all such payments, as any of them may deem necessary or advisable to carry out the intent of the foregoing resolutions, the authority for the taking of any such action and the execution and delivery of such of the foregoing to be conclusively evidenced thereby;

"RESOLVED, FINALLY, that any and all resolutions approved by the Board of Directors of the Corporation which are inconsistent with the foregoing resolution are hereby revoked and superseded."

As tabulated by the Secretary, the votes on the motion for the ratification of the declaration of stock dividends were as follows:

	Yes	No	Abstain
Ratification of the Declaration of Stock Dividends	4,330,468,799	-	-

5. Other Matters and Adjournment

No questions were raised by the stockholders. There being no other matters to take up, the meeting was adjourned.

Certified correct by:

(originally signed)

ATTY. SHARON T. LIM

Corporate Secretary

DRAFT

Annex A

Attendance of Stockholders
COL Financial Group, Inc.
2024 Special Stockholders' Meeting
27 September 2024

- A. CTS GLOBAL EQUITY GROUP, INC.
B. STANDARD CHARTERED BANK
C. CITIBANK N.A.
F. ANG, VALENTINA L.
G. BATE, CONRADO F.
H. LEE, EDWARD K.
I. LEE, LYDIA
J. LIM, HERNAN GO
K. LITMAN, JOEL A.
L. TAN, JESSALYNN L.
M. GUERZON, ANTONIO GABRIEL R.
N. GUERZON, MARIA CARMEN R.
O. GUERZON, NICOLE THERESE R.
P. HAN, PAULWELL
Q. YU, RAYMOND C.
R. MIZUNO, KOSUKE
S. YU, WELLINGTON C. OR YU, VICTORIA O.
T. SIY-YAP, BETTY C.
U. BENARES, ROBERTO C.
V. COL FINANCIAL GROUP, INC. *(held for the following beneficial owners):*
1. YU, A. N.
 2. GINDAP, A. G.
 3. LEE, L. C. OR TAN, A. L.
 4. TAN, A. L. OR TAN II, B. C.
 5. TOLEDO, J. A.
 6. ARCELLANA, A. E.
 7. ARCELLANA, A. E. OR ARCELLANA, A. E.
 8. ANG, V. L.
 9. ANG, A. L.
 10. ANG, A. L. OR ANG, V. C.
 11. KAMIAS REALTY CORPORATION
 12. BATE, C. F. OR BATE, K. L.
 13. ANG, C. O. OR CHENG, J. C.
 14. BARRINGTON CARPETS
 15. CITIMEX, INC
 16. LIMBONHAI, M. G.
 17. LINGAT, D. M.

18. LEE, E.C.
19. TEO, E. L. OR LEE, E. C.
20. ELLEE & CO., INC.
21. LEE, L. C.
22. LEE, E. K. OR LEE, L. C.
23. MENDIOLA, G. E.
24. MENDIOLA, J. E. OR MENDIOLA, G. E.
25. TANCHULING, P. M. OR TANCHULING, V. B.
26. CHING, J. B.
27. SAN MIGUEL, M. B.
28. FISERV RESOURCES, INC.
29. HGL DEVELOPMENT CORP.
30. HOC PO FEEDS CORPORATION
31. LIM, N. T.
32. LIM, H. G. OR LIM, D. T.
33. LIM, B. T. OR LIM, H. G.
34. LIM, I. T. OR LIM, H. G.
35. CUAN, I. T. OR CUAN, B. U.
36. MARIPOSA, S. L.
37. MARIPOSA, T. C. OR MARIPOSA, A. C.
38. REAZON, J. M.
39. BARREDO, J. G.
40. BARREDO, M. G. OR BARREDO, J. G.
41. QUITON, J. J.
42. TAN, R. C.
43. TAN, J. L.
44. TAN, R. C. OR TAN, J. L.
45. YU, A. C. OR MATEO, J. C.
46. YU, A. T.
47. LITMAN, J. A. OR MONDIDO, A. R.
48. LEE, K. O.
49. ONG, K. S.
50. VELARDE, J. L. OR VELARDE, L. E.
51. PE, M. W.
52. VIÑAS, M. C. OR VIÑAS, V. L.
53. MONTEVERDE, M. J.
54. YU, A. C.
55. YU, E. N.
56. YU, D. C. OR YU, J. L.
57. NG, M. O.
58. NG, R. O. OR NG, M. O.
59. GUERZON, M. R.
60. GUERZON, A. R.
61. FAUSTO, M. F.
62. FAUSTO, M. F. OR FAUSTO, M. V.

63. CANOY, A. S.
64. BAUTISTA, N. J. OR BAUTISTA, K. A.
65. ANG, P. O.
66. HAN, P.
67. HAN, K.
68. CHUA, R. A.
69. YU, M. L.
70. YU, J. L. OR YU, R. L.
71. ORTEZA, J. P.
72. ORTEZA, R. P.
73. LAÑEDA, R. G.
74. LAÑEDA, R. A. OR LAÑEDA, R. L.
75. YU, R. L.
76. TEO, D. C.
77. MAGHARI, M. G. OR MAGHARI, S. A.
78. CHIKIAMCO, T. V. OR CHIKIAMCO, P. V.
79. CHIKIAMCO, P. V. OR LIM, S. T.
80. CHUA, N. D.
81. CHAN, R. A.
82. OBLEA, M. OR OBLEA, S. SR.
83. ESTOLEYDES, V. M.

ANNEX "F"

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	1	9	9	9	1	0	0	6	5
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COMPANY NAME

C	O	L		F	I	N	A	N	C	I	A	L		G	R	O	U	P	,		I	N	C	.		A	N	D	
S	U	B	S	I	D	I	A	R	I	E	S																		

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

U	n	i	t		2	4	0	1	-	B		E	a	s	t		T	o	w	e	r	,		T	e	k	t	i	t
e		T	o	w	e	r	s		E	x	c	h	a	n	g	e		R	o	a	d	,		O	r	t	i	g	a
s		C	e	n	t	e	r	,		P	a	s	i	g		C	i	t	y										

Form Type

1	7	-	A	
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Department requiring the report

C	F	D	
---	---	---	--

Secondary License Type, If Applicable

B	r	o	k	e	r
---	---	---	---	---	---

COMPANY INFORMATION

Company's Email Address

helpdesk@colfinancial.com

Company's Telephone Number

(02) 8636-5411

Mobile Number

NA

No. of Stockholders

32

Annual Meeting (Month / Day)

any date in April

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Mr. Conrado F. Bate

Email Address

dino.bate@colfinancial.com

Telephone Number/s

(02) 8636-5411

Mobile Number

NA

CONTACT PERSON'S ADDRESS

Unit 2401-B East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City

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

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



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

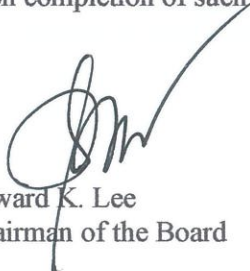
The Management of COL Financial Group, Inc. and Subsidiaries (the Group) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, as of December 31, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

The BOD reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders of the Group.

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the BOD and stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


Edward K. Lee
Chairman of the Board


Conrado F. Bate
President and Chief Executive Officer


Lorena E. Velarde
First Vice President and Chief Financial Officer

Signed this 14th day of March 2025.

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
COL Financial Group, Inc.
Unit 2401-B East Tower, Tektite Towers
Exchange Road, Ortigas Center, Pasig City

Opinion

We have audited the consolidated financial statements of COL Financial Group, Inc. (the Parent Company) and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Information Technology Environment Supporting the Stockbrokerage Business

The Parent Company is highly dependent on the reliability and continuity of its information technology (IT) environment to support the automated data processing of its stockbrokerage business. This IT environment is key to the Parent Company's revenue generation activity and is relied upon in many aspects of its financial reporting process. We, therefore, considered the testing of the controls over IT processes of the Parent Company to address the IT process risks as a key audit matter.

Audit response

We performed procedures to obtain an understanding of the Parent Company's IT environment, which covers the IT applications and supporting infrastructure, IT processes and IT personnel. We obtained an understanding and performed testing of the IT controls over program changes to the IT applications, user access management to the IT applications and databases, and management of IT operations. To the extent applicable, we performed testing of the design and operation of the IT controls of the applications supporting the trading-related revenue process and the financial reporting process. We evaluated and considered the results of the testing of controls in the design and extent of our substantive audit procedures.

Other Information

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

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

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

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

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

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



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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

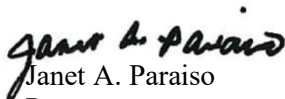
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Janet A. Paraiso.

SYCIP GORRES VELAYO & CO.



Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10465256, January 2, 2025, Makati City

March 14, 2025



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

	December 31					
	2024			2023		
	Money Balance	Security Valuation		Money Balance	Security Valuation	
		Long	Short		Long	Short
ASSETS						
Current Assets						
Cash and cash equivalents (Note 4)	₱9,703,915,783			₱9,438,980,073		
Cash in a segregated account (Notes 4 and 5)	840,431			25,603,100		
Short-term time deposits (Note 4)	—			200,000,000		
Financial assets at fair value through profit or loss (Note 6)	101,161,494	₱1,114,744		91,048,410	₱1,547,619	
Investment securities at amortized cost (Note 8)	435,119,474			392,290,753		
Trade receivables (Notes 7 and 20)	995,011,027	8,325,786,210		880,005,226	5,507,760,133	
Other receivables (Notes 7 and 20)	104,418,133			92,063,144		
Prepayments	10,515,685			8,810,191		
Other current assets (Note 12)	26,215,330			21,654,097		
Total Current Assets	11,377,197,357			11,150,454,994		
Noncurrent Assets						
Investment securities at amortized cost (Note 8)	901,277,555			1,000,015,465		
Property and equipment (Note 9)	62,032,150			71,713,990		
Investment property (Note 10)	11,381,328			12,256,814		
Intangibles (Note 11)	7,950,356			7,866,334		
Deferred income tax assets (Note 19)	14,429,020			2,217,584		
Other noncurrent assets (Note 12)	75,616,196			77,296,884		
Total Noncurrent Assets	1,072,686,605			1,171,367,071		
TOTAL ASSETS	₱12,449,883,962			₱12,321,822,065		
Securities in box, in Philippine Depository and Trust Corporation and Hong Kong Securities Clearing Company, Limited			₱108,272,543,819			₱98,073,710,631

(Forward)



	December 31					
	2024			2023		
	Money Balance	Security Valuation Long	Short	Money Balance	Security Valuation Long	Short
LIABILITIES AND EQUITY						
Current Liabilities						
Trade payables (Notes 13 and 20)	₱9,839,640,484	₱99,945,642,865		₱9,898,277,252	₱92,564,402,879	
Lease liabilities - current portion (Note 21)	15,230,525			19,662,395		
Income tax payable	3,671			—		
Other current liabilities (Note 14)	167,515,053			125,682,186		
Total Current Liabilities	10,022,389,733			10,043,621,833		
Noncurrent Liabilities						
Lease liabilities - net of current portion (Note 21)	11,709,072			19,484,158		
Retirement obligation (Notes 18 and 20)	53,637,605			54,387,374		
Deferred income tax liabilities (Note 19)	90,841			12,327,097		
Total Noncurrent Liabilities	65,437,518			86,198,629		
Total Liabilities	10,087,827,251			10,129,820,462		
Equity						
Capital stock (Note 15)	595,000,000			476,000,000		
Capital paid-in excess of par value	53,219,024			53,219,024		
Accumulated translation adjustment	36,811,363			34,807,180		
Loss on remeasurement of retirement obligation (Note 18)	(35,567,381)			(35,499,705)		
Other equity reserves	(1,019,697)			—		
Retained earnings (Note 15)						
Appropriated	630,242,397			585,919,747		
Unappropriated	1,070,617,712			1,057,563,532		
Equity Attributable to the Equity Holders of the Parent Company	2,349,303,418			2,172,009,778		
Non-controlling Interest (Note 15)	12,753,293			19,991,825		
Total Equity	2,362,056,711			2,192,001,603		
TOTAL LIABILITIES AND EQUITY	₱12,449,883,962	₱108,272,543,819	₱108,272,543,819	₱12,321,822,065	₱98,073,710,631	₱98,073,710,631

See accompanying Notes to Consolidated Financial Statements.



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

	Years Ended December 31		
	2024	2023	2022
REVENUES (Note 16)			
Commissions (Note 20)	₱382,311,654	₱329,599,703	₱447,051,831
Others:			
Interest income (Notes 4, 5, 6, 7, 8 and 20)	758,361,943	708,469,374	336,345,400
Trail fees	24,243,170	21,973,385	22,117,691
Trading gains - net (Note 6)	476,421	5,835,402	5,661,032
Others (Note 6)	28,360,361	25,943,044	24,806,870
	1,193,753,549	1,091,820,908	835,982,824
COST OF SERVICES			
Personnel costs – operations (Notes 17, 18 and 20)	103,422,174	88,843,959	77,329,335
Commission expense and professional fees	79,977,342	70,873,120	70,402,730
Communications	39,231,995	39,664,534	40,716,175
Stock exchange dues and fees (Note 16)	30,241,469	25,104,227	34,272,205
Depreciation and amortization (Notes 9, 10, 11 and 21)	20,930,775	28,134,215	31,910,340
Central depository fees	10,517,556	9,713,091	9,597,119
Server maintenance costs	5,777,693	5,067,430	4,246,892
Periodicals and other subscriptions	5,745,259	5,975,949	4,445,740
Research	4,966,709	4,294,197	4,098,539
Others	2,907,596	2,658,617	2,963,639
	303,718,568	280,329,339	279,982,714
GROSS PROFIT	890,034,981	811,491,569	556,000,110
OPERATING EXPENSES			
Personnel costs (Notes 17, 18 and 20)	179,136,528	162,777,532	146,022,023
Depreciation and amortization (Notes 9, 10, 11 and 21)	19,430,781	19,254,631	20,964,714
Advertising and marketing	10,325,261	6,684,206	6,108,083
Professional fees (Note 20)	10,008,155	9,753,541	9,471,696
Insurance	7,246,935	6,077,002	5,684,381
Power, light and water	7,225,764	7,468,023	6,839,537
Taxes and licenses	5,436,872	4,927,070	8,984,443
Security and messengerial services	5,414,545	4,655,789	4,229,319
Representation and entertainment	4,233,658	3,374,626	907,647
Trainings, seminars and meetings	3,739,392	1,213,376	842,086
Condominium dues	2,677,015	2,681,352	2,674,198
Repairs and maintenance	2,570,536	2,169,300	1,133,738
Rentals (Note 21)	2,168,058	1,363,292	362,567
Directors' fees (Note 20)	2,120,000	2,250,000	2,380,000
Office supplies	1,847,260	1,558,732	1,915,007
Membership fees and dues	1,531,779	1,868,349	2,107,765
Provision for (recovery from) credit losses (Note 7)	(116,675)	157,379	(138,864)
Others	6,092,017	6,842,322	5,776,241
	271,087,881	245,076,522	226,264,581

(Forward)



	Years Ended December 31		
	2024	2023	2022
OTHER INCOME (LOSSES)			
Interest expense (Notes 18 and 21)	(P4,456,023)	(P6,118,419)	(P5,082,653)
Foreign exchange losses – net	(322,044)	(3,820,284)	(419,091)
Gain (loss) on disposal of property and equipment (Note 9)	(248,335)	6,231	2,499
Loss on sale of investment securities at amortized cost (Note 8)	–	–	(6,426,327)
	(5,026,402)	(9,932,472)	(11,925,572)
INCOME BEFORE INCOME TAX	613,920,698	556,482,575	317,809,957
PROVISION FOR (BENEFIT FROM)			
INCOME TAX (Note 19)			
Current			
Final income tax	137,386,097	127,835,907	59,753,217
Regular corporate income tax	4,244,081	2,657,283	17,955,259
Deferred	(13,264,081)	363,545	(2,152,278)
	128,366,097	130,856,735	75,556,198
NET INCOME	P485,554,601	P425,625,840	P242,253,759
Attributable to:			
Equity holders of the Parent Company	P486,252,830	P426,579,361	P244,046,290
Non-controlling interest (Note 15)	(698,229)	(953,521)	(1,792,531)
	P485,554,601	P425,625,840	P242,253,759
Earnings Per Share (Note 25)			
Basic and diluted	P0.08	P0.07	P0.04

See accompanying Notes to Consolidated Financial Statements.



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

	Years Ended December 31		
	2024	2023	2022
NET INCOME	₱485,554,601	₱425,625,840	₱242,253,759
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX			
<i>Item that will not be reclassified to consolidated statements of income:</i>			
Gain (loss) on remeasurement of retirement obligation - net of tax (Note 18)	(67,676)	(12,096,237)	17,253,643
<i>Item that may be reclassified subsequently to consolidated statements of income:</i>			
Translation adjustments - net of tax	2,004,183	(303,424)	20,410,228
	1,936,507	(12,399,661)	37,663,871
TOTAL COMPREHENSIVE INCOME	₱487,491,108	₱413,226,179	₱279,917,630
Attributable to:			
Equity holders of the Parent Company	₱488,189,337	₱414,179,700	₱281,710,161
Non-controlling interest	(698,229)	(953,521)	(1,792,531)
	₱487,491,108	₱413,226,179	₱279,917,630

See accompanying Notes to Consolidated Financial Statements.



COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023, AND 2022

	Equity Attributable to the Equity Holders of the Parent Company								Non-controlling Interest (Note 15)	Total Equity
	Capital Stock (Note 15)	Capital In Excess of Par Value	Accumulated Translation Adjustment	Loss on Remeasurement of Retirement Obligation (Note 18)	Other Equity Reserves	Retained Earnings		Total		
						Appropriated (Note 15)	Unappropriated			
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 shares in a subsidiary from non-controlling interest (Note 15)	–	–	–	–	(1,019,697)	–	–	(1,019,697)	(6,540,303)	(7,560,000)
Total comprehensive income (loss)	–	–	2,004,183	(67,676)	–	–	486,252,830	488,189,337	(698,229)	487,491,108
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 December 31, 2024	₱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
Balances at January 1, 2023	₱476,000,000	₱53,219,024	₱35,110,604	(₱23,403,468)	₱–	₱585,722,237	₱831,101,681	₱1,957,750,078	₱16,445,346	₱1,974,195,424
Non-controlling interest of subsidiary (Note 15)	–	–	–	–	–	–	–	–	4,500,000	4,500,000
Total comprehensive income (loss)	–	–	(303,424)	(12,096,237)	–	–	426,579,361	414,179,700	(953,521)	413,226,179
Appropriation of retained earnings (Note 15)	–	–	–	–	–	27,332,658	(27,332,658)	–	–	–
Reversal of appropriated retained earnings (Note 15)	–	–	–	–	–	(27,135,148)	27,135,148	–	–	–
Declaration of cash dividend (Note 15)	–	–	–	–	–	–	(199,920,000)	(199,920,000)	–	(199,920,000)
Balances at December 31, 2023	₱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
Balances at January 1, 2022	₱476,000,000	₱53,219,024	₱14,700,376	(₱40,657,111)	₱–	₱424,800,068	₱1,152,577,560	₱2,080,639,917	₱18,237,877	₱2,098,877,794
Total comprehensive income (loss)	–	–	20,410,228	17,253,643	–	–	244,046,290	281,710,161	(1,792,531)	279,917,630
Appropriation of retained earnings (Note 15)	–	–	–	–	–	160,922,169	(160,922,169)	–	–	–
Declaration of cash dividend (Note 15)	–	–	–	–	–	–	(404,600,000)	(404,600,000)	–	(404,600,000)
Balances at December 31, 2022	₱476,000,000	₱53,219,024	₱35,110,604	(₱23,403,468)	₱–	₱585,722,237	₱831,101,681	₱1,957,750,078	₱16,445,346	₱1,974,195,424

See accompanying Notes to Consolidated Financial Statements.



COL FINANCIAL GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱613,920,698	₱556,482,575	₱317,809,957
Adjustments for:			
Interest income (Notes 16 and 20)	(758,361,943)	(708,469,374)	(336,345,400)
Depreciation and amortization (Notes 9, 10, 11 and 21)	40,361,556	47,388,846	52,875,054
Interest expense (Notes 18 and 21)	5,765,176	7,008,789	6,564,702
Amortization of premium (discount) on investment securities at amortized cost (Note 8)	(744,417)	(73,765)	3,582,068
Loss (gain) on disposal of property and equipment (Note 9)	248,335	(6,231)	(2,499)
Dividend income (Notes 6 and 16)	(6,056)	(96,335)	(248,170)
Loss on sale of investment securities at amortized cost (Note 8)	—	—	6,426,327
Operating income (loss) before working capital changes	(98,816,651)	(97,765,495)	50,662,039
Decrease (increase) in:			
Cash in a segregated account	24,762,669	71,213,374	(21,343,284)
Financial assets at fair value through profit or loss	(10,113,084)	(6,201,129)	69,039,142
Trade receivables	(110,765,600)	310,329,516	(197,256,692)
Other receivables	123,401,430	126,178,081	65,453,934
Prepayments	(1,699,770)	(1,193,284)	583,621
Other assets	(6,917,003)	(1,507,854)	(1,428,904)
Increase (decrease) in:			
Trade payables	(59,970,083)	(989,243,153)	290,627,602
Retirement obligation	(15,990,869)	(15,514,277)	(14,765,332)
Other current liabilities	41,239,685	19,625,815	(41,058,603)
Net cash generated from (used in) operations	(114,869,276)	(584,078,406)	200,513,523
Interest received	622,605,524	555,660,691	275,683,096
Income taxes paid	(137,399,526)	(136,013,453)	(115,306,351)
Dividends received	6,056	96,335	248,170
Net cash provided by (used in) operating activities	370,342,778	(164,334,833)	361,138,438
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to investment securities at amortized cost	(635,664,676)	(591,723,490)	(24,707,545,266)
Proceeds from maturity of investment securities at amortized cost	692,318,282	200,200,000	33,377,720,368
Decrease (increase) in short-term time deposits (Note 4)	200,000,000	(200,000,000)	—
Acquisitions of property and equipment (Note 9)	(17,320,926)	(10,289,179)	(23,573,705)
Acquisitions of software and licenses (Note 11)	(1,924,552)	(143,035)	(73,261)
Proceeds from disposal of property and equipment (Note 9)	2,232	6,250	2,500
Proceeds from sale of investment securities at amortized cost	—	—	193,561,411
Net cash provided by (used in) investing activities	237,410,360	(601,949,454)	8,840,092,047
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends declared and paid (Note 15)	(309,876,000)	(199,920,000)	(404,600,000)
Payment of lease liabilities (Note 21)	(25,381,428)	(26,751,409)	(27,214,525)
Acquisition of shares in a subsidiary from non-controlling shareholder (Note 15)	(7,560,000)	—	—
Proceeds from issuance of shares to the non-controlling interest (Note 15)	—	4,500,000	—
Net cash used in financing activities	(342,817,428)	(222,171,409)	(431,814,525)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	264,935,710	(988,455,696)	8,769,415,960
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,438,980,073	10,427,435,769	1,658,019,809
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱9,703,915,783	₱9,438,980,073	₱10,427,435,769

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.

The accompanying consolidated financial statements of the Group as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were authorized for issue in accordance with a resolution by the Board of Directors (BOD) on March 14, 2025.

2. Basis of Preparation, Basis of Consolidation and Summary of Material Accounting Policies

Basis of Preparation

The accompanying consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). The 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 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 consolidated financial statements comprise the accounts of the Parent Company and its subsidiaries as at December 31, 2024 and 2023 and for each of the three years ended 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
		2024	2023	
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 December 31, 2024 and 2023 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.

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 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 2024. 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.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

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, 2025

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



Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to 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 12 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

Cash in a segregated account represents clients' monies maintained by COLHK with a licensed bank arising from its normal course of business.

The asset is recognized to the extent that COLHK bears the risks and rewards related to the clients' monies deposited in the bank. Similarly, the accompanying liability is recognized to the extent that COLHK has the obligation to deliver cash to its customers upon withdrawal and is liable for any loss or misappropriation of clients' monies.

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 December 31, 2024 and 2023.

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', 'Short-term time deposits', '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 consolidated statement of income when these investments are derecognized or impaired, as well as through the amortization process. The ECL are recognized in the consolidated 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 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 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 financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques include comparison to similar investments for which market observable prices exist and discounted cash flow analysis or other valuation models.



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 assets' and 'Financial liabilities' 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 effective interest rate. 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 Philippine Stock Exchange 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 property is 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 does not intend to sell its exchange trading right in the near future while COLHK's exchange trading right is a nontransferable right.

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 recognized right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for leases of low-value assets. The right-of-use assets for all leases were recognized based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognized. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

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, 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 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 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.

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 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 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 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 statement of financial condition. 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 December 31, 2024 and 2023, the carrying values of intangibles are disclosed in Note 11.



Estimating recoverability of deferred income tax assets

Deferred 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 December 31, 2024 and 2023 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.

All assumptions are reviewed at each end of the reporting period.

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.

Further details about the assumptions used are provided in Note 18.

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

Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand and in banks	₱252,666,475	₱318,657,092
Cash equivalents	9,451,249,308	9,120,322,981
	₱9,703,915,783	₱9,438,980,073

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 ranging from 2.75% to 6.50% per annum in 2024, from 3.00% to 6.38% per annum in 2023 and from 0.25% to 5.88% per annum in 2022. The Parent Company has United States dollar (US\$)-denominated cash in banks amounting to US\$1,129 and US\$50,677 as at December 31, 2024 and 2023, respectively, while COLHK has US\$-denominated cash in banks amounting to US\$501 and US\$39,364 as at December 31, 2024 and 2023, 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 ₱9,575,721,717 and ₱9,532,993,408 as at December 31, 2024 and 2023, respectively. The special reserve accounts consist of cash in banks and short-term cash investments which are recorded as 'Cash and cash equivalents,' and short-term government debt securities recorded as 'Investment securities at amortized cost' (Note 8). Cash and cash equivalents considered as special reserve accounts amounted to ₱9,575,721,717 and ₱9,237,613,618 as at December 31, 2024 and 2023, respectively. The Parent Company's reserve requirement is determined based on the SEC's prescribed computations. As at December 31, 2024 and 2023, the Parent Company's reserve accounts are adequate to cover its reserve requirements.

Interest income of the Group from cash and cash equivalents, cash in segregated account and time deposits amounted to ₱609,427,384, ₱591,823,401 and ₱133,273,719 in 2024, 2023 and 2022, respectively (Note 16).

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.

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). The Group is not allowed to use the clients' monies to settle its own obligations.

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:

	2024	2023
Government and corporate debt securities	₱74,311,389	₱89,500,791
Mutual funds	26,401,984	640,013
Listed equity securities	448,121	907,606
	₱101,161,494	₱91,048,410

The peso-denominated government debt securities pertain to investments in Treasury bills which bear nominal annual interest rates of 6.22% per annum in 2024, from 3.15% to 6.23% per annum in 2023 and from 1.01% to 3.15% per annum in 2022. Interest income earned from these investments amounted to ₱346,298, ₱113,686 and ₱593,340 in 2024, 2023 and 2022, respectively (Note 16).



The Group also invested in peso-denominated government and corporate bonds which bear nominal interest rates ranging from 4.63% to 9.25% per annum in 2024 and from 2.84% to 9.25% per annum in 2023 and 2022. Interest income earned from the investments amounted to ₱4,214,965, ₱4,712,109, and ₱2,920,806 in 2024, 2023 and 2022, respectively (Note 16).

The dividend income under 'Other revenues' represents dividends received from investments in shares of stocks of companies listed in the PSE amounted to ₱6,056, ₱96,335 and ₱248,170 in 2024, 2023 and 2022, respectively (Note 16).

The Group's net trading gains follow:

	2024	2023	2022
Trading gains from sale	₱651,224	₱1,790,374	₱10,252,639
Unrealized trading gains (losses)	(174,803)	4,045,028	(4,591,607)
	₱476,421	₱5,835,402	₱5,661,032

7. Trade Receivables and Other Receivables

Trade Receivables

This account consists of receivables from:

	2024	2023
Customers (Note 20)	₱994,927,871	₱857,875,951
Mutual fund managers	2,182,609	1,896,052
Other brokers	—	11,563,223
Clearing house	—	10,886,128
	997,110,480	882,221,354
Less allowance for credit losses on trade receivables from customers	2,099,453	2,216,128
	₱995,011,027	₱880,005,226

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

	2024		2023	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
Fully secured accounts:				
More than 250%	₱758,230,269	₱7,847,314,028	₱410,417,172	₱4,556,186,564
Between 200% and 250%	154,795,147	337,660,152	386,094,596	858,980,775
Between 150% and 200%	66,117,514	124,775,695	32,710,395	64,050,537
Between 100% to 150%	4,156,394	4,511,992	—	—
Less than 100%	11,609,627	11,524,343	28,653,482	28,542,257
Unsecured accounts (Note 20)	18,920	—	306	—
	994,927,871	₱8,325,786,210	857,875,951	₱5,507,760,133
Less allowance for credit losses on trade receivables from customers	2,099,453		2,216,128	
	₱992,828,418		₱855,659,823	



As at December 31, 2024 and 2023, the Parent Company offered a credit line facility amounting to ₱5,729,433,950 and ₱5,682,964,950, respectively, to its customers who qualified for margin accounts.

Trade receivables from margin customers have no specific credit terms but customers are required to maintain the value of their collateral within a specific level. Once the value of the collateral falls below this level, customers may either deposit additional collateral or sell stock to cover 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 and COLHK. The receivable balances become demandable upon failure of the customer to duly comply with these requirements. As at December 31, 2024 and 2023, trade receivables from customers amounting to ₱983,299,324 and ₱829,222,163, respectively, are fully covered by collateral. Interest income from customers who availed of the margin facility amounted to ₱70,695,899, ₱69,049,168 and ₱56,830,840 in 2024, 2023 and 2022, respectively (Note 16).

Trade receivables from clearing house as at December 31, 2023 were fully collected in January 2024. On August 10, 2023, the Philippine SEC approved SCCP's proposal to shorten the stock trading settlement period from three (3) trading days to two (2), effective August 24, 2023 (Note 13).

As at December 31, 2023, receivables from other brokers pertain to clients' monies deposited to Interactive Brokers (IB) LLC through COLHK. These were fully collected and returned to the customers of COLHK as at December 31, 2024 as part of its dissolution procedures (Note 13).

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:

	2024	2023
Accrued interest on investments	₱75,696,652	₱77,326,329
Mutual fund redemption proceeds (Note 14)	17,545,601	4,374,111
Employee salary loan and advances (Note 20)	2,368,703	1,918,322
Others	8,807,177	8,444,382
	₱104,418,133	₱92,063,144

Allowance for Credit Losses

Movements in the allowance for credit losses follow:

	2024	2023
Balances at beginning of year	₱2,216,128	₱2,058,749
Provision for (recovery from) credit losses	(116,675)	157,379
Balances at end of year	₱2,099,453	₱2,216,128



8. Investment Securities at Amortized Cost

This account consists of:

	2024	2023
Current government debt securities	₱435,119,474	₱392,290,753
Noncurrent government debt securities	901,277,555	1,000,015,465
	₱1,336,397,029	₱1,392,306,218

The peso-denominated government debt securities bear a nominal interest rate of 2.63% to 6.63% per annum in 2024, 2.63% to 6.38% per annum in 2023 and 0.70% to 6.38% per annum in 2022, with an EIR of 3.27% to 6.38% in 2024 and 2023 and from 0.70% to 5.18% in 2022. Amortization of discount from these investments amounted to ₱744,417 and ₱73,765 in 2024 and 2023, respectively, while amortization of premium amounted to ₱3,582,068 in 2022.

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.'

The outstanding investments in short-term government debt securities amounting to nil and ₱295,379,790 as at December 31, 2024 and 2023, respectively, are included in the Parent Company's special reserve accounts in compliance with SRC Rule 49.2 (Note 4).

Interest income earned from these investments amounted to ₱73,677,233, ₱42,770,847 and ₱142,726,156 in 2024, 2023 and 2022, respectively (Note 16).



9. Property and Equipment

The composition of and movements in this account follow:

2024							
	Online Trading Equipment and Facilities	Furniture, Fixtures and Equipment	Transportation Equipment	Leasehold Improvements	Construction in Progress	Right-of-use Assets – Office Premises	Total
Cost							
At beginning of year	₱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
Reclassification	–	–	–	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 year	206,244,135	36,393,970	7,932,715	75,090,484	–	67,124,103	392,785,407
Accumulated depreciation and amortization							
At beginning of year	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 year	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

2023							
	Online Trading Equipment and Facilities	Furniture, Fixtures and Equipment	Transportation Equipment	Leasehold Improvements	Construction in Progress	Right-of-use Assets – Office Premises	Total
Cost							
At beginning of year	₱202,256,395	₱39,212,071	₱–	₱70,520,497	₱1,279,968	₱74,509,063	₱387,777,994
Additions	5,823,398	340,908	3,696,429	169,479	258,965	11,575,896	21,865,075
Reclassification	–	24,509	–	1,448,424	(1,472,933)	–	–
Disposals	(465,229)	–	–	–	–	(9,533,266)	(9,998,495)
Translation adjustments	(104,288)	(55,596)	–	(12,523)	–	(64,697)	(237,104)
At end of year	207,510,276	39,521,892	3,696,429	72,125,877	66,000	76,486,996	399,407,470
Accumulated depreciation and amortization							
At beginning of year	173,502,654	35,108,655	–	58,783,377	–	25,563,326	292,958,012
Depreciation and amortization (Note 21)	9,610,813	2,473,181	61,905	7,994,391	–	24,802,123	44,942,413
Disposals	(465,210)	–	–	–	–	(9,533,266)	(9,998,476)
Translation adjustments	(104,288)	(48,436)	–	(12,523)	–	(43,222)	(208,469)
At end of year	182,543,969	37,533,400	61,905	66,765,245	–	40,788,961	327,693,480
Net book value	₱24,966,307	₱1,988,492	₱3,634,524	₱5,360,632	₱66,000	₱35,698,035	₱71,713,990



As of December 31, 2024 and 2023, the cost of the Group's fully depreciated property and equipment still in use amounted to ₱261,994,641 and ₱237,130,749, respectively. Disposal of property and equipment resulted in a loss amounting to ₱248,335 in 2024 and gains amounting to ₱6,231 and ₱2,499 in 2023 and 2022, respectively.

The depreciation and amortization were classified as follows:

	2024	2023	2022
Cost of services	₱19,809,367	₱26,763,483	₱29,190,474
Operating expenses	17,836,173	18,178,930	19,894,632
	₱37,645,540	₱44,942,413	₱49,085,106

10. Investment Property

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

	2024	2023
Cost		
At beginning and end of year	₱17,509,736	₱17,509,736
Accumulated depreciation		
At beginning of year	5,252,922	4,377,435
Depreciation	875,486	875,487
At end of year	6,128,408	5,252,922
Net book value	₱11,381,328	₱12,256,814

As at December 31, 2024 and 2023, 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 ₱875,486 in 2024 and ₱875,487 in 2023 and 2022.

Collaterals

As at December 31, 2024 and 2023, the Group's investment property is not pledged as collateral.

11. Intangibles

Stock Exchange Trading Rights

Philippine Operations

As at December 31, 2024 and 2023, 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 December 31, 2024 and 2023, 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).

In August 2024, COLHK has submitted an application to revoke its broker dealer license to HK's Securities and Futures Commission (SFC). The Group has fully impaired the exchange trading right of COLHK amounting to HK\$2,860,000 in 2017.

Software Costs and Licenses

Movements in the software costs and licenses account follow:

	2024	2023
Cost		
At beginning of year	₱49,286,669	₱49,143,634
Additions	1,924,552	143,035
At end of year	51,211,221	49,286,669
Accumulated amortization		
At beginning of year	46,420,335	44,849,389
Amortization	1,840,530	1,570,946
At end of year	48,260,865	46,420,335
Net book value	₱2,950,356	₱2,866,334

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

	2024	2023	2022
Cost of services	₱1,121,408	₱1,370,732	₱2,719,866
Operating expenses	719,122	200,214	194,595
	₱1,840,530	₱1,570,946	₱2,914,461

As of December 31, 2024 and 2023, the costs of the Group's fully amortized software still in use amounted to ₱37,086,667 and ₱36,014,846, respectively.

12. Other Assets

Other Current Assets

This account consists of:

	2024	2023
Income tax overpayment	₱25,398,959	₱20,574,493
Deferred input VAT	816,371	1,079,604
	₱26,215,330	₱21,654,097

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



Other Noncurrent Assets

This account consists of:

	2024	2023
Deposit and refundable contributions to CTGF	₱57,688,271	₱55,242,230
Intangible assets under development	7,849,571	7,849,571
Refundable deposits:		
Rental and utility deposits	5,590,962	8,108,533
Other refundable deposits	3,887,610	4,186,124
	75,016,414	75,386,458
Deferred input VAT	599,782	1,910,426
	₱75,616,196	₱77,296,884

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 December 31, 2024 and 2023 as 'Other noncurrent assets' amounting to ₱57,688,271 and ₱55,242,230, respectively.

Refundable deposits

Other refundable deposits include those made by the Parent Company to its internet service providers, as well as deposits made by COLHK to HKEX and the SFC, which are recoverable upon the cancellation of its membership.

13. Trade Payables

This account consists of:

	2024	2023
Customers (Note 20)	₱9,785,431,339	₱9,898,277,252
Clearing house	54,206,442	—
Others	2,703	—
	₱9,839,640,484	₱9,898,277,252

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

	2024		2023	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
Payable to customers:				
With money balances	₱9,785,431,339	₱97,495,145,660	₱9,898,277,252	₱87,523,830,009
No money balances	—	2,450,497,205	—	5,040,572,870
	₱9,785,431,339	₱99,945,642,865	₱9,898,277,252	₱92,564,402,879



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

Payable to customers with money balances amounted to nil and ₱26,614,280 as at December 31, 2024 and 2023, respectively. These payables pertain to the trust and segregated bank balances received and held for COLHK's clients during the conduct of regulated activities. As COLHK is in the process of dissolution, the funds have already been returned to its customers as at December 31, 2024 (Note 7).

Trade payables to the clearing house as of December 31, 2024, were settled in January 2025. 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

This account consists of:

	2024	2023
Accrued expenses	₱42,456,073	₱37,788,771
Due to BIR	37,793,908	30,266,567
Accrued management bonus	37,048,669	31,657,492
Unposted customers' deposits	18,076,186	7,633,627
Mutual fund redemption proceeds (Note 7)	17,545,600	4,374,110
Trading fees	1,287,638	1,626,500
Others	13,306,979	12,335,119
	₱167,515,053	₱125,682,186

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.

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

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 checks 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:

	Shares	Amount
Common stock - ₱0.10 per share		
Authorized	10,000,000,000	₱1,000,000,000
Issued and outstanding		
Balance at beginning of year	4,760,000,000	₱476,000,000
Distribution of stock dividends	1,189,999,998	119,000,000
Balance at end of year	5,949,999,998	₱595,000,000

All issued and outstanding shares of the Parent Company are listed with the PSE (Note 1). As of December 31, 2024 and 2023 there were 32 holders of the listed shares of the Parent Company, respectively, with its share price closing at ₱1.65 and ₱2.66 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 ₱44,322,650 and ₱27,332,658, respectively.

On November 15, 2022, the BOD approved the appropriation of ₱100,000,000 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 amounting to ₱27,135,148. As of December 31, 2024 and 2023, the remaining appropriated retained earnings for the IT development plan and expansion projects amounted to ₱72,864,857.

Dividends

Details of the Parent Company's dividend distributions from 2022 to 2024 follow:

Type of Dividend	Dividend Rate	Date of Declaration	Date of Record	Date of Payment	Amount
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
2023					
Regular cash dividend	₱0.0114	April 28, 2023	May 16, 2023	June 2, 2023	₱54,264,000
Special cash dividend	0.0306	April 28, 2023	May 16, 2023	June 2, 2023	145,656,000
					₱199,920,000
2022					
Regular cash dividend	₱0.0240	April 27, 2022	May 16, 2022	June 2, 2022	₱114,240,000
Special cash dividend	0.0610	April 27, 2022	May 16, 2022	June 2, 2022	290,360,000
					₱404,600,000



As of December 31, 2024 and 2023, the consolidated retained earnings include the retained earnings of the Subsidiaries amounting to ₱55,995,019 and ₱72,233,769, respectively, which are not available for dividend declaration until such amounts are declared to the Parent Company.

Non-Controlling Interest

The Parent Company formed CIMI in 2019 and as at December 31, 2024 and 2023, the equity interest which is being held by non-controlling interest is at 20.00% and 30.00%, respectively.

In 2023, CIMI issued 15,000,000 shares, each at par value, accumulating a total of ₱15,000,000. Non-controlling shareholders purchased 30.00% of these issued shares.

In July 2024, the Parent Company acquired an additional 10.00% interest in CIMI for ₱7,560,000 and recognized the difference between the purchase price and the net asset value of the acquired share under “Equity reserve” account in 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 December 31, 2024 and 2023

	2024	2023
Cash and cash equivalents (current)	₱46,801,098	₱49,462,512
Financial assets at FVTPL	14,527,035	14,460,441
Other receivables (current)	806,056	845,429
Other assets (current)	2,212,277	1,141,903
Property and equipment (non-current)	1,238,010	2,511,704
Other assets (non-current)	333,005	479,322
Trade payables (current)	(509,219)	(234,633)
Accrued expenses (current)	(244,241)	(181,000)
Other liabilities (current)	(419,619)	(224,393)
Lease liability (current)	(722,580)	(643,931)
Lease liability (non-current)	(255,358)	(977,938)
Total equity	₱63,766,464	₱66,639,416
Attributable to:		
Equity holders of the Parent Company	₱51,013,171	₱46,647,591
Non-controlling interest	12,753,293	19,991,825



Summarized statements of income for the years ended December 31, 2024, 2023 and 2022

	2024	2023	2022
Management fees	₱6,598,715	₱2,181,465	₱168,669
Interest income	3,524,550	2,641,654	1,580,545
Trading gains (losses) - net	66,594	800,134	(1,573,989)
Operating expenses	(12,192,269)	(8,115,753)	(6,135,543)
Loss before income tax	(2,002,410)	(2,492,500)	(5,960,318)
Provision for income tax	870,543	685,902	14,785
Net loss	(₱2,872,953)	(₱3,178,402)	(₱5,975,103)
Attributable to:			
Equity holders of the Parent Company	(₱2,174,724)	(₱2,224,881)	(₱4,182,572)
Non-controlling interest	(698,229)	(953,521)	(1,792,531)
	(₱2,872,953)	(₱3,178,402)	(₱5,975,103)

Summarized cash flow information for the years ended December 31, 2024, 2023 and 2022

	2024	2023	2022
Operating activities	(₱8,372,833)	₱7,121,865	₱27,967,020
Investing activities	(89,287)	(160,665)	(366,519)
Financing activities	(728,000)	14,274,343	(753,614)
Net increase (decrease) in cash and cash equivalents	(₱9,190,120)	₱21,235,543	₱26,846,887

16. Revenues

Breakdown of the Group's revenues are as follows:

	2024	2023	2022
Revenue from contracts with customers			
Commissions	₱382,311,654	₱329,599,703	₱447,051,831
Trail fees	24,243,170	21,973,385	22,117,691
Others	28,354,305	25,846,709	24,558,485
	434,909,129	377,419,797	493,728,007
Other revenues			
Interest income	758,361,943	708,469,374	336,345,400
Trading gains - net	476,421	5,835,402	5,661,032
Others	6,056	96,335	248,385
	758,844,420	714,401,111	342,254,817
	₱1,193,753,549	₱1,091,820,908	₱835,982,824



‘Others’ presented in the consolidated statements of income consists of:

	2024	2023	2022
Trading charges billed to customer	₱19,588,530	₱15,891,413	₱22,247,719
Management fee	6,598,715	2,181,465	168,590
Dividend income	6,056	96,335	248,170
Corporate action processing fees	—	5,982,267	—
Miscellaneous	2,167,060	1,791,564	2,142,391
	₱28,360,361	₱25,943,044	₱24,806,870

Trading charges billed to customers 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:

	2024	2023	2022
Stock trading costs charged to customers	₱19,588,530	₱15,891,413	₱22,247,719
Membership fees and dues	10,056,046	7,784,786	10,507,167
Dealer trades and other transaction costs	159,473	753,805	760,522
Miscellaneous	437,420	674,223	756,797
	₱30,241,469	₱25,104,227	₱34,272,205

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

2024				
	Commissions	Trail fees	Other income	Total
Primary geographical markets				
Philippines	₱382,141,383	₱24,243,170	₱27,319,209	₱433,703,762
Hong Kong	170,271	—	1,035,096	1,205,367
	₱382,311,654	₱24,243,170	₱28,354,305	₱434,909,129
2023				
	Commissions	Trail fees	Other income	Total
Primary geographical markets				
Philippines	₱327,095,466	₱21,973,385	₱24,950,677	₱374,019,528
Hong Kong	2,504,237	—	896,032	3,400,269
	₱329,599,703	₱21,973,385	₱25,846,709	₱377,419,797
2022				
	Commissions	Trail fees	Other income	Total
Primary geographical markets				
Philippines	₱443,675,556	₱22,117,691	₱23,198,592	₱488,991,839
Hong Kong	3,376,275	—	1,359,893	4,736,168
	₱447,051,831	₱22,117,691	₱24,558,485	₱493,728,007



Interest income earned consists of income from:

	2024	2023	2022
Banks (Notes 4 and 5)	₱609,427,385	₱591,823,401	₱133,273,719
Investment securities at amortized cost (Note 8)	73,677,233	42,770,847	142,726,156
Customers (Note 7)	70,695,899	69,049,168	56,830,840
Financial assets at FVTPL (Note 6)	4,561,263	4,825,795	3,514,146
Others	163	163	539
	₱758,361,943	₱708,469,374	₱336,345,400

17. Personnel Costs

This account consists of:

	2024	2023	2022
Salaries and wages	₱246,190,522	₱219,757,946	₱193,520,732
Retirement costs (Note 18)	10,637,600	9,011,597	9,824,477
Other benefits (Note 18)	25,730,580	22,851,948	20,006,149
	₱282,558,702	₱251,621,491	₱223,351,358

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

The above accounts were classified as follows:

	2024	2023	2022
Cost of services	₱103,422,174	₱88,843,959	₱77,329,335
Operating expenses	179,136,528	162,777,532	146,022,023
	₱282,558,702	₱251,621,491	₱223,351,358

18. Employee Benefits

Retirement Benefits

The Parent Company has a funded, non-contributory 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 employees. The defined benefit obligation is determined using the projected unit credit method. There was no plan termination, curtailment or settlement in 2024, 2023 and 2022. The Parent Company's retirement fund is being held in trust by a trustee bank.

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.



The following tables summarize the components of the Parent Company's net retirement costs recognized in the consolidated statements of income and the amounts recognized in the consolidated statements of financial position:

Retirement costs consist of:

	2024	2023	2022
Current service cost (Note 17)	₱10,637,600	₱9,011,597	₱9,824,477
Net interest expense	3,317,630	3,932,708	4,167,912
	₱13,955,230	₱12,944,305	₱13,992,389

Current service cost is shown under 'Personnel costs' in operating expenses while net interest expense is shown under 'Interest expense' in the consolidated statements of income.

Movements in the net retirement obligation recognized in the consolidated statements of financial position follow:

	2024	2023
Retirement obligation at beginning of year	₱54,387,374	₱53,872,706
Contributions	(26,628,469)	(24,525,874)
Retirement costs	13,955,230	12,944,305
Net actuarial losses	11,923,470	12,096,237
Retirement obligation at end of year	₱53,637,605	₱54,387,374

Retirement obligation is the net of the present value of defined benefit obligation and fair value of plan assets computed as follows:

	2024	2023
Present value of defined benefit obligation	₱152,516,120	₱125,371,864
Fair value of plan assets	(98,878,515)	(70,984,490)
	₱53,637,605	₱54,387,374

Changes in the present value of defined benefit obligation are as follows:

	2024	2023
Opening present value of defined benefit obligation	₱125,371,864	₱103,314,131
Current service cost	10,637,600	9,011,597
Interest cost	7,647,684	7,541,932
Benefits paid	(2,338,254)	(5,292,026)
Remeasurement losses (gains) on:		
Experience adjustments	11,197,226	(1,935,283)
Financial assumptions	—	12,731,513
Closing present value of defined benefit obligation	₱152,516,120	₱125,371,864



Changes in the fair value of plan assets follow:

	2024	2023
Balances at beginning of year	₱70,984,490	₱49,441,425
Contributions	26,628,469	24,525,874
Expected interest income	4,330,054	3,609,224
Benefits paid	(2,338,254)	(5,292,026)
Remeasurement loss on plan assets	(726,244)	(1,300,007)
Balances at end of year	₱98,878,515	₱70,984,490

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2024	2023
Fixed income	99.41%	90.88%
Cash in bank	0.02%	8.46%
Others	0.63%	0.75%
	100.06%	100.09%
Accrued trust fees payable	(0.06%)	(0.09%)
	100.00%	100.00%

Fixed income investments include investment in unit investment trust funds (UITF) which comprise of bond instruments, government securities and other debt instruments.

The principal assumptions used in determining retirement obligation for the Parent Company's plan are shown below:

	2024	2023
Discount rate	6.10%	6.10%
Future salary increases	5.00%	5.00%
Mortality rates		
Male	0.08%-0.74%	0.08%-0.74%
Female	0.07%-0.61%	0.07%-0.61%

The sensitivity analysis has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at December 31, 2024 and 2023 assuming all other assumptions were held constant.

	Increase (decrease) in significant assumptions	Increase (decrease) in defined benefit obligation	
		2024	2023
Discount rates	+0.50%	(₱6,502,519)	(₱5,610,953)
	-0.50%	7,063,500	6,103,294
Future salary increases	+0.50%	6,630,783	5,743,207
	-0.50%	(6,158,954)	(5,327,952)
Mortality rate	+1 year	(862,176)	(695,980)
	-1 year	928,796	749,114



The Parent Company does not perform any asset-liability matching strategy. The overall investment policy and strategy of the retirement plan is based on the client suitability assessment, as provided by its trust bank, in accordance with the requirements of the Bangko Sentral ng Pilipinas. It does not, however, ensure that there will be sufficient assets to pay the retirement benefits as they fall due while attempting to mitigate the various risks of the plan.

The Parent Company assesses the funding requirements of the retirement plan annually. Once it deems that the retirement plan needs additional funds, it engages the services of an actuarial expert to quantify the required amount of funds to be contributed. The Parent Company contributed ₱26,628,469 and ₱24,525,874 to the retirement plan in 2024 and 2023, respectively.

The Parent Company is currently assessing the contribution to be made in 2025.

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

	2024	2023
Zero (0) to five (5) years	₱82,293,474	₱60,003,696
Six (6) to ten (10) years	62,272,026	65,358,793
Eleven (11) to fifteen (15) years	98,868,786	78,164,933
Beyond fifteen (15) years	600,706,490	551,913,376
	₱844,140,776	₱755,440,798

The weighted average duration of the defined benefit obligation is 14 years in 2024, 2023 and 2022.

COLHK makes monthly contribution to a fund under the mandatory provident fund schemes ordinance enacted by the HK Government. The plan is a defined contribution retirement plan. Under the plan, COLHK should contribute five percent (5.00%) of the monthly relevant income of all its qualified employees. The contribution recognized as 'Other benefits' under 'Personnel costs' amounted to ₱176,217, ₱302,743 and ₱342,300 in 2024, 2023 and 2022, respectively.

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 consolidated statements of income.

Provision for (benefit from) income tax consists of:

	2024	2023
Current:		
Final	₱137,386,097	₱127,835,907
RCIT/MCIT	4,244,081	2,657,283
Deferred	(13,264,081)	363,545
	₱128,366,097	₱130,856,735



On March 26, 2021, Republic Act (RA) No. 11534, otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was signed into law. CREATE reduced the RCIT rate from 30.00% to 25.00% for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding ₱5,000,000 and with total assets not exceeding ₱100,000,000 (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20.00%.

The regulations also provide for MCIT of 2.00% (prior to CREATE) and 1.00% (from July 1, 2020 to June 30, 2023 before reverting to 2.00%) on modified gross income and allow a net operating loss carryover (NOLCO). The MCIT and NOLCO may be applied against the Parent Company's and its domestic subsidiaries' income tax liability and taxable income, respectively, over a three-year period from the year of inception. For the taxable years 2020 and 2021, the NOLCO incurred can be carried over as a deduction for the next five (5) consecutive taxable years, pursuant to Revenue Regulations (RR) No. 25-2020.

As of December 31, 2024, the Group has incurred NOLCO which can be claimed as deduction from the regular taxable income with details as follows:

Year Incurred	Amount	Used/Expired	Balance	Expiry Year
2024	₱59,811,593	₱—	₱59,811,593	2027
2023	69,481,210	—	69,481,210	2026
2022	6,716,634	—	6,716,634	2025
2021	7,761,742	—	7,761,742	2026
2020	8,235,603	—	8,235,603	2025
	₱152,006,782	₱—	₱152,006,782	

Details of the Group's MCIT are as follows:

Year Incurred	Amount	Used/Expired	Balance	Expiry Year
2024	₱4,244,081	₱—	₱4,244,081	2027
2023	2,657,283	—	2,657,283	2026
	₱6,901,364	₱—	₱6,901,364	

A reconciliation of provision for income tax computed at the statutory income tax rates to net provision for income tax shown in the consolidated statements of income follows:

	2024	2023	2022
Income tax at statutory income tax rate	₱153,840,173	₱139,120,644	₱79,452,489
Additions to (reductions in) income tax resulting from:			
Interest income subjected to final tax	(34,525,764)	(32,014,375)	(9,901,105)
Change in unrecognized DTA	7,196,260	21,518,803	3,393,610
Effect of lower income tax rate in HK	1,739,303	1,724,174	2,069,381
Non-deductible expense	242,886	286,692	403,584
Effect of lower income tax rate for domestic subsidiaries	276,349	256,708	322,558
Tax-exempt income	(403,110)	(35,911)	(184,319)
Provision for income tax	₱128,366,097	₱130,856,735	₱75,556,198



In 2024, 2023 and 2022, the Parent Company availed of the itemized deduction method for income tax purposes.

Deferred Income Taxes

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

	2024	2023
Deferred income tax assets		
NOLCO	₱29,023,563	₱—
Retirement obligation	21,728,836	1,326,887
Lease liabilities	6,686,003	9,705,545
Others	—	59,935
	57,438,402	11,092,367
Deferred income tax liabilities		
Unrealized gain from expected closure of COLHK	(24,742,393)	—
Accumulated translation adjustment	(12,270,454)	(11,602,393)
Right-of-use assets	(5,914,356)	(8,845,745)
Unrealized trading gains	(95,256)	(626,414)
Others	(77,764)	(127,328)
	(43,100,223)	(21,201,880)
	₱14,338,179	(₱10,109,513)

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

Unrecognized deferred tax assets

The Group did not recognize deferred tax assets on the following temporary differences since Management believes that it is not probable that the related benefits will be realized in the future:

	2024	2023
Unused tax losses	₱339,071,104	₱318,608,712
NOLCO	35,912,533	45,073,329
MCIT	6,901,364	2,657,283
Allowance for credit losses	2,099,453	2,216,128
Unrealized trading losses	472,965	—
Retirement obligation	—	76,934,497
	₱384,457,419	₱445,489,949



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	Trade receivables	Trade payables
<i>Key management personnel</i>										
2024	₱1,271,430	₱1,483,210	₱—	₱—	₱—	₱—	₱—	₱—	₱45,540,892	₱1,147,950
2023	986,846	1,009,250	—	—	—	—	—	—	35,850,008	3,686,255
2022	1,668,338	1,291,719	—	—	—	—	—	—	20,925,352	12,230,388
<i>Companies with common officers, directors and stockholders</i>										
2024	517,755	4,298,086	440,542	—	239,712	441,000	3,477,600	16,071	85,944,886	—
2023	3,409,024	4,046,752	3,280,428	—	—	441,000	3,326,400	57,951	54,817,047	131,581
2022	4,361,528	3,265,967	4,159,088	—	70,386	441,000	3,326,400	3,600	59,544,438	26,581
<i>Directors</i>										
2024	488,142	2,186,367	—	2,120,000	—	—	—	—	25,262,326	5,599,912
2023	1,253,111	3,098,022	—	2,250,000	—	—	—	—	54,317,388	41,437,991
2022	1,002,659	1,157,051	—	2,380,000	—	—	—	—	23,385,469	29,488,927

Trade receivables from and payables to related parties are due to be settled in two (2) trading days in the Philippines and HK, 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 ₱18,920 and ₱306, which were unsecured as of December 31, 2024 and 2023, respectively (Note 7). The trade receivables from related parties are not impaired.

- b. As of December 31, 2024 and 2023, the Group also has unsecured noninterest-bearing employee salary loans and advances amounting to ₱2,368,703 and ₱1,918,322 with remaining terms ranging from six months to one year, which are included under 'Other receivables' (Note 7).



c. Compensation of key management personnel of the Group follows:

	2024	2023	2022
Short-term employee benefits	₱105,602,538	₱91,807,062	₱83,720,881
Retirement costs (Note 18)	3,176,111	3,010,097	3,138,452
Other benefits	704,867	1,023,357	1,001,855
	₱109,483,516	₱95,840,516	₱87,861,188

Short-term employee benefits include management bonus.

Related party transactions are settled in cash.

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:

	2024	2023
At beginning of year	₱39,146,553	₱51,401,522
Additions	10,882,413	11,575,896
Accretion of interest	2,292,059	2,941,183
Payments	(25,381,428)	(26,751,409)
Translation adjustment	—	(20,639)
At end of year	₱26,939,597	₱39,146,553
Current	₱15,230,525	₱19,662,395
Non-current	11,709,072	19,484,158
	₱26,939,597	₱39,146,553

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

	2024	2023
Cost of Services		
Depreciation expense of right-of-use assets included in property and equipment (Note 9)	₱10,175,797	₱11,229,409
Interest expense on lease liabilities	1,309,153	890,370
	11,484,950	12,119,779
Operating Expenses		
Depreciation expense of right-of-use assets included in property and equipment (Note 9)	12,567,197	13,614,578
Interest expense on lease liabilities	982,906	2,050,813
	13,550,103	15,665,391
	₱25,035,053	₱27,785,170



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 ₱2,168,058, ₱1,363,292 and ₱362,567 in 2024, 2023 and 2022, respectively.

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

	2024	2023
Within one (1) year	₱16,502,889	₱21,674,085
More than one (1) year to two (2) years	6,030,207	11,476,092
More than two (2) years to three (3) years	3,611,790	3,662,610
More than three (3) years to four (4) years	3,175,200	3,175,200
More than four (4) years to five (5) years	–	3,175,200
	₱29,320,086	₱43,163,187

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 years ended December 31, 2024, 2023 and 2022.

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 being a registered broker dealer in securities is subject to the stringent rules of the SEC and other regulatory agencies with respect to the maintenance of specific levels of RBCA ratios. RBCA is a ratio that compares the broker dealer's total measured risk to its liquid capital. As a rule, the Parent Company must maintain an RBCA ratio of at least one hundred ten percent (110.00%) and a net liquid capital (NLC) of at least ₱5,000,000 or five percent (5.00%) of its aggregate indebtedness, whichever is higher. Also, the Aggregated Indebtedness (AI) of every broker dealer should not exceed two thousand percent (2,000.00%) of its NLC. In the event that 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 December 31, 2024 and 2023, the Parent Company is compliant with the foregoing requirements.



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

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

	2024	2023
Equity eligible for NLC	₱2,218,801,053	₱2,114,630,498
Less ineligible assets	526,396,798	505,607,811
NLC	₱1,692,404,255	₱1,609,022,687
Position risk	₱34,261,435	₱35,087,692
Operational risk	194,611,489	199,229,777
Large exposure risk	14,367,447	20,251,104
Total Risk Capital Requirement (TRCR)	₱243,240,371	₱254,568,573
AI	₱10,049,661,554	₱10,049,963,285
5.00% of AI	₱502,483,078	₱502,498,164
Required NLC	₱502,483,078	₱502,498,164
Net Risk-Based Capital Excess	₱1,189,921,177	₱1,106,524,523
Ratio of AI to NLC	593.81%	624.60%
RBCA ratio (NLC/TRCR)	695.77%	632.06%

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, 2011 and onwards. In 2024 and 2023, 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 December 31, 2024 and 2023.

COLHK monitors capital using liquid capital as provided for under HK'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 and 2023, COLHK is compliant with the said requirement.

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, short-term time deposits, 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, 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 post-paid customers are required to be settled on two (2) trading days' term for COLHK and three (3) trading days' term for the Parent Company. On August 10, 2023, the Philippine SEC approved SCCP's proposal to revise the settlement term of stock trading transactions from three (3) trading days to two (2) trading days effective August 24, 2023. The receivable balances become demandable upon failure of the customer to duly comply with these requirements. As at December 31, 2024 and 2023, ₱994,908,951 and ₱857,875,645 of the total receivables from customers is secured by collateral comprising of equity securities of listed companies with a total market value of ₱8,325,786,210 and ₱5,507,760,133, 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 December 31, 2024 and 2023 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	
2024					
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



	Days after trade date				Total
	T+0 to T+2	T+3 to T+13	T+14 to T+30	T+31 to T+365	
2023					
Expected loss rate	0.00%	2.00%	0.00%	0.00%	0.26%
Trade receivables	₱67,801,196	₱110,791,099	₱91,183,589	₱588,100,067	₱857,875,951
Expected credit loss	—	2,215,822	—	306	2,216,128

Past due accounts pertain to margin accounts of the Parent Company that are charged an interest rate ranging from 6.50% to 10.00%. 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.

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.

Investment securities at amortized cost

The investments 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.'

Deposit and refundable contributions to CTGF

Deposit and refundable contributions to CTGF pertain to contributions made by the Parent Company to a guarantee fund as required by the SCCP and are 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 condition as of December 31, 2024 and 2023 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.

2024				
	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
	₱994,927,871	₱8,325,786,210	₱104,204	₱994,842,587
2023				
	Gross Carrying Amount	Fair Value of Collateral*	Maximum Exposure to Credit Risk	Financial effect of collateral and other credit enhancements
Receivable from customers				
Unsecured	₱306	₱—	₱306	₱306
Partially secured	28,653,482	28,542,257	111,225	28,542,257
Fully secured	829,222,163	5,479,217,876	—	829,222,163
	₱857,875,951	₱5,507,760,133	₱111,531	₱857,764,726

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 December 31, 2024 and 2023, 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 December 31, 2024 and 2023 consist of cash and cash equivalents, short-term time deposits, 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 consolidated financial statements, Management believes that disclosure of equity price risk sensitivity analysis for 2024 and 2023 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\$1,630 and US\$90,041 as at December 31, 2024 and 2023, respectively (Note 4).

Since the amount of US\$-denominated cash in bank subject to foreign currency risk is immaterial relative to the consolidated financial statements, Management believes that disclosure of foreign currency risk analysis for 2024 and 2023 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.

2024						
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 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
	[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



2023						
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
	[a]	[b]	[c] = [a-b]	[d]	[e]	[f] = [c-d-e]
Financial Assets						
Receivable from customers	P857,875,951	P-	P857,875,951	P229,318	P857,535,102	P111,531
Due from clearing house	10,886,128	-	10,886,128	-	-	10,886,128
	P868,762,079	P-	P868,762,079	P229,318	P857,535,102	P10,997,659
Financial Liabilities						
Payable to customers	P9,898,277,252	P-	P9,898,277,252	P229,318	P-	P9,898,047,934
	P9,898,277,252	P-	P9,898,277,252	P229,318	P-	P9,898,047,934

24. Fair Value Measurement

The following table shows the carrying value and fair value of the Group's refundable deposits, investment securities at amortized cost and investment property, whose carrying value does not approximate its fair value as at December 31, 2024 and 2023:

	Carrying Values		Fair Values	
	2024	2023	2024	2023
<i>Financial assets</i>				
Investment securities at amortized cost	P1,336,397,029	P1,392,306,218	P1,173,054,124	P1,242,965,655
Refundable deposits	9,478,571	12,294,657	8,256,145	10,709,047
<i>Non-financial assets</i>				
Investment property	11,381,327	12,256,814	38,413,490	38,413,490

The carrying amounts of cash and cash equivalents, cash in a segregated account, short-term time deposits, 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.

The carrying value of long-term time deposit approximates its fair value since the placement earns interest at prevailing market rates.

Financial assets at FVTPL

The Group's financial assets at FVTPL are carried at their fair values as at December 31, 2024 and 2023. 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 December 31, 2024 and 2023.

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 December 31, 2024 and 2023. There are no changes in the valuation techniques in 2024 and 2023.



Investment securities at amortized cost

The fair value of the investment is based on the quoted market price in an active market as at December 31, 2024 and 2023.

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 consolidated financial statements are categorized within the fair value hierarchy as follows:

	2024			
	Carrying Value	Level 1	Level 2	Level 3
<i>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>Asset for which fair values are disclosed:</i>				
Refundable deposits	9,478,571	–	–	8,256,145
Investment securities at amortized cost	1,336,397,029	603,468,714	569,585,410	–
Investment property	11,381,327	–	–	38,413,490
	2023			
	Carrying Value	Level 1	Level 2	Level 3
<i>Asset measured at fair value:</i>				
Financial assets at FVTPL	₱91,048,410	₱90,408,397	₱640,013	₱–
Deposit and refundable contributions to CTGF	55,242,230	–	–	55,242,230
<i>Asset for which fair values are disclosed:</i>				
Refundable deposits	12,294,657	–	–	10,709,047
Investment securities at amortized cost	1,392,306,218	154,286,072	1,088,679,583	–
Investment property	12,256,814	–	–	38,413,490

During the years ended December 31, 2024 and 2023, there were no transfers among levels one (1), two (2) and three (3) of fair value measurements.

25. EPS Computation

In 2024, 2023 and 2022, 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 24, 2024 and distributed on November 14, 2024 (Note 15), the weighted average number of outstanding common shares have been adjusted retrospectively for all periods presented as required under PFRS.



The basic and diluted earnings per share were computed as follows:

	2024	2023	2022
Net income attributable to the equity holders of the Parent Company	₱487,692,830	₱426,579,361	₱244,046,290
Divided by:			
Weighted average number of shares for basic earnings per share	5,949,999,998	4,760,000,000	4,760,000,000
Adjustment related to stock dividend	—	1,189,999,998	1,189,999,998
Weighted average number of shares, after adjustment for stock dividends	5,949,999,998	5,949,999,998	5,949,999,998
Basic and diluted EPS	₱0.08	₱0.07	₱0.04

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:

	2024			
	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)



2023				
	Stockbrokerage services	Others	Elimination	Total
Revenue from external customers:				
Commissions	₱329,612,059	₱–	(₱12,356)	₱329,599,703
Interest	700,351,485	8,117,889	–	708,469,374
Trail fees	23,484,733	–	(1,511,348)	21,973,385
Others	25,480,717	6,285,393	12,336	31,778,446
Segment revenue	1,078,928,994	14,403,282	(1,511,368)	1,091,820,908
Cost of services	(280,328,459)	(1,512,248)	1,511,368	(280,329,339)
Operating expenses	(219,790,857)	(6,031,034)	–	(225,821,891)
Depreciation and amortization	(17,705,264)	(1,549,367)	–	(19,254,631)
Other losses	(9,863,055)	(69,417)	–	(9,932,472)
Income before income tax	551,241,359	5,241,216	–	556,482,575
Provision for income tax	(128,478,210)	(2,378,525)	–	(130,856,735)
Net income	₱422,763,149	₱2,862,691	₱–	₱425,625,840
Segment assets	₱12,586,109,414	₱175,989,284	(₱440,276,633)	₱12,321,822,065
Segment liabilities	10,271,381,941	3,066,605	(144,628,084)	10,129,820,462
Capital expenditures:				
Fixed assets	10,289,179	–	–	10,289,179
Cash flows arising from:				
Operating activities	(162,632,736)	(1,702,097)	–	(164,334,833)
Investing activities	(601,788,789)	(160,665)	–	(601,949,454)
Financing activities	(236,445,752)	14,274,343	–	(222,171,409)
2022				
	Stockbrokerage services	Others	Elimination	Total
Revenue from external customers:				
Commissions	₱447,058,462	₱–	(₱6,631)	₱447,051,831
Interest	331,890,567	4,454,833	–	336,345,400
Trail fees	22,239,329	–	(121,638)	22,117,691
Others	34,555,151	(4,088,139)	890	30,467,902
Segment revenue	835,743,509	366,694	(127,379)	835,982,824
Cost of services	(279,970,304)	(139,789)	127,379	(279,982,714)
Operating expenses	(200,181,151)	(5,118,716)	–	(205,299,867)
Depreciation and amortization	(19,436,290)	(1,528,424)	–	(20,964,714)
Other losses	(11,894,645)	(30,927)	–	(11,925,572)
Income (loss) before income tax	324,261,119	(6,451,162)	–	317,809,957
Provision for income tax	(74,966,556)	(589,642)	–	(75,556,198)
Net income (loss)	₱249,294,563	(₱7,040,804)	₱–	₱242,253,759
Segment assets	₱13,217,568,924	₱155,828,492	(₱287,369,610)	₱13,086,027,806
Segment liabilities	11,111,133,488	768,504	(69,610)	11,111,832,382
Capital expenditures:				
Fixed assets	23,207,186	366,519	–	23,573,705
Cash flows arising from:				
Operating activities	298,366,714	62,771,724	–	361,138,438
Investing activities	8,840,458,566	(366,519)	–	8,840,092,047
Financing activities	(431,060,911)	(753,614)	–	(431,814,525)

Geographical Information

For management purposes, the Group is organized into business units based on its geographical location and has two (2) reportable segments as follows:

- Philippine segment, which pertains to the Group's Philippine operations.
- Hong Kong segment, which pertains to the Group's HK operations.



The following tables present certain information regarding the Group's geographical segments:

	2024			
	Philippines	Hong Kong	Elimination	Total
Revenue from external customers:				
Commissions	₱382,141,445	₱170,271	(₱62)	₱382,311,654
Interest	758,343,507	18,436	–	758,361,943
Trail fees	28,562,109	–	(4,318,939)	24,243,170
Others	27,801,654	1,035,096	32	28,836,782
Segment revenue	1,196,848,715	1,223,803	(4,318,969)	1,193,753,549
Cost of services	(295,758,945)	(12,278,592)	4,318,969	(303,718,568)
Operating expenses	(242,686,975)	(8,970,125)	–	(251,657,100)
Depreciation and amortization	(19,430,781)	–	–	(19,430,781)
Other losses	(4,407,089)	(619,313)	–	(5,026,402)
Income (loss) before income tax	634,564,925	(20,644,227)	–	613,920,698
(Provision for) benefit from income tax	(128,497,547)	131,450	–	(128,366,097)
Net income (loss)	₱506,067,378	(₱20,512,777)	₱–	₱485,554,601
Segment assets	₱12,739,789,132	₱221,994,930	(₱511,900,100)	₱12,449,883,962
Segment liabilities	10,289,421,511	186,710	(201,780,970)	10,087,827,251
Capital expenditures:				
Fixed assets	17,320,926	–	–	17,320,926
Cash flows arising from:				
Operating activities	433,288,918	(62,946,140)	–	370,342,778
Investing activities	237,410,360	–	–	237,410,360
Financing activities	(342,817,428)	–	–	(342,817,428)

	2023			
	Philippines	Hong Kong	Elimination	Total
Revenue from external customers:				
Commissions	₱327,107,822	₱2,504,237	(₱12,356)	₱329,599,703
Interest	708,450,456	18,918	–	708,469,374
Trail fees	23,484,733	–	(1,511,348)	21,973,385
Others	30,870,078	896,032	12,336	31,778,446
Segment revenue	1,089,913,089	3,419,187	(1,511,368)	1,091,820,908
Cost of services	(268,424,839)	(13,415,868)	1,511,368	(280,329,339)
Operating expenses	(217,252,675)	(8,569,216)	–	(225,821,891)
Depreciation and amortization	(17,612,572)	(1,642,059)	–	(19,254,631)
Other losses	(9,677,073)	(255,399)	–	(9,932,472)
Income (loss) before income tax	576,945,930	(20,463,355)	–	556,482,575
Provision for income tax	(130,856,735)	–	–	(130,856,735)
Net income (loss)	₱446,089,195	(₱20,463,355)	₱–	₱425,625,840
Segment assets	₱12,489,530,559	₱272,568,139	(₱440,276,633)	₱12,321,822,065
Segment liabilities	10,235,286,642	39,161,904	(144,628,084)	10,129,820,462
Capital expenditures:				
Fixed assets	10,289,179	–	–	10,289,179
Cash flows arising from:				
Operating activities	(28,451,001)	(135,883,832)	–	(164,334,833)
Investing activities	(601,949,454)	–	–	(601,949,454)
Financing activities	(220,468,452)	(1,702,957)	–	(222,171,409)



	2022			
	Philippines	Hong Kong	Elimination	Total
Revenue from external customers:				
Commissions	₱443,682,187	₱3,376,275	(₱6,631)	₱447,051,831
Interest	336,339,637	5,763	—	336,345,400
Trail fees	22,239,329	—	(121,638)	22,117,691
Others	29,107,119	1,359,893	890	30,467,902
Segment revenue	831,368,272	4,741,931	(127,379)	835,982,824
Cost of services	(263,036,394)	(17,073,699)	127,379	(279,982,714)
Operating expenses	(196,695,158)	(8,604,709)	—	(205,299,867)
Depreciation and amortization	(18,392,624)	(2,572,090)	—	(20,964,714)
Other losses	(11,402,126)	(523,446)	—	(11,925,572)
Income (loss) before income tax	341,841,970	(24,032,013)	—	317,809,957
Provision for income tax	(75,556,198)	—	—	(75,556,198)
Net income (loss)	₱266,285,772	(₱24,032,013)	₱—	₱242,253,759
Segment assets	₱12,996,530,823	₱376,866,593	(₱287,369,610)	₱13,086,027,806
Segment liabilities	10,991,359,864	120,542,128	(69,610)	11,111,832,382
Capital expenditures:				
Fixed assets	23,573,705	—	—	23,573,705
Cash flows arising from:				
Operating activities	380,153,179	(19,014,741)	—	361,138,438
Investing activities	8,840,092,047	—	—	8,840,092,047
Financing activities	(429,056,272)	(2,758,253)	—	(431,814,525)

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

	2024	2023
Cash and cash equivalents	₱10,686,411	₱3,864,631
Financial assets at FVTPL	223,690,902	225,736,432
Other assets	5,093,228	212,453
Due to investors	(10,524,901)	(22,914)
Due to broker	—	(420,093)
Other liabilities	(516,343)	(379,687)
Net assets attributable to unitholders	₱228,429,297	₱228,990,822

CSGEUMF

	2024	2023*
Cash and cash equivalents	₱9,482,321	₱43,283,881
Financial assets at FVTPL	373,483,638	67,911,579
Other assets	216,109	338,976
Due to investors	(443,645)	(8,975)
Due to broker	(2,589,484)	(1,039,828)
Other liabilities	(868,079)	(266,985)
Net assets attributable to unitholders	₱379,280,860	₱110,218,648

* *CSGEUMF* started its commercial operations on October 6, 2023.

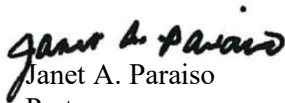


INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
COL Financial Group, Inc.
Unit 2401-B East Tower, Tektite Towers
Exchange Road, Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of COL Financial Group, Inc. and Subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated March 14, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10465256, January 2, 2025, Makati City

March 14, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
COL Financial Group, Inc.
Unit 2401-B East Tower, Tektite Towers
Exchange Road, Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of COL Financial Group, Inc. and Subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024 and have issued our report thereon dated March 14, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRSs) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRSs. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10465256, January 2, 2025, Makati City

March 14, 2025



COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
INDEX TO THE SUPPLEMENTARY SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2024

SUPPLEMENTARY SCHEDULES

- I. Reconciliation of retained earnings available for dividend declaration
- II. Supplementary schedules under Annex 68-J
- III. Map of the relationships of the companies within the group

SCHEDULE I
COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF RETAINED EARNINGS AVAILABLE
FOR DIVIDEND DECLARATION
PURSUANT TO REVISED SRC RULE 68 AND
SEC MEMORANDUM CIRCULAR NO.11
DECEMBER 31, 2024

<u>Unappropriated Retained Earnings of the Parent Company, beginning of the reporting period</u>		P954,621,280
<u>Add: Items that are directly credited to Unappropriated Retained Earnings</u>		
Reversal of Retained Earnings Appropriations	P—	—
<u>Less: Items that are directly debited to Unappropriated Retained Earnings</u>		
Dividend declarations during the reporting period	(428,876,000)	(428,876,000)
<u>Unappropriated Retained Earnings of the Parent Company, as adjusted, beginning of the year</u>		525,745,280
<u>Net income during the period closed to retained earnings (Parent)</u>		504,666,305
<u>Add: Unrealized income recognized in the profit or loss in prior reporting periods but reversed in the current reporting period (net of tax)</u>		
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	236,746	236,746
<u>Net Income Actual/Realized</u>		504,903,051
<u>Add (Less): Other items that should be excluded from the determination of the amount of available for dividends distribution</u>		
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(37,556,642)	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g. set up of right of use asset retirement obligation	94,391	
Appropriations of retained earnings based on 10.00% of 2024 audited net income to be approved subsequently in 2025**	(50,466,631)	
Subtotal	(87,928,882)	(87,928,882)
<u>Unappropriated Retained Earnings of the Parent Company, as adjusted, end of the year*</u>		<u>P942,719,449</u>

* As of December 31, 2024, the amount of consolidated retained earnings shown in the accompanying consolidated financial statements includes the net accumulated earnings of the subsidiaries amounting to P36,448,189. The retained earnings shown in the above table represents the retained earnings of COL Financial Group, Inc. in the parent company financial statements.

** Appropriation of retained earnings is in compliance with SRC Rule 49.1 B Reserve Fund requiring the Parent Company to annually appropriate ten percent (10.00%) of its audited net income.

SCHEDULE II
COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULES UNDER ANNEX 68-J
PURSUANT TO REVISED SRC RULE 68
DECEMBER 31, 2024

Schedule A. Financial Assets

Financial Assets at FVTPL

Financial assets at FVTPL are carried at their fair values. Fair value of financial assets at FVTPL is based on closing quoted prices of stock investments published by the PSE and mutual funds are based on the published net asset value per share of the investment company where the investment was bought.

The Group did not present the schedule of financial assets since the aggregate cost or market value of financial assets at FVTPL as of the end of the reporting period did not constitute five percent (5.00%) or more of the total current assets.

Schedule B. Amounts of Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not current	Balance at end of period
Various employees	₱1,918,322	₱2,904,379	₱2,453,998	₱—	₱—	₱—	₱2,368,703

Schedule C. Amounts of Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not current	Balance at end of period
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Schedule D. Long Term Debt

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption 'Current position of long term debt' in related statement of financial position	Amount shown under caption 'Long-Term Debt' in related statement of financial position
None	N/A	N/A	N/A

Schedule E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)

Name of related party	Balance at beginning of period	Balance at end of period
None	N/A	N/A

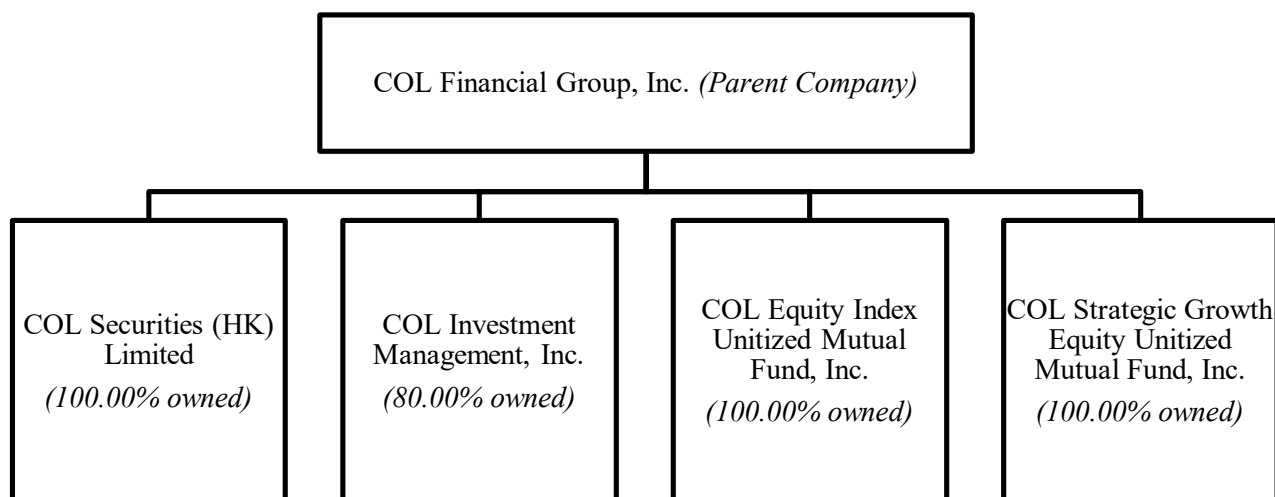
Schedule F. Guarantees of Securities of Other Issuers

Name of issuing entity of securities guaranteed by the Group for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by a person for which statement is filed	Nature of guarantee
None	N/A	N/A	N/A	N/A

Schedule G. Capital Stock (Figures in Thousands)

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related financial condition caption	Number of shares reserved for options, warrants, conversion and other rights	No. of shares held by		
				Affiliates	Directors and Officers	Others
Common shares	10,000,000	5,950,000	–	–	3,538,213	2,411,787

SCHEDULE III
COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
MAP OF THE RELATIONSHIPS OF THE COMPANIES
WITHIN THE GROUP
PURSUANT TO REVISED SRC RULE 68
DECEMBER 31, 2024



SCHEDULE IV
COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS
PURSUANT TO REVISED SRC RULE 68
DECEMBER 31, 2024

Below are the financial ratios that are relevant to the Group as of and for the years ended December 31, 2024 and 2023:

Ratio	Formula	Current Year	Prior Year
Current ratio	Total current assets divided by Total current liabilities <div style="display: flex; justify-content: space-between;"> Total current assets ₱11,377,197,357 </div> <div style="display: flex; justify-content: space-between;"> Divide by Total current liabilities 10,022,389,733 </div> <div style="display: flex; justify-content: space-between;"> Current ratio 1.14 </div>	1.14:1	1.11:1
Debt-to-equity ratio	Total liabilities divided by Average equity <div style="display: flex; justify-content: space-between;"> Total liabilities ₱10,087,827,251 </div> <div style="display: flex; justify-content: space-between;"> Divide by Average equity 2,260,656,598 </div> <div style="display: flex; justify-content: space-between;"> Debt-to-equity ratio 4.46 </div>	4.46:1	4.91:1
Quick ratio	Total liquid assets divided by Total current liabilities <div style="display: flex; justify-content: space-between;"> Total liquid assets ₱11,340,466,342 </div> <div style="display: flex; justify-content: space-between;"> Divide by Total current liabilities 10,022,389,733 </div> <div style="display: flex; justify-content: space-between;"> Current ratio 1.13 </div>	1.13:1	1.11:1
Asset-to-equity ratio	Total assets divided by Average equity <div style="display: flex; justify-content: space-between;"> Total assets ₱12,449,883,962 </div> <div style="display: flex; justify-content: space-between;"> Divide by Average equity 2,260,656,598 </div> <div style="display: flex; justify-content: space-between;"> Asset-to-equity ratio 5.51 </div>	5.51:1	5.97:1
Return on assets	Net income divided by Average assets <div style="display: flex; justify-content: space-between;"> Net income ₱486,252,830 </div> <div style="display: flex; justify-content: space-between;"> Divide by Average assets 12,385,853,014 </div> <div style="display: flex; justify-content: space-between;"> Return on assets 3.93% </div> <p>Average assets is computed as follows:</p> <div style="display: flex; justify-content: space-between;"> Beg. total assets ₱12,321,822,065 </div> <div style="display: flex; justify-content: space-between;"> Ending total assets 12,449,883,962 </div> <div style="display: flex; justify-content: space-between;"> Total 24,771,706,027 </div> <div style="display: flex; justify-content: space-between;"> Divide by 2 </div> <div style="display: flex; justify-content: space-between;"> Average assets ₱12,385,853,014 </div>	3.93%	3.36%

Ratio	Formula	Current Year	Prior Year																
Return on average stockholder's equity	<div> <div> Net income divided by Average stockholder's equity </div> <table> <tr> <td>Net income</td> <td>₱486,252,830</td> </tr> <tr> <td>Divide by Average stockholder's equity*</td> <td>2,260,656,598</td> </tr> <tr> <td>Return on average stockholder's equity</td> <td>21.51%</td> </tr> </table> </div> <div> Average stockholder's equity is computed as follows: </div> <div> <table> <tr> <td>Beg. total stockholder's equity*</td> <td>₱2,172,009,778</td> </tr> <tr> <td>Ending total stockholder's equity*</td> <td>2,349,303,418</td> </tr> <tr> <td>Total</td> <td>4,521,313,196</td> </tr> <tr> <td>Divide by</td> <td>2</td> </tr> <tr> <td>Average total stockholder's equity*</td> <td>₱2,260,656,598</td> </tr> </table> </div> <div> <i>*Attributable to the equity holders of the Parent Company</i> </div>	Net income	₱486,252,830	Divide by Average stockholder's equity*	2,260,656,598	Return on average stockholder's equity	21.51%	Beg. total stockholder's equity*	₱2,172,009,778	Ending total stockholder's equity*	2,349,303,418	Total	4,521,313,196	Divide by	2	Average total stockholder's equity*	₱2,260,656,598	21.51%	20.66%
Net income	₱486,252,830																		
Divide by Average stockholder's equity*	2,260,656,598																		
Return on average stockholder's equity	21.51%																		
Beg. total stockholder's equity*	₱2,172,009,778																		
Ending total stockholder's equity*	2,349,303,418																		
Total	4,521,313,196																		
Divide by	2																		
Average total stockholder's equity*	₱2,260,656,598																		
Net profit margin	<div> <div> Net income divided by Total revenues </div> <table> <tr> <td>Net income</td> <td>₱486,252,830</td> </tr> <tr> <td>Total revenues</td> <td>1,193,753,549</td> </tr> <tr> <td>Net profit (loss) margin</td> <td>40.73%</td> </tr> </table> </div>	Net income	₱486,252,830	Total revenues	1,193,753,549	Net profit (loss) margin	40.73%	40.73%	39.07%										
Net income	₱486,252,830																		
Total revenues	1,193,753,549																		
Net profit (loss) margin	40.73%																		

COL FINANCIAL GROUP, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION
For the Years Ended December 31, 2024 and 2023

	2024	2023
Total Audit Fees (Section 2.1a)¹	₱3,220,000	₱2,823,750
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Non-audit Fees (Section 2.1b)²	—	—
Total Audit and Non-audit Fees	₱3,220,000	₱2,823,750

Audit and Non-audit fees of other related entities (Section 2.1c)³

	2024	2023
Audit Fees	₱—	₱—
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Non-audit Fees	—	—
Total Audit and Non-audit Fees	₱—	₱—

Notes:

- 1) Section 2.1a: Disclose agreed fees (excluding out of pocket expenses and VAT) with the external auditor/audit firm and its network firms (as applicable) for the audit of the covered company's stand-alone and/or consolidated financial statements and the covered company's consolidated subsidiaries' financial statements on which the external auditor/audit firm expresses an opinion. These do not include fees for special purposes audit or review of financial statements.
- 2) Section 2.1b: Disclose charged or billed fees (excluding out of pocket expenses and VAT) by the external auditor/audit firm or a network firm (as applicable) for non-audit services to the covered company and its related entities over which the covered company has direct or indirect control that are consolidated in the financial statements on which the external auditor/audit firm expresses an opinion. These included other assurance services such as special purpose audit or review of financial statements.
- 3) Section 2.1c: Disclose fees for services (excluding out of pocket expenses and VAT) charged to any related entities of the covered company over which the covered company has direct or indirect control, which are not yet disclosed in (a) or (b), such as fees for services to any unconsolidated subsidiaries that meet the consolidation exemption criteria of Philippine Financial Reporting Standard (PFRS) 10 applicable to investment entities, if the external auditor/audit firm has reason to believe that these are relevant to the evaluation of the external auditor/audit firm's independence, as communicated by the external auditor/audit firm with the covered company's, those charged with governance or equivalent (e.g. Audit Committee).

ANNEX “G”
PARTICIPATION BY REMOTE COMMUNICATION AND
ELECTRONIC VOTING IN ABSENTIA

As approved by a majority of the Board of Directors pursuant to their authority under the Amended By-Laws of COL Financial Group, Inc. (“COL” or the “Corporation”), the Corporation will dispense with the physical attendance at the Annual Shareholders’ Meeting (“Meeting”) and allow shareholders to attend only by remote communication. Voting shall be done electronically in absentia through the same platform or by voting through proxy. A stockholder voting electronically in absentia will be deemed present at the meeting for purposes of quorum.

Below are the guidelines for participation by remote communication and electronic voting in absentia:

1. To be able to participate in the Meeting by remote communication as well as vote electronically in absentia, shareholders as of Record Date of 24 March 2025 (“Shareholders”) will have to register at <https://shareholders.colfinancial.com> (“Portal”). The Portal shall be open for registration on 1 April 2025.
2. To enable the Corporation to perform validation procedures, identify the shareholders participating by remote communication and record their presence for purposes of quorum, the shareholders must complete the registration requirements in the Portal by 5:00 p.m. on 8 April 2025. After this date, Shareholders may no longer avail of the option to vote in absentia.
3. The guidelines for registration will be stated in the Portal. The following information will be required for registration:
 - a. For Individual Shareholders
 - i. Full name;
 - ii. Valid and active e-mail address;
 - iii. Scanned copy of the Shareholder’s valid government issued ID, which ID should not expire before the date of the Meeting; and
 - iv. Scanned copy of the stock certificate/s in the name of the Shareholder or Broker’s certification on the number of COL shares held by Shareholder as of Record Date;
 - b. For Corporate Shareholders
 - i. Complete company name;
 - ii. SEC Registration Number;
 - iii. Valid and active e-mail address;
 - iv. Complete name of the corporate Shareholder’s representative;
 - v. Scanned copy of the Secretary’s Certificate attesting to the authority of the representative to vote on or behalf of the Shareholder;
 - vi. Scanned copy of the valid government issued ID of the person who signed the Secretary’s Certificate showing their specimen signature, which ID should not expire before the date of the Meeting;
 - vii. Scanned copy of the authorized representative’s valid government issued ID, which ID should not expire before the date of the Meeting; and
 - viii. Scanned copy of the stock certificate/s in the name of the Shareholder or Broker’s certification on the number of COL shares held by Shareholder as of Record Date.
 - c. COL reserves the right to request for such additional documents as may be necessary under the circumstances.

The submission of incomplete or inconsistent information may result in unsuccessful registration. In case of unsuccessful registration, the Shareholder will not be allowed to vote electronically in absentia. However, the Shareholder may still exercise their right to vote through proxy. Proxies must be submitted by email on or before 8 April 2025 to corporatesecretary@colfinancial.com.

4. The Shareholder shall receive an email upon successful registration and validation.

5. Voting Electronically in Absentia

a. The Agenda items will be included in the digital ballot available in the Portal. The registered Shareholder may vote as follows:

i. For all items other than the Election of the Board of Directors, the registered Shareholder may either vote Yes, No, or Abstain. The vote of the Shareholder per item is considered cast for all of their shares.

ii. For the Election of the Board of Directors, the registered may vote for all nominees, not vote for any of the nominees, or vote for some nominees only, in such number of shares as preferred by the Shareholder, provided that the total number of votes cast shall not exceed the number of shares owned by them, multiplied by 11.

b. Voting shall be closed by 3:00 p.m. on 25 April 2025.

c. The Shareholder may complete and submit the digital ballot through the Portal. Upon submission, the digital ballots can no longer be amended.

d. Except as may be otherwise stated, votes cast in absentia shall have the same effect as votes cast by proxy.

6. Participation by Remote Communication

a. Registered Shareholders may participate by remote communication in the meeting by logging in to the Portal.

b. The Portal will include a feature where Shareholders may type in their questions.

Please contact the Office of the Corporate Secretary at corporatesecretary@colfinancial.com for any clarifications.