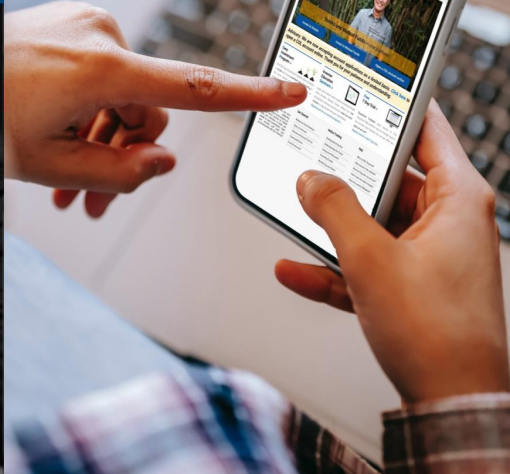


1Q24 COL Investor Presentation



Company Overview



Established and
licensed by the SEC in
1999



The **leading online
stockbroker** in the
Philippines

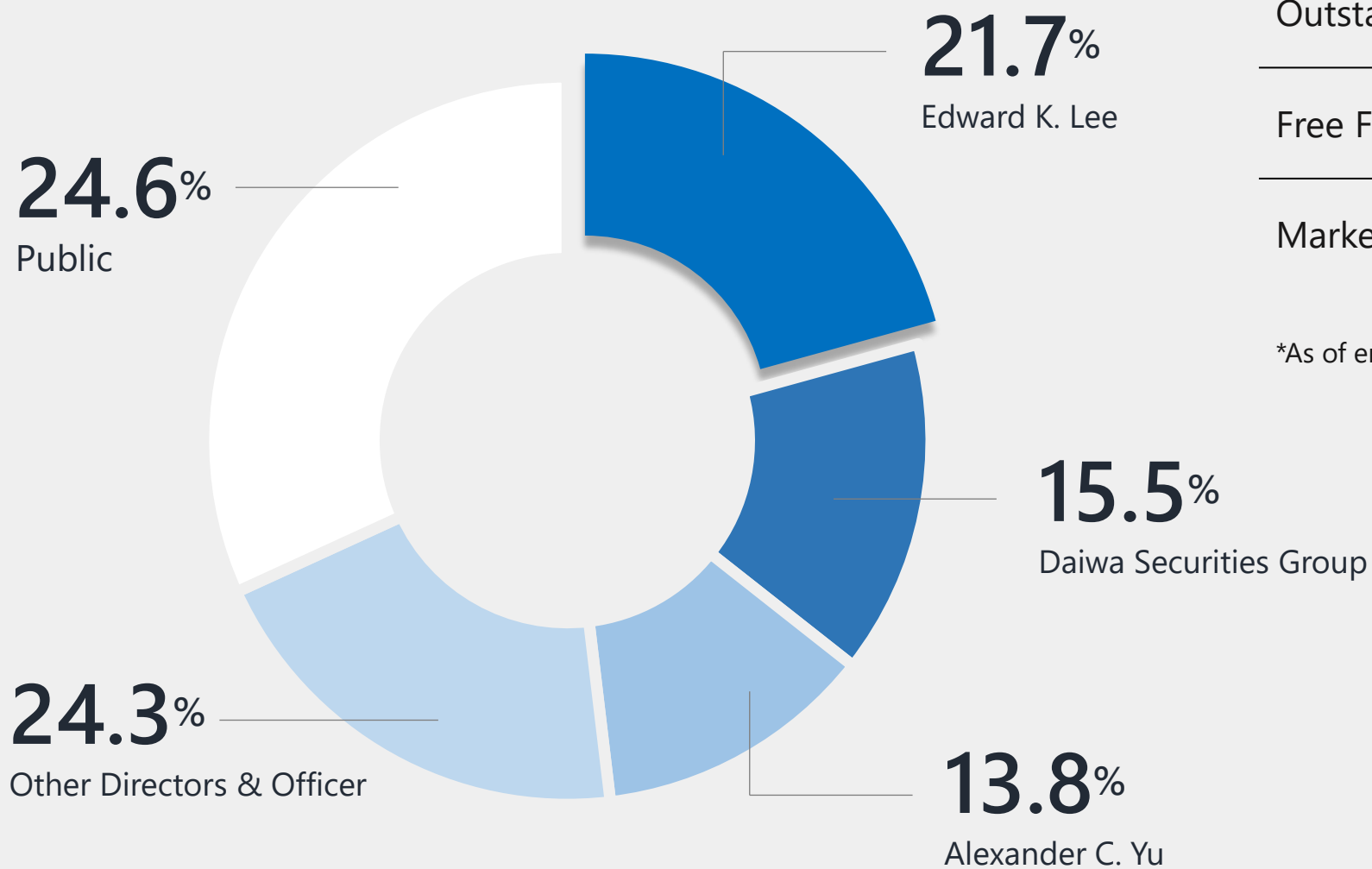


Focused on tapping
the underserved retail
investor base in the
stock market



Founder (Edward K. Lee)
retains a 21.7% stake
and actively manages
the Company





Outstanding Shares

4.76 Bil

Free Float

1.17 Bil

Market Cap*

Php10.90 Bil

*As of end March 2024

Business Objective

To be the preferred source of financial services, a trusted provider of guidance and investment and a strong organization committed to delivering great value to its customers.



Our goal is to be **Champion of the Filipino Investor**

COL Milestones

1999

Licensed by the SEC to conduct business as a **broker and seller of securities** in the Philippines

2000-2001

Began operating the COL PH online trading platform



Citiseconline HK Ltd. (COL HK) became a trading participant of the HK Stock Exchange

Launched the COL HK platform

2006

Listed in the PSE at Php0.136/sh



2008

Launched the COL Easy Investment Program (EIP)



2010

Launched the full-service agency and advisory team called the COL Private Clients Group (PCG)

 COL PRIVATE CLIENTS

COL Milestones

2012

Officially changed corporate name to **COL Financial Group Inc.**



2014

Granted a **Mutual Fund Distributor License** by the SEC

2015

Launched **COL Fund Source** - the first fund supermarket in the country



2017

Japan's **Daiwa Securities Group, Inc.** acquired a **14.9% stake** in the company



2021

Started distributing **Feeder Funds**

2022

70% owned **COL Investment Management (CMI)** launched its first product – **the COL Equity Index Unitized Mutual Fund**

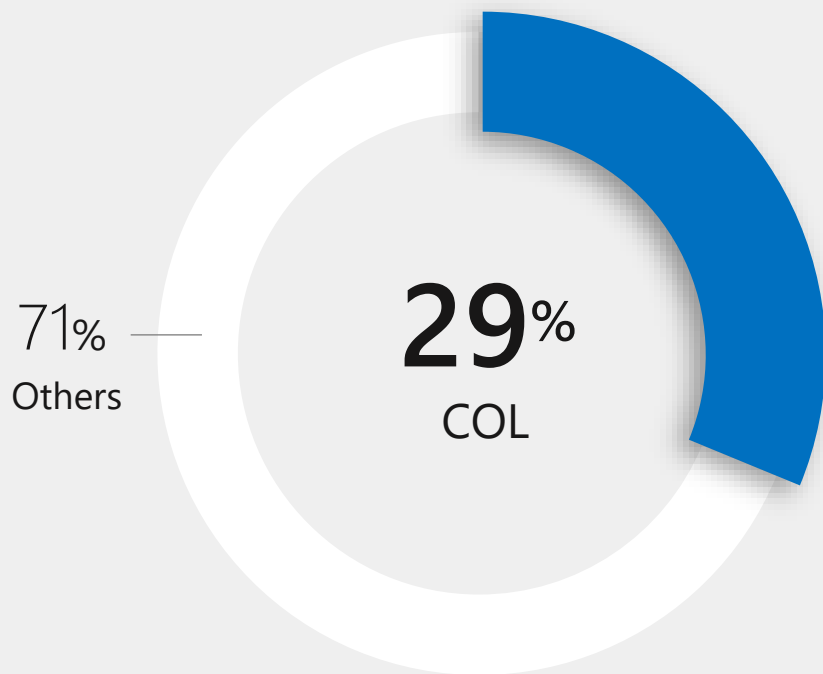
Among the Biggest Philippine Based **Stockbrokers**

1Q24 Rank	Broker Name	1Q24 Value Turnover (Php Bil)	% of Total
1	UBS Securities Philippines Inc	78.1	10.6
2	CLSA Philippines Inc	61.3	8.3
3	Macquarie Capital Securities (Philippines), Inc	45.1	6.1
4	Maybank Securities, Inc	43.2	5.9
5	Regis Partners, Inc	40.7	5.5
6	J.P. Morgan Securities Philippines, Inc	37.9	5.2
7	Philippine Equity Partners, Inc	35.0	4.8
8	COL Financial Group, Inc	35.0	4.8
9	SB Equities, Inc	30.3	4.1
10	Mandarin Securities Corp	27.6	3.8

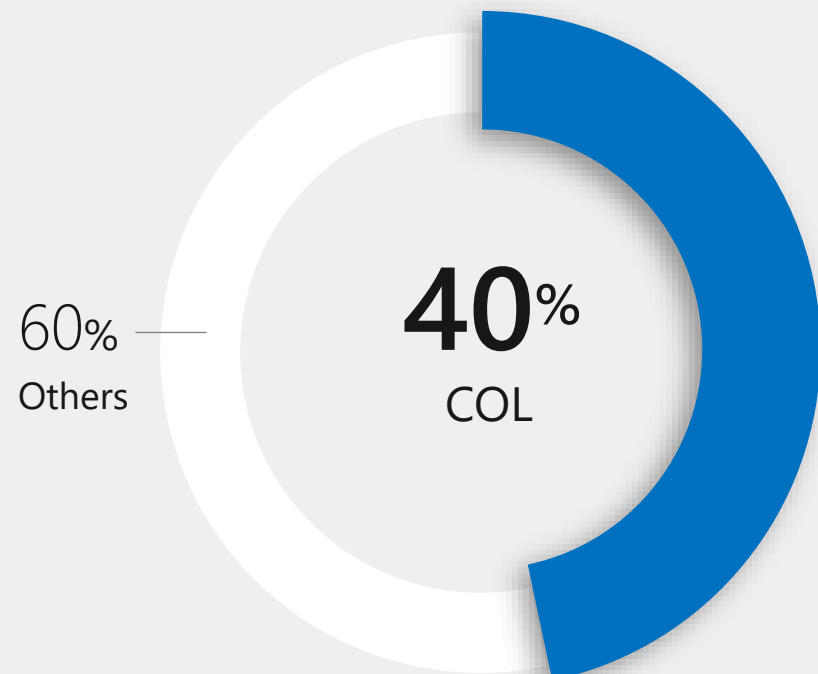
Source: PSE

The Biggest Philippine Based **Stockbroker**

Total Accounts (as of 2022)



Total Online Accounts (as of 2022)



Source: PSE

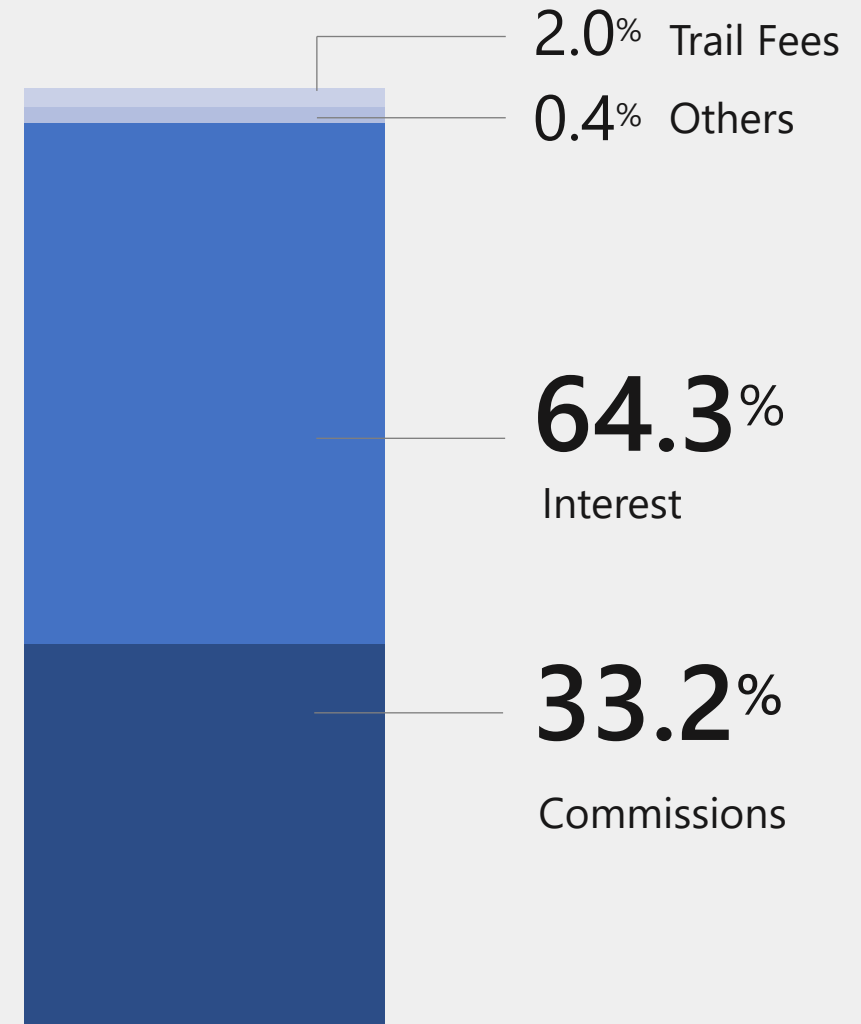
Bulk of **Revenues** Generated from Commissions and Interest

Commissions accounted for 33.2% of revenues.

Interest income from margin loans and cash placements accounted for 64.3% of revenues.

Trailer fees from the distribution of mutual funds accounted for 2.0% of revenues.

Revenue Breakdown 1Q24



Key Operating Highlights

Positives

1. Client base and equity continued to grow
2. Average daily value turnover and market share in the PSE improved for the second quarter in a row
3. Interest income and trail fees continued to increase

Negatives

1. Net income down as commission revenues continued to drop
2. Rank and market share in the PSE down Y/Y

1Q24 Net Income

-26.6% Y/Y

1Q24 net income fell 26.6% to Php116.1 Mil as commission revenues continued to fall.

Pro forma consolidated revenues dropped 9.1% to Php283.1 Mil largely due to the 26.4% decline in commission revenues. This was partly offset by the 5.9% increase in interest income to Php182.2 Mil and the 4.4% rise in trail fees to Php5.8 Mil.

Operating profits fell by a faster pace of 12.4% to Php106.3 Mil as operating expenses were down by only 2.9%.

Taxes increased by 38.8% due to the recognition of Php26.7 Mil worth of deferred tax liability from the possible gain COL would book from the planned closure of COL HK. Excluding the said amount, taxes would have dropped by 22.3% to Php33.98 Mil.

Due to the said factors, net income fell by 26.6% to Php116.1 Mil.

Pro Forma Consolidated Income Statement (Php Mil)

	1Q23	1Q24	Change	
			Amount	%
Income				
Commissions	127.7	93.9	(33.7)	-26.4%
Interest	172.1	182.2	10.1	5.9%
Trailer Fees	5.5	5.8	0.2	4.4%
Other income	6.1	1.3	(4.9)	-79.4%
Total	311.4	283.1	(28.3)	-9.1%
Expenses				
Commission expenses	8.6	7.7	(0.9)	-10.8%
Personnel costs	40.5	41.1	0.6	1.5%
Professional fees	12.8	11.5	(1.3)	-9.9%
Stock exch. dues & fees	6.2	5.5	(0.7)	-11.3%
Communication	10.3	10.3	0.0	0.3%
Rentals & utilities	3.3	3.0	(0.3)	-8.3%
Depreciation	12.2	10.6	(1.6)	-12.9%
Advertising & marketing	1.8	2.3	0.5	27.2%
Others	13.7	14.2	0.5	3.3%
Total	109.4	106.3	(3.1)	-2.9%
Pre-Tax Income	202.0	176.8	(25.1)	-12.4%
Taxes	43.7	60.7	17.0	38.8%
Net Income	158.3	116.1	(42.1)	-26.6%

Commissions Hurt by Weak Investor Interest

Revenues fell by 9.1% largely due to lower commissions.

Commission revenues fell by 26.4% to Php93.9 Mil as stocks continued to suffer from weak investor interest. Note that average daily value turnover in the PSE fell by 21.5% to Php6.0 Bil.

On the positive side, trail fees increased by 4.4% to Php5.8 Mil.

Interest income also remained strong, rising by 5.9% to Php182.2 Mil. This was largely due to the 7.9% increase in interest income from placements as interest rates were higher y/y. The increase was partly offset by the 10.2% decline in interest income from margin loans as the value of loans availed fell y/y.

Self-directed and institutional clients continued to account for the lion's share of total commission revenues at 71.0%.

Because of the continuous decline in commission revenues, the share of core commission revenues and trailer fees fell to 35.2% of total revenues.

Pro Forma Revenue Breakdown (Php Mil)

	1Q23	1Q24	Change Amount	%
Revenue Breakdown				
Commission	127.7	93.9	(33.7)	-26.4%
<i>PH-Self-directed & insti</i>	97.5	66.9	(30.5)	-31.3%
<i>PH- Agency & advisory</i>	28.6	27.3	(1.4)	-4.7%
<i>HK & others</i>	1.6	-0.2	(1.8)	-115.3%
Interest	172.1	182.2	10.1	5.9%
<i>Margin</i>	19.4	17.4	(2.0)	-10.2%
<i>Placements</i>	152.7	164.8	12.1	7.9%
Trailer Fees	5.5	5.8	0.2	4.4%
Others	6.1	1.3	(4.9)	-79.4%
Total Revenues	311.4	283.1	(28.3)	-9.1%
Revenue Share				
Commission	41.0%	33.2%		
<i>Self-directed & insti (incl HK)</i>	77.6%	71.0%		
<i>Agency & advisory</i>	22.4%	29.0%		
Interest	55.3%	64.3%		
<i>Margin</i>	11.3%	9.5%		
<i>Placements</i>	88.7%	90.5%		
Trailer Fees	1.8%	2.0%		

Controlled Growth of Expenses

Operating expenses were down 3.0% due to lower trading related expenses and fixed operating costs.

Trading related expenses fell 11.0% to Php13.2 Mil due to lower trading activity.

Fixed operating expenses dropped slightly by 1.7% to Php86.7 Mil largely due to lower professional fees, rentals and utilities, and depreciation expense. The drop in professional fees was due to the non-renewal of a consultancy contract while the drop in depreciation expenses was due to the full depreciation of IT equipment and the shorter term of lease contract of the HK office.

Pro Forma Breakdown of Expenses (Php Mil)

	1Q23	1Q24	Change	
			Amount	%
Trading Related Expenses				
Commission expenses	8.6	7.7	(0.9)	-10.8%
Stock exch. dues & fees	6.2	5.5	(0.7)	-11.3%
Total	14.8	13.2	(1.6)	-11.0%
Fixed Operating Expenses				
Personnel costs	40.5	41.1	0.6	1.5%
Professional fees	12.8	11.5	(1.3)	-9.9%
Communication	10.3	10.3	0.0	0.3%
Rentals & utilities	3.3	3.0	(0.3)	-8.3%
Depreciation	12.2	10.6	(1.6)	-12.9%
Advertising & Mktg	1.8	2.3	0.5	27.2%
Others	7.3	7.8	0.5	6.2%
Total	88.2	86.7	(1.5)	-1.7%
Total Expenses	103.0	99.9	(3.1)	-3.0%

ROAE Fell to 20.7%

ROAE fell from 30.9% to 20.7%.

Profitability deteriorated as revenues decreased, leading to lower margins and asset turnover.

Margins dropped as the decline in revenues outpaced the drop in operating expenses due to the highly leveraged nature of the stockbrokerage business.

Asset turnover fell due to lower commission, brought about by the drop in trading volumes.

Leverage declined as stockholders' equity increased by a faster pace compared to liabilities. This also partly contributed to the drop in profitability.

Selected Financial Ratios

	1Q23	1Q24
Operating Profit Margin	64.9%	62.5%
EBITDA Margin	68.8%	66.2%
Net Margin	50.8%	41.0%
Asset Turnover	9.6%	9.0%
Asset/Equity	6.1	5.6
ROAE	30.9%	20.7%

Rank Slips to **Number 8**

COL's average daily turnover fell 23.7% to Php573.5 Mil. This was steeper than the PSE's 21.5% decline.

COL's market share in terms of value turnover also fell to 4.8% for the whole market from 4.9% during the same period last year. Meanwhile, COL's share of local value turnover slipped to 9.6% from 15.1%.

Due to the lower share of value turnover, COL's rank slipped to number 8 from number 7.

Comparative Performance (COL vs. PSE)

	1Q23	1Q24	Change	
			Amount	%
PSE Ave. Daily T/O (PhpMil)	7,682.2	6,028.1	(1,654.0)	-21.5%
COL Ave. Daily T/O (PhpMil)	751.8	573.5	(178.2)	-23.7%
COL Market Share (Total)	4.9%	4.8%		
COL Market Share (Local)	15.1%	9.6%		
PSE Ranking	7	8		
No. of Transactions - PSE ('000)	9,245	6,511	(2,734.0)	-29.6%
No. of Transactions - COL ('000)	1,285	893	(391.4)	-30.5%
COL Market Share	13.9%	13.7%		
PSE Ranking	1	1		

Market Share Up for Second Quarter in a Row

On the positive side, COL's average daily turnover increased for the second quarter in a row. This allowed its market share both for local investors and the whole PSE to improve.

Comparative Performance (COL vs. PSE)

	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24
PSE Ave. Daily T/O (PhpMil)	7,682.2	6,220.6	5,712.4	4,492.6	6,028.1
COL Ave. Daily T/O (PhpMil)	751.8	412.0	373.8	379.3	573.5
COL Market Share (Total)	4.9%	3.3%	3.3%	4.2%	4.8%
COL Market Share (Local)	15.1%	9.2%	5.8%	8.6%	9.6%

Strong Balance Sheet

COL's balance sheet remained strong with ample cash and no interest bearing debts.

Cash & cash equivalents increased slightly by 3.2% to Php10.0 Bil. This was largely due to the increase in customers' excess cash position.

Trade receivables increased by 34.0% to Php1.2 Bil. This was largely due to the 31.0% increase in margin loans to Php1.1 Bil. Trail commission receivables also increased slightly by 7.4% to Php2.0 Mil.

The increase in cash and receivables was largely responsible for the 5.2% increase in total assets to Php13.0 Bil.

Trade payables were up by 5.1% to Php10.4 Bil. This was mainly due the increase in customers' excess cash position.

Stockholders' equity was up by 5.7% to Php2.3 Bil due to the booking of Php116.1 Mil in profits. BVPS likewise increased to Php0.481/sh.

Pro Forma Consolidated Balance Sheet (Php Mil)

			Change	
	12/31/23	3/31/24	Amount	%
Cash & cash equivalents	9,664.6	9,978.5	313.9	3.2%
Trade receivables	880.0	1,179.0	299.0	34.0%
Inv't sec at amortized cost	392.3	332.5	-59.7	-15.2%
Other current assets	213.6	199.0	-14.6	-6.8%
HTM investments	1,000.0	1,100.2	100.2	10.0%
PPE – net	84.0	86.9	3.0	3.5%
Other non-current assets – net	85.3	86.6	1.3	1.5%
Total Assets	12,319.8	12,962.8	643.0	5.2%
Trade payables	9,898.3	10,406.1	507.8	5.1%
Other current liabilities	145.3	137.0	-8.4	-5.8%
Non-current liabilities	91.4	110.7	19.3	21.2%
Total Liabilities	10,135.0	10,653.8	518.8	5.1%
Total Stockholders' Equity	2,184.8	2,309.0	124.2	5.7%
Total Liabilities and Stockholder's Equity	12,319.8	12,962.8	643.0	5.2%
BVPS	0.455	0.481	0.026	5.7%

Customer Base

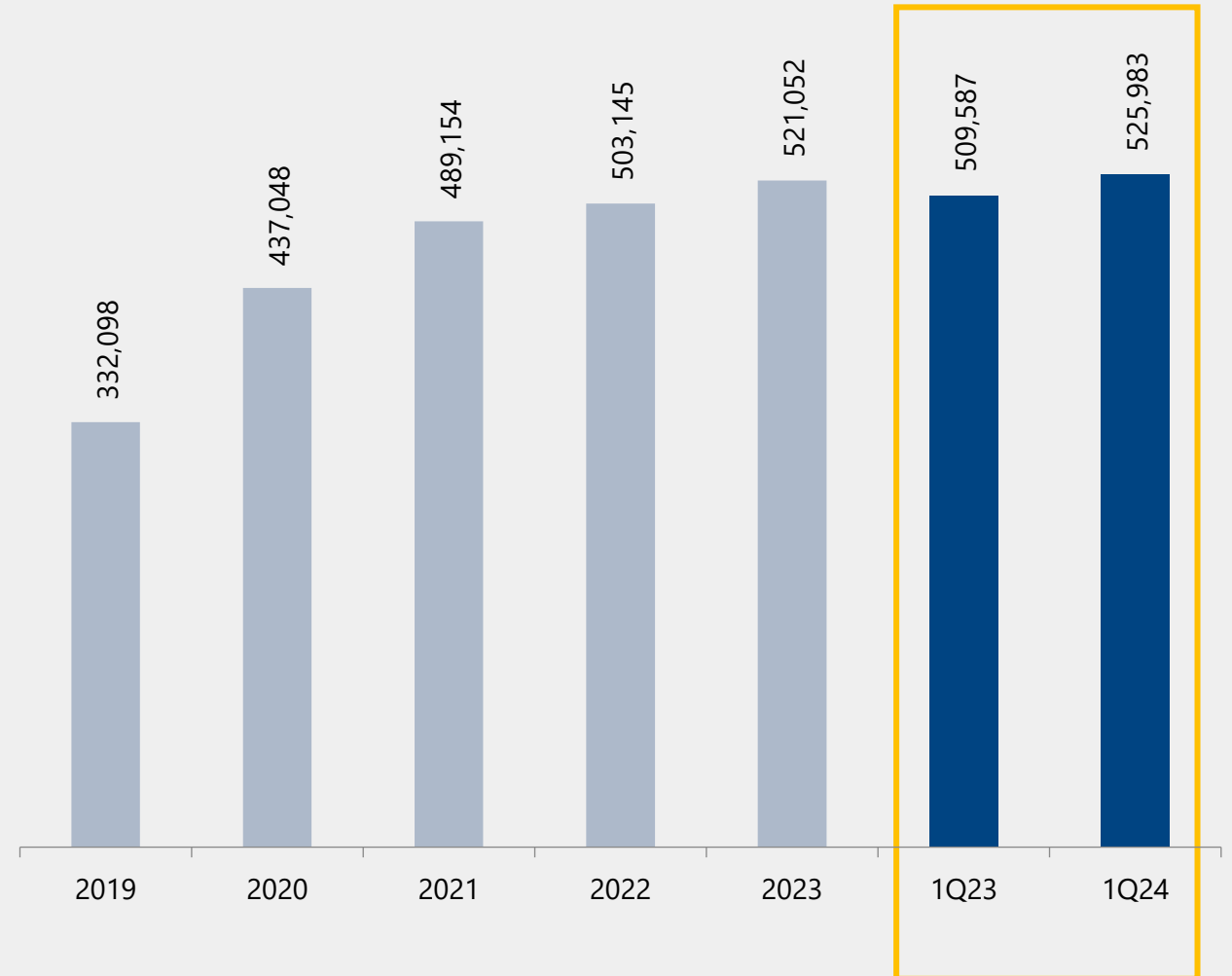
Up Y/Y

COL's client base grew by 3.2% Y/Y to 525,983 as of end March 2024.

Average monthly additions reached 1,366 during the past 12 months.

Client Base

▲ +3.2%



Client Equity Up on Higher Market Value

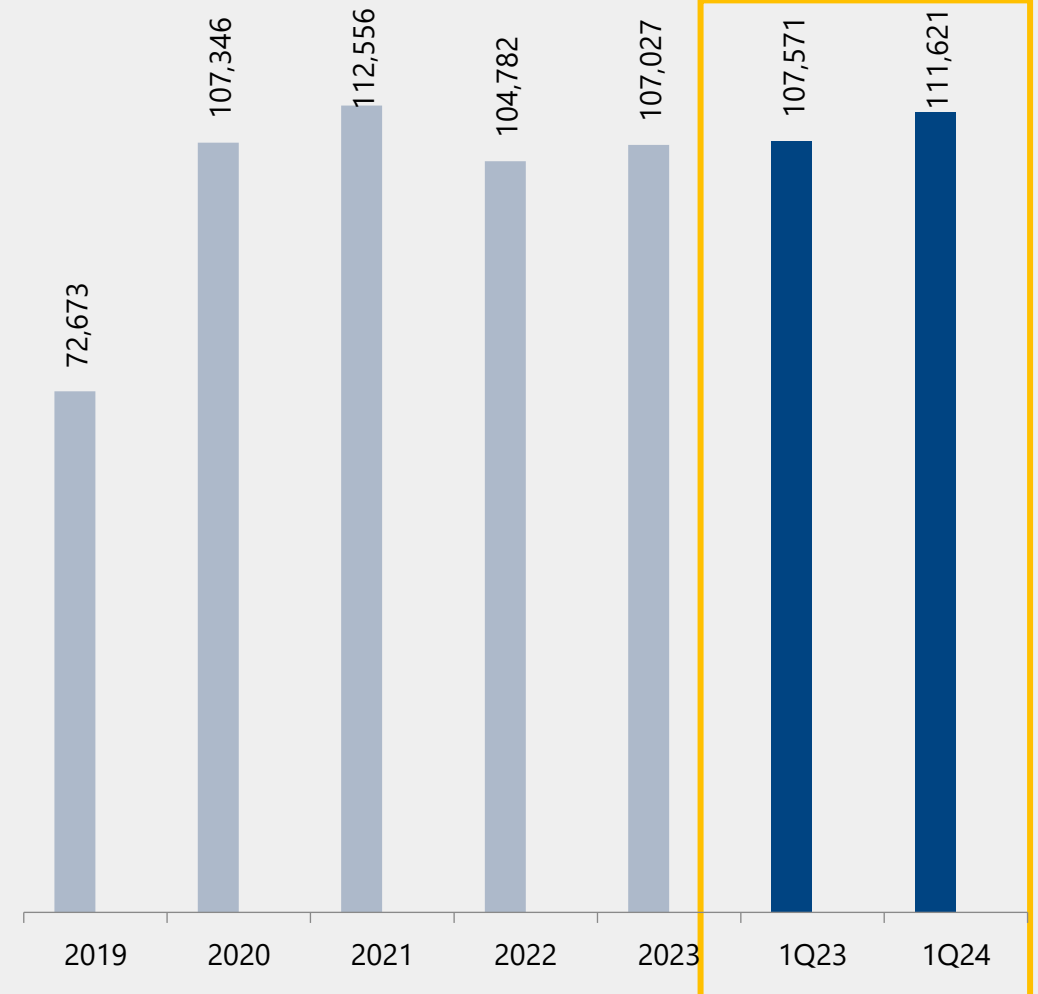
Client equity was up 3.8% Y/Y to Php111.6 Bil.

Client equity increased largely due to higher market value. Note that the PSEi index was up 2.9% Y/Y.

COL registered a net cash inflow from retail clients amounting to Php727.1 Mil during the past twelve months.

Client Equity (Php Mil)

▲ +3.8%



Margin Loans **Down**

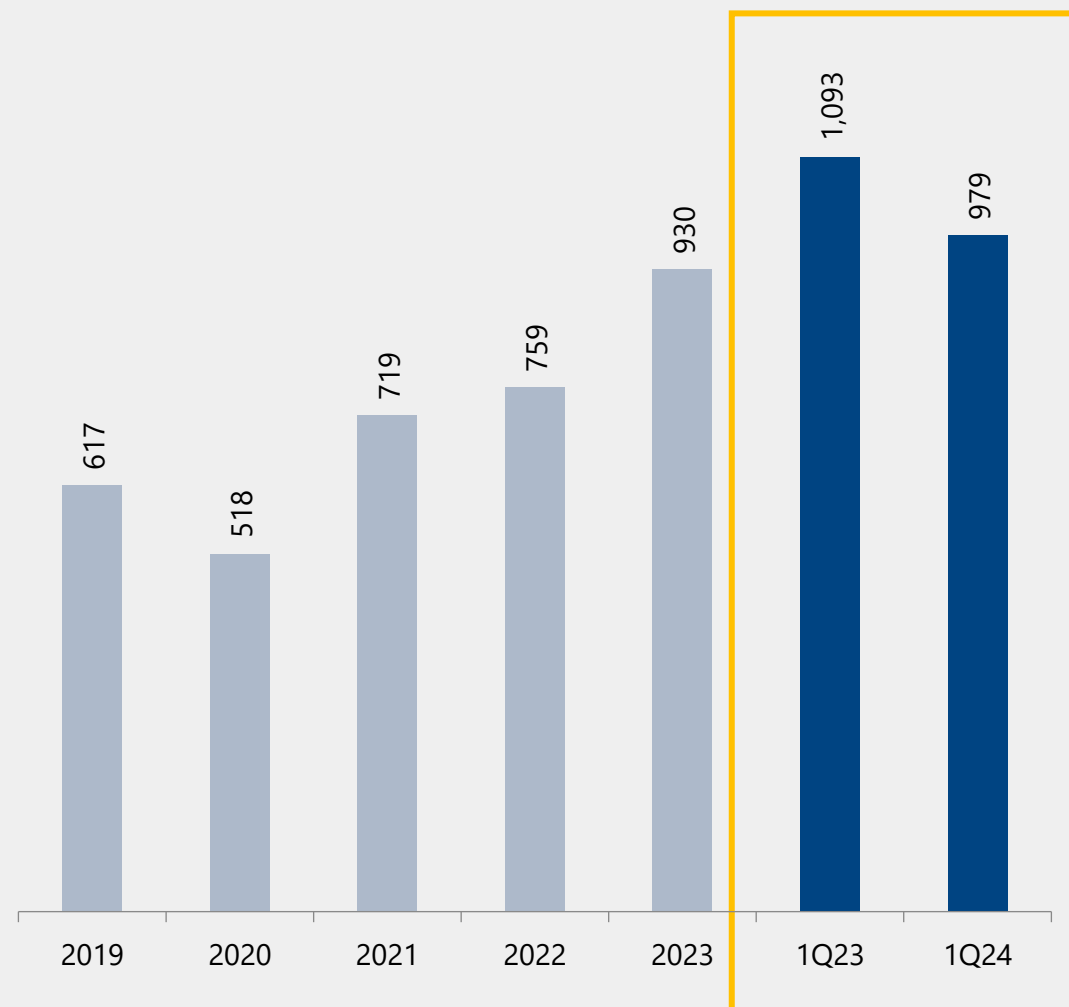
Average daily margin loans decreased by 10.4% to Php979 Mil Y/Y.

The number of approved margin accounts fell slightly from 1,171 to 1,098. The number of accounts utilizing margin was also down from 33.8% to 31.2% while the value of margin line utilized fell from 18.9% to 17.4%. This explains the drop in average daily margin loans.

However, compared to end 2023, the value of margin loans availed as of end March 2024 was higher by 31.0% to Php1.1 Bil.

Ave Daily Margin Loans (Php Mil)

▼ -10.4%



MF Net Sales **still Positive** due to Bond and Feeder Funds

COL's MF distribution business still generated net sales of Php42.3 Mil in 1Q24 despite the challenging operating environment. This was due to the popularity of bond funds and feeder funds.

Bond funds accounted for Php31.2 Mil of total net sales, while feeder funds accounted for Php68.7 Mil.

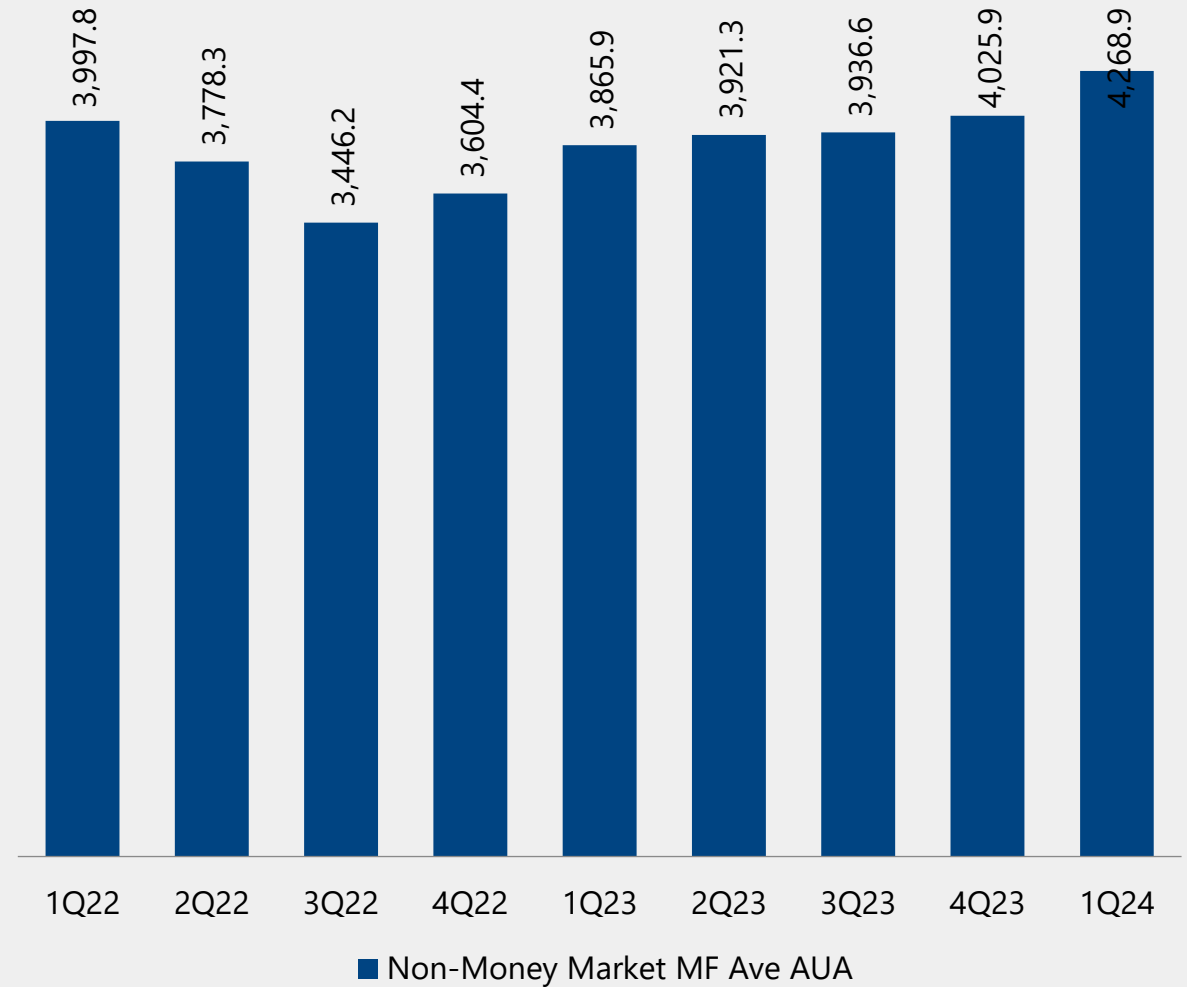
Balanced funds suffered from net outflow amounting to Php7.9 Mil while equity funds suffered from a net outflow of Php52.8 Mil.

MF Net Sales (PhpMil)

Fund Type	
Money Market	3.1
Bond Fund	31.2
Balanced Fund	-7.9
Equity	-52.8
Feeder Funds	68.7
Total	42.3

Average AUA Continued to Recover Sequentially

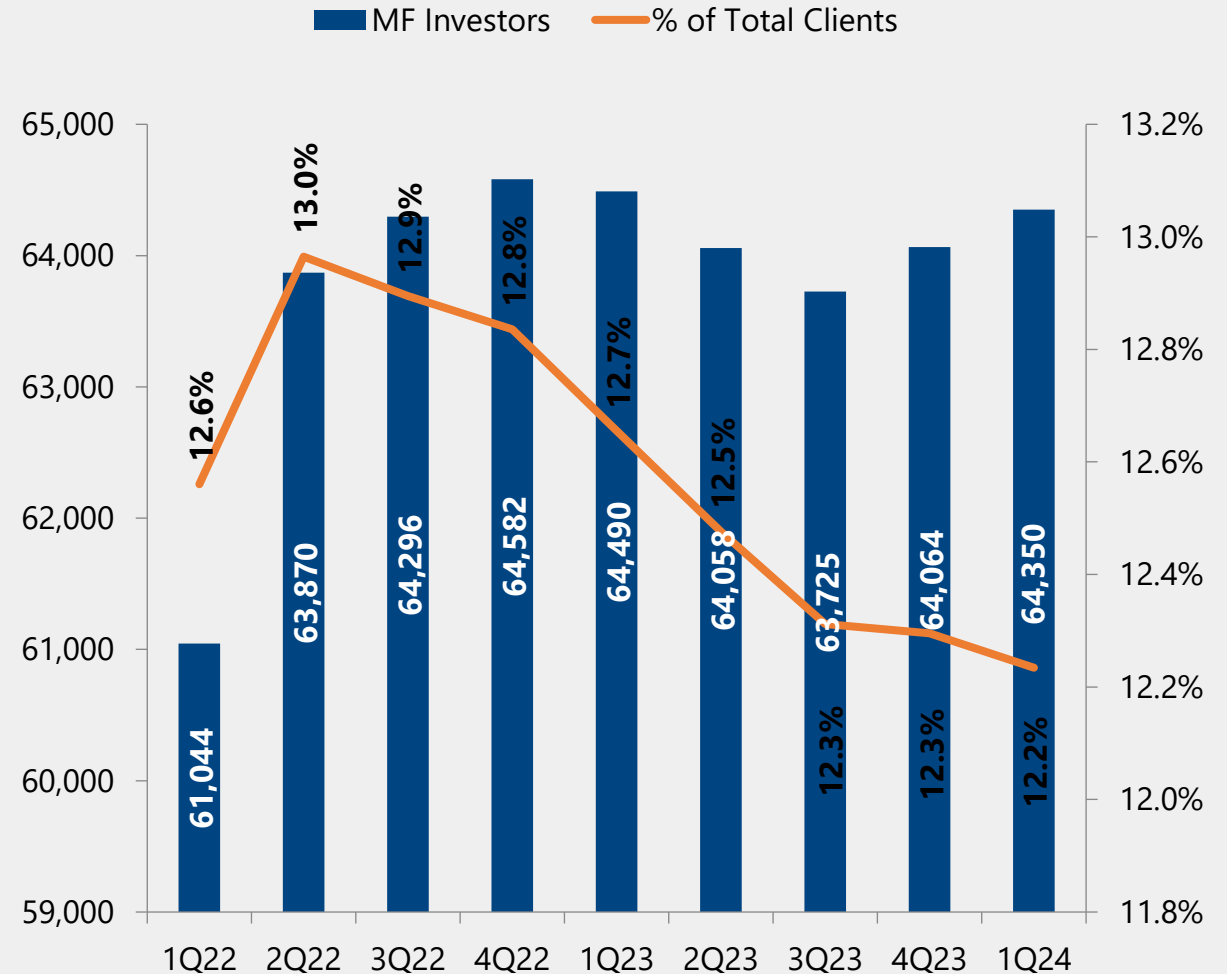
Average AUA
(Non-Money Market Funds Only, in Php Mil)



Total Clients Owning MFs **Stabilized**

Clients who had MF investments fell to 64,350 as of end March 2024 to 64,490 during the same period last year. However, the number has stabilized after hitting a low of 63,725 as of end June 2023.

Clients Owning MFs

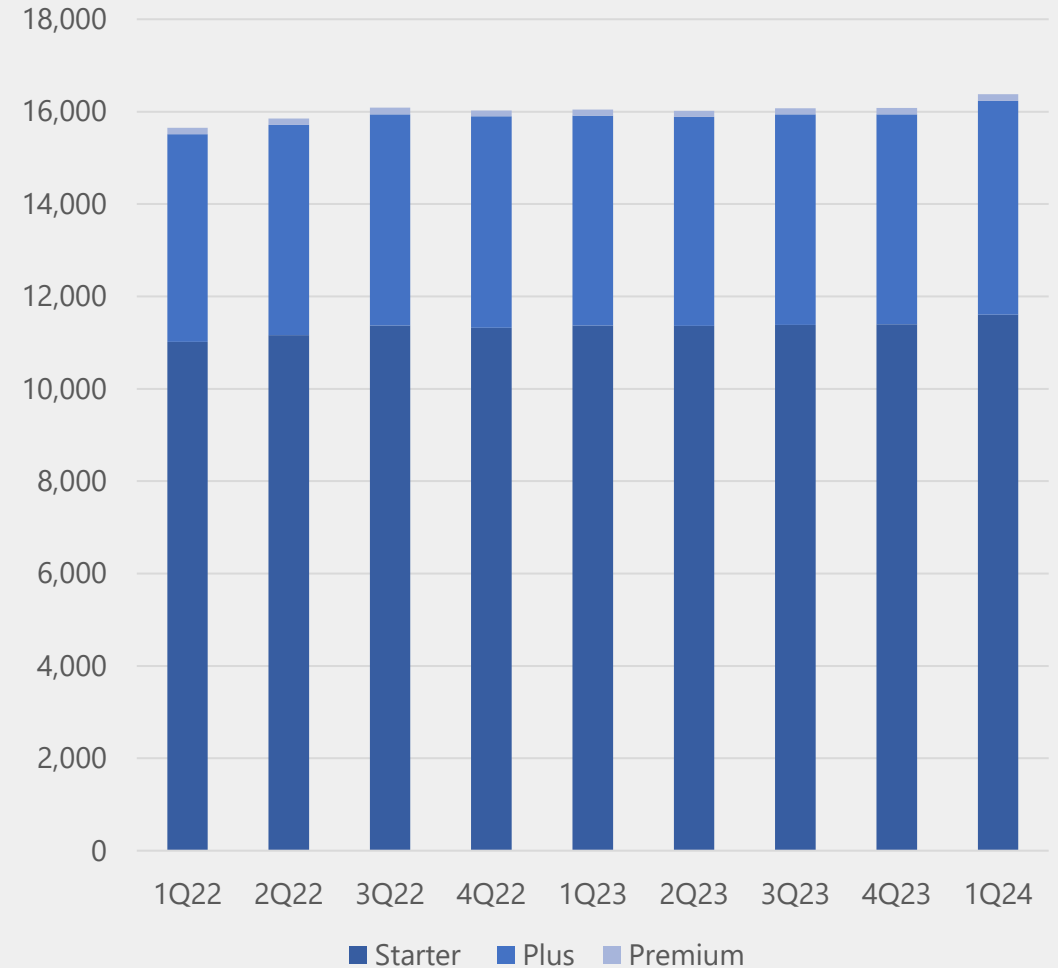


MF only Clients **Up Slightly**

The number of clients who only owned MFs increased slightly to 16,380 as of end March 2024 from 16,042 during the same period last year.

Of the said number, 70.8% were Starter clients while 28.3% were Plus clients.

MF Only Clients





Disclaimer

This presentation was prepared solely and exclusively for discussion purposes. This presentation and/or any part thereof may not be reproduced, disclosed or used without the prior written consent of COL Financial (the "Company").

This presentation, as well as discussions arising therefrom, may contain statements relating to future expectations and/or projections of the Company by its management team, with respect to the Company. These statements are: (i) presented on the basis of current assumptions which the Company's management team believes to be reasonable and presumed correct based on available data at the time these were made, (ii) based on assumptions regarding the Company's present and future business strategies, and the environment in which it will operate in the future, (iii) a reflection of our current views with respect to future events and not a guarantee of future performance, and (iv) subject to certain factors which may cause some or all of the assumptions not to occur or cause actual results to diverge significantly from those projected. Any and all forward looking statements made by the Company or any persons acting on its behalf are deemed qualified in their entirety by these cautionary statements .

This presentation is solely for informational purposes and should in no way be construed as a solicitation or an offer to buy or sell securities or related financial instruments of the Company.