



SECURITIES AND EXCHANGE COMMISSION

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Industry Classification: J66930

Company Type: Stock Corporation

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COVER SHEET

for AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

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

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Form Type

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Department requiring the report

M	S	R	D
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Secondary License Type, If Applicable

Broker/Dealer in Securities

COMPANY INFORMATION

Company's E-mail Address

info@mandarinsecurities.com

Company's Telephone Number/s

(02) 8884-1271

Mobile Number

09477978721

No. of Stockholders

9

Annual Meeting (Month / Day)

3 rd Wednesday of May

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Katherine L. Shih

E-mail Address

info@mandarinsecurities.com

Telephone Number/s

(02) 8884-1271

Mobile Number

09477978721

CONTACT PERSON'S ADDRESS

28th Floor, LKG Tower, 6801 Ayala Avenue, Makati 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 shall not excuse the corporation from liability for its deficiencies.

**MANDARIN SECURITIES CORPORATION
ANNUAL AUDITED FINANCIAL REPORT
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DECEMBER 31, 2024

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

COVER PAGE

Information Required of Brokers and Dealers Pursuant to Rule 52.1-5 of SRC.

Report for the Year Beginning January 1, 2024 and Ended December 31, 2024.

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker/Dealer:	Mandarin Securities Corporation
Address of Principal Place of Business:	28th Floor, LKG Tower 6801 Ayala Avenue Makati City
Name and Phone Number of Person to Contact in Regard to this Report:	
Name: Mr. Charles H. Shih	Tel. No.: +632 8 884-1271 Fax No.: +632 8 884-1384

IDENTIFICATION OF ACCOUNTANT	
Name of Independent Auditor whose opinion is contained in this report:	
Name: Reyes Tacandong & Co. SEC Accreditation No. PP201007009	Tel. No.: +632 8 982-9100 Fax No.: +632 8 982-9111
Address: 26th Floor, BDO Towers Valero, 8741 Paseo de Roxas Makati City 1226, Philippines	
MARK CHRISTIAN M. ABABA Partner CPA Certificate No. 130245 Tax Identification No. 287-809-533-000 BOA Accreditation No. 4782/P-027; Valid until June 6, 2026 BIR Accreditation No. 08-005144-026-2024 Valid until March 26, 2027 PTR No. 10467117 Issued January 2, 2025, Makati City	

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Company TIN: **000-359-140**

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MANDARIN SECURITIES CORPORATION

Member: Philippine Stock Exchange

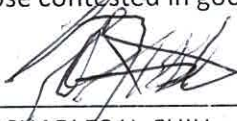
"STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN"

The Management of **MANDARIN SECURITIES CORPORATION** (the Company) is responsible for all information and representations contained in the Annual Income Tax Return as at and for the year ended December 31, 2024. The Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

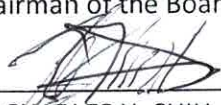
In this regard, the Management affirms that the attached audited financial statements as at and for the year ended December 31, 2024 and the accompanying Annual Income Tax Return are in accordance with the books and records of the Company and are complete and correct in all material respects. Management likewise affirms that:

- (a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards (i.e. Philippine Financial Reporting Standards, or those applicable to Non-Publicly Accountable Entities) and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances; and
- (c) the Company has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

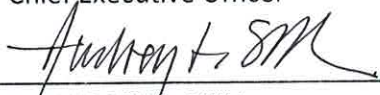
Signature: _____


CHARLES H. SHIH
Chairman of the Board

Signature: _____


CHARLES H. SHIH
Chief Executive Officer

Signature: _____


AUDREY L. SHIH
Chief Financial Officer



MANDARIN SECURITIES CORPORATION

Member: Philippine Stock Exchange

"STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS"

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

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

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

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

Reyes Tacandong & Co., the independent auditor appointed by the Board of Directors, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature: _____

CHARLES H. SHIH
Chairman of the Board

Signature: _____

CHARLES H. SHIH
Chief Executive Officer

Signature: _____

AUDREY L. SHIH
Chief Financial Officer

Signed this 11th day of April 2025



INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Mandarin Securities Corporation
28th Floor, LKG Tower
6801 Ayala Avenue, Makati City

Opinion

We have audited the accompanying financial statements of Mandarin Securities Corporation (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policy information.

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

Basis for Opinion

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

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

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

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



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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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



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

REYES TACANDONG & Co.

Mark Christian M. Ababa

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

Tax Identification No. 287-809-533-000

BOA Accreditation No. 4782/P-027; Valid until June 6, 2026

BIR Accreditation No. 08-005144-026-2024

Valid until March 26, 2027

PTR No. 10467117

Issued January 2, 2025, Makati City

April 11, 2025

Makati City, Metro Manila

MANDARIN SECURITIES CORPORATION

STATEMENTS OF FINANCIAL POSITION

December 31							
		2024			2023		
			Security Valuation			Security Valuation	
	Note	Money Balance	Long	Short	Money Balance	Long	Short
ASSETS							
Current Assets							
Cash in banks	7	₱214,231,912			₱58,198,446		
Financial assets at fair value through profit or loss (FVPL)	8	40,492,217	₱19,810,918		20,303,244	₱20,303,244	
Trade receivables	9	339,599,660	8,550,628,473		265,870,023	912,493,062	
Other current assets	10	787,617			855,299		
Total Current Assets		595,111,406			345,227,012		
Noncurrent Assets							
Property and equipment	11	16,514,682			17,686,316		
Exchange trading right	12	4,000,000			4,000,000		
Refundable deposits	13	29,229,469			27,124,659		
Net deferred tax assets	20	1,641,304			1,328,655		
Total Noncurrent Assets		51,385,455			50,139,630		
		₱646,496,861			₱395,366,642		
Securities in Vault, Transfer Offices, and Philippine Depository and Trust Corporation			₱19,400,958,053				₱6,878,457,436
LIABILITIES AND EQUITY							
Current Liabilities							
Trade payables	14	₱394,129,596	10,830,518,662		₱133,440,377	5,945,661,130	
Loans payable	15	—			1,000,000		
Income tax payable		643,207			—		
Other current liabilities	16	14,090,817			26,265,487		
Total Current Liabilities		408,863,620			160,705,864		
Noncurrent Liability							
Retirement benefit liability	19	3,755,057			3,557,046		
Total Liabilities		412,618,677			164,262,910		
Equity							
Capital stock	5	100,000,000			100,000,000		
Additional paid-in capital		20,000,000			20,000,000		
Retained earnings:							
Appropriated	5	38,317,186			38,064,387		
Unappropriated		74,892,916			72,617,730		
Cumulative gains on remeasurement of retirement benefit liability	19	668,082			421,615		
Total Equity		233,878,184			231,103,732		
		₱646,496,861	₱19,400,958,053	₱19,400,958,053	₱395,366,642	₱6,878,457,436	₱6,878,457,436

See accompanying Notes to Financial Statements.

MANDARIN SECURITIES CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31	
	Note	2024	2023
REVENUES			
Commissions		₱134,866,776	₱322,270,775
Others:			
Dividend income	8	1,185,738	1,176,084
Interest income	7	1,104,891	225,321
Trading gains on financial assets at FVPL - net	8	103,629	3,369,569
Foreign exchange gains - net		30,515	—
Reversal of allowance for expected credit loss (ECL) on trade receivables	9	—	3,378,650
		137,291,549	330,420,399
COST OF SERVICES			
Subscription and other dues		39,689,510	142,027,690
Stock exchange dues and fees		30,421,295	77,098,627
Trading platform subscriptions		18,063,195	18,125,389
Commissions		6,379,559	2,497,192
Personnel costs	18	4,289,075	4,216,969
Central depository fees		2,725,435	3,136,824
Communications		1,946,400	1,929,535
		103,514,469	249,032,226
GROSS PROFIT		33,777,080	81,388,173
OPERATING EXPENSES			
Management fees	17	6,000,000	6,000,000
Personnel costs	18	5,223,670	5,408,920
Taxes and licenses		3,943,778	4,069,572
Business development		3,835,951	44,971,115
Professional fees		3,094,800	1,654,136
Transportation and travel		1,484,054	2,033,969
Representation		1,039,133	2,920,210
Association dues		887,583	878,227
Repairs and maintenance		362,331	371,170
Others		2,428,701	3,438,639
		28,300,001	71,745,958
OTHER CHARGES			
Depreciation	11	1,346,544	1,517,964
Provision for ECL on trade receivables	9	510,576	—
Interest expense	15	20,584	347,687
Foreign exchange losses - net		—	14,740
		30,177,705	73,626,349
INCOME BEFORE INCOME TAX		₱3,599,375	₱7,761,824

(Forward)

		Years Ended December 31	
	Note	2024	2023
INCOME BEFORE INCOME TAX		₱3,599,375	₱7,761,824
INCOME TAX EXPENSE (BENEFIT)	20		
Current		1,466,194	1,177,117
Deferred		(394,804)	469,318
		1,071,390	1,646,435
NET INCOME		2,527,985	6,115,389
OTHER COMPREHENSIVE INCOME	19		
<i>Not to be reclassified to profit or loss in subsequent periods</i>			
Gain on remeasurement of retirement benefit liability		328,622	377,695
Deferred tax expense		(82,155)	(94,424)
		246,467	283,271
TOTAL COMPREHENSIVE INCOME		₱2,774,452	₱6,398,660

See accompanying Notes to Financial Statements.

MANDARIN SECURITIES CORPORATION
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

		Capital Stock (see Note 5)	Additional Paid- in Capital	Retained Earnings		Cumulative Gains on Remeasurement of Retirement Benefit Liability (Net of Deferred Tax) (see Note 19)	Total
	Note			Appropriated	Unappropriated		
Balances at December 31, 2023		₱100,000,000	₱20,000,000	₱38,064,387	₱72,617,730	₱421,615	₱231,103,732
Net income		—	—	—	2,527,985	—	2,527,985
Other comprehensive income	19	—	—	—	—	246,467	246,467
Appropriation	5	—	—	252,799	(252,799)	—	—
Balances at December 31, 2024		₱100,000,000	₱20,000,000	₱38,317,186	₱74,892,916	₱668,082	₱233,878,184
<hr/>							
Balances at December 31, 2022		₱100,000,000	₱20,000,000	₱37,452,848	₱67,113,880	₱138,344	₱224,705,072
Net income		—	—	—	6,115,389	—	6,115,389
Other comprehensive income	19	—	—	—	—	283,271	283,271
Appropriation	5	—	—	611,539	(611,539)	—	—
Balances at December 31, 2023		₱100,000,000	₱20,000,000	₱38,064,387	₱72,617,730	₱421,615	₱231,103,732

See accompanying Notes to Financial Statements.

MANDARIN SECURITIES CORPORATION
STATEMENTS OF CASH FLOWS

		Years Ended December 31	
	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		₱3,599,375	₱7,761,824
Adjustments for:			
Depreciation	11	1,346,544	1,517,964
Dividend income	8	(1,185,738)	(1,176,084)
Interest income	7	(1,104,891)	(225,321)
Retirement benefit costs	19	526,633	526,673
Provision for (reversal of) allowance for ECL on trade receivables	9	510,576	(3,378,650)
Unrealized gains on fair value changes of financial assets at FVPL	8	(93,971)	(1,436,637)
Unrealized foreign exchange losses (gains)		(30,379)	14,940
Interest expense	15	20,584	347,687
Operating income before working capital changes		3,588,733	3,952,396
Decrease (increase) in:			
Financial assets at FVPL		(20,095,002)	3,118
Trade receivables		(74,240,213)	144,177,157
Other current assets		(73,480)	28,283
Refundable deposits		(2,104,810)	(2,189,305)
Increase (decrease) in:			
Trade payables		260,689,219	(267,885,756)
Other current liabilities		(12,174,670)	(32,780,720)
Net cash generated from (used for) operations		155,589,777	(154,694,827)
Dividends received		1,185,738	1,176,084
Interest received		1,104,891	225,321
Income taxes paid		(681,825)	(1,696,325)
Net cash provided by (used in) operating activities		157,198,581	(154,989,747)
CASH FLOW FROM AN INVESTING ACTIVITY			
Acquisitions of property and equipment	11	(174,910)	(137,893)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:	15		
Loans payable		(1,000,000)	(76,500,000)
Interest on loans payable		(20,584)	(347,687)
Availment of loans		–	72,500,000
Net cash used in financing activities		(1,020,584)	(4,347,687)
NET INCREASE (DECREASE) IN CASH IN BANKS		156,003,087	(159,475,327)
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES ON CASH IN BANKS		30,379	(14,940)
CASH IN BANKS AT BEGINNING OF YEAR		58,198,446	217,688,713
CASH IN BANKS AT END OF YEAR		₱214,231,912	₱58,198,446

See accompanying Notes to Financial Statements.

MANDARIN SECURITIES CORPORATION
NOTES TO FINANCIAL STATEMENTS
AS AT AND FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

1. Corporate Information

Mandarin Securities Corporation (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on December 15, 1989. The Company is a licensed broker/dealer in securities with the Philippine SEC, and is both a stockholder and a holder of a trading right issued by the Philippine Stock Exchange (PSE).

The registered office address of the Company is 28th Floor, LKG Tower, 6801 Ayala Avenue, Makati City.

Approval of Financial Statements

The financial statements of the Company as at and for the years ended December 31, 2024 and 2023 were approved and authorized for issuance by the Board of Directors (BOD) on April 11, 2025.

2. Summary of Material Accounting Policy Information

The material accounting policies used in the preparation of the financial statements are consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation and Statement of Compliance

The financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. This financial reporting framework includes PFRS Accounting Standards, Philippine Accounting Standards (PAS), and Philippine Interpretation from International Financial Reporting Interpretations Committee (IFRIC) issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC, including SEC pronouncements.

The statements of financial position contain some additional information in line with the requirements of Rule 52.1 of the Implementing Rules and Regulations of the Securities Regulation Code (SRC).

Measurement Bases

The financial statements are presented in Philippine Peso (Peso), the Company's functional currency. All values are rounded to the nearest Peso, unless otherwise indicated.

The financial statements of the Company have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVPL) and retirement benefit liability which is carried at present value of defined benefit obligations.

Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability. Fair value is the 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 Company uses market observable data to the extent possible when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the following valuation techniques:

- 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; or
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is disclosed in the following notes to the financial statements:

- Note 6 - Fair Value Measurement; and
- Note 8 - Financial Assets at FVPL.

Adoption of Amendments to PFRS Accounting Standards

The accounting policies adopted are consistent with those of the previous financial year. There are no issued amendments to PFRS Accounting Standards, which are effective as at January 1, 2024, that has a significant impact on the Company's financial statements.

New and Amendments to PFRS Accounting Standards in Issue But Not Yet Effective

Relevant new and amendments to PFRS Accounting Standards, which are not yet effective as at December 31, 2024 and have not been applied in preparing the financial statements, are summarized below:

Effective for annual periods beginning on or after January 1, 2026:

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendments clarify that a financial liability is derecognized when the related obligation is discharged or cancelled, expires or otherwise qualifies for derecognition (e.g. settlement date), and introduces a policy option to derecognize financial liabilities settled through an electronic payment system before settlement date if the required conditions are met. The amendments also clarify the assessment of contractual cash flow characteristics of financial assets and the treatment of non-recourse loans and contractually linked instruments, as well as require additional disclosure requirements for financial assets and liabilities with contingent features and equity instruments classified at fair value through other comprehensive income (FVOCI). Earlier application is permitted.

- Annual Improvements to PFRS Accounting Standards Volume 11 -
 - Amendments to PFRS 7, *Financial Instruments: Disclosures* – The amendments update and remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price. The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure. Earlier application is permitted.

Effective for annual periods beginning on or after January 1, 2027 -

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out the requirements for the presentation and disclosure of information to help ensure that the financial statements provide relevant information that faithfully represents the entity's assets, liabilities, equity, income, and expenses. The standard introduces new categories and sub-totals in the statements of comprehensive income, disclosures on management-defined performance measures, and new principles for grouping of information, which the entity needs to apply retrospectively. Earlier application is permitted.

Under prevailing circumstances, the adoption of the foregoing new and amendments to PFRS Accounting Standards, except PFRS 18, is not expected to have any material effect on the financial statements of the Company. Additional disclosures will be included in the financial statements, as applicable.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Company recognized a financial asset or a financial liability in the statement of financial position when it became a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using trade date accounting.

Financial Assets

Initial Recognition and Measurement. Financial assets are recognized initially at fair value, which is the fair value of the consideration given. The initial measurement of financial assets, except for those designated at FVPL, includes transaction cost.

Classification. The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at amortized cost, (b) financial assets at FVOCI, and (c) financial assets at FVPL. The classification of a financial asset at initial recognition largely depends on the Company's business model and its contractual cash flow characteristics.

As at December 31, 2024 and 2023, the Company has no financial assets at FVOCI.

Financial Assets at Amortized Cost. Financial assets shall be measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less any allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized, impaired and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

As at December 31, 2024 and 2023, the Company's cash in banks, trade receivables, and refundable deposits are classified under this category (see Notes 7, 9, and 13).

Financial Assets at FVPL. Financial assets that do not meet the criteria for being measured at amortized cost or FVOCI are classified under this category. Specifically, financial assets at FVPL include financial assets that are (a) held for trading, (b) designated upon initial recognition at FVPL, or (c) mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

This category includes equity instruments which the Company had not irrevocably elected to classify at FVOCI at initial recognition.

After initial recognition, financial assets at FVPL are subsequently measured at fair value. Gains or losses arising from the fair value changes of financial assets at FVPL are recognized in profit or loss.

As at December 31, 2024 and 2023, the Company's investments in money market fund and quoted equity securities are classified under this category (see Note 8).

Reclassification. The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in other comprehensive income (OCI).

For a financial asset reclassified out of the financial assets at FVPL category to financial assets at FVOCI, its fair value at the reclassification date becomes its new gross carrying amount. Meanwhile, for a financial asset reclassified out of the financial assets at FVOCI category to financial assets at FVPL, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

In the case of a financial asset that does not have a fixed maturity, the gain or loss shall be recognized in profit or loss when the financial asset is sold or disposed. If the financial asset is subsequently impaired, any previous gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

Impairment of Financial Assets at Amortized Cost. The Company recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at FVPL. ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation to the asset's 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.

For trade receivables, the Company has applied the simplified approach and has calculated ECL based on the lifetime ECL. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to its customers and the economic environment and an assessment of both the current as well as the forecast direction of condition at the reporting date, including time value of money where appropriate.

For other financial assets at amortized cost, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECL that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. The Company also considers reasonable and supportable information, that is available without undue cost or effort, which is indicative of significant increases in credit risk since initial recognition.

The Company considers a financial asset in default when contractual payments are 30 days past due unless it is demonstrated that the non-payment was an administrative oversight rather than resulting from financial difficulty of the counterparty. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition. 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 right to receive cash flows from the asset has expired;
- The Company retains the right to receive cash flows from the financial 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 Company has transferred its right to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control over the asset.

When the Company has transferred its right to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company’s continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities at Amortized Cost

Initial Recognition and Measurement. Financial liabilities at amortized cost are recognized initially at fair value, which is the fair value of the consideration received, net of any directly attributable transaction costs.

Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process. Financial liabilities at amortized cost are included under current liabilities if it is due to be settled within 12 months after the reporting period. Otherwise, these are classified as noncurrent liabilities.

As at December 31, 2024 and 2023, the Company’s trade payables, loans payable, and other current liabilities (excluding nonfinancial liabilities) are classified under this category (see Notes 14, 15, and 16).

Derecognition. A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or has expired. When 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 an 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 profit or loss.

Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

The initial cost of property, plant and equipment comprises its purchase price after deducting trade discounts and rebates, and any directly attributable costs of bringing the asset to its working condition and location for its intended use. The cost of self-constructed assets includes the cost of materials, direct labor, and any other costs directly attributable to bringing the assets to a working condition for their intended use.

Expenditures incurred after the property and equipment have been put into operation, such as repairs, maintenance, and overhaul costs, are normally recognized in profit or loss in the year 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. The cost of replacing a component of an item of property and equipment is recognized if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognized.

When parts of an item of property and equipment have different useful lives, these are accounted for as separate items (major components) of property and equipment.

Depreciation is calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

	Number of Years
Condominium unit and improvements	15 to 25
Office equipment	3
Furniture and fixtures	3 to 5
Transportation equipment	5

Depreciation commences when an item of property and equipment is in its location or condition capable of being operated in the manner intended by management and ceases at the earlier of the date that the item is classified as held for sale and the date the property and equipment is derecognized.

The estimated useful lives and depreciation method are reviewed periodically to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and impairment losses are removed from the accounts. Any resulting gain or loss is recognized in profit or loss.

Fully-depreciated assets are retained in the accounts until they are no longer in use and no further depreciation is recorded with respect to those assets.

Exchange Trading Right

Exchange trading right is initially measured at cost. It is an intangible asset with indefinite useful life and is tested for impairment annually. Exchange trading right is not amortized but is carried at cost less accumulated impairment losses, if any. The assumption that the exchange trading right remains to be an intangible asset with an indefinite life is reviewed annually to determine whether this continues to be supportable as such. If not, the carrying amount of the asset is amortized over its remaining useful life on a straight-line basis unless a more appropriate amortization method is warranted. Any impairment losses determined are recognized in profit or loss.

Gains or losses arising from the derecognition of exchange trading right are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss in the period of derecognition.

Impairment of Nonfinancial Assets

The carrying amounts of nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, except for the exchange trading right where test of impairment is done annually. If any such indication exists and when the carrying amounts exceed the estimated recoverable amounts, the assets or cash-generating units (CGU) are written down to their recoverable amounts. The recoverable amount of the asset is the greater of the fair value less cost to sell or value in use. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's-length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In such instance, the carrying amount of the asset is increased to its recoverable amount. However, that increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had there been no impairment loss recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such reversal, the depreciation charges are adjusted in future years to allocate the asset's revised carrying amount on a systematic basis over its remaining useful life.

Value-Added Tax (VAT)

VAT is a tax on consumption levied on the sale, barter, exchange, or lease of goods or properties and services, and on importation of goods in the Philippines. It is an indirect tax, which may be shifted or passed on to the buyer, transferee or lessee of goods, properties or services.

Revenue, expenses, and assets are generally recognized net of the amount of VAT, except:

- Where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of VAT included.

The net amount of VAT payable to the taxation authority is included as part of “Other current liabilities” account in the statements of financial position.

Equity

Capital Stock. Capital stock is measured at par value for all shares issued and outstanding. Other costs directly attributable to the issuance of new shares are recognized in equity as a reduction to any available share premium. Any excess is charged against the unappropriated retained earnings.

Additional Paid-in Capital. Additional paid-in capital pertains to the proceeds and/or fair value of considerations received in excess of the par value of the shares issued.

Retained Earnings. Retained earnings represent the cumulative balance of net income or losses, net of any dividend declarations.

Unappropriated retained earnings pertain to the unrestricted portion available for dividend declaration. Appropriated retained earnings pertain to the restricted portion which is intended for the reserve fund in compliance with the SRC Rule 49.1 (B).

Cumulative Gains on Remeasurement of Retirement Benefit Liability. Cumulative gains on remeasurement of retirement benefit liability represent the cumulative balance of actuarial gains and losses. Remeasurements are recognized immediately in the OCI account and are not reclassified to profit or loss in subsequent periods.

Revenue Recognition

Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Company perform its obligations; (b) the Company’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Company’s performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The Company has assessed that it acts as agent in its brokerage transactions. The Company acts as a principal in its income from other sources.

Commissions. This account consists of revenue from brokerage transactions, which is recorded on trade date basis as trade transactions occur.

Other Income. Income from other sources is recognized when earned during the year.

The following are the specific recognition criteria for other revenues outside the scope of PFRS 15, *Revenue from Contracts with Customers*:

Dividend Income. Dividend income is recognized when the Company's right to receive the payment is established.

Interest Income. Interest income is recognized as it accrues, taking into account the effective yield of the asset.

Trading Gains on Financial Assets at FVPL. Trading gains on financial assets at FVPL include all gains from changes in fair value and disposal of financial assets at FVPL. Unrealized gains are recognized in profit or loss upon remeasurement of the financial assets at FVPL at each reporting date. Gains from sale of financial assets at FVPL are recognized in profit or loss upon confirmation of trade deals.

Cost and Expense Recognition

Costs and expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

Cost of Services. Cost of services is recognized as expense when the related services are rendered.

Operating Expenses. Operating expenses constitute costs of administering the business and costs incurred to sell and market the services. These are recognized in profit or loss as incurred.

Employee Benefits

Short-term Employee Benefits. The Company recognizes short-term employee benefits based on contractual arrangements with employees.

Retirement Benefits. The Company accrues minimum retirement benefit liability in accordance with Republic Act (R.A.) No. 7641, "*Retirement Pay Law*", which requires a company to pay minimum retirement benefits to employees who retire after reaching the mandatory retirement of age of 65 years or the optional retirement age of 60 years, with at least five years of service to the Company.

The retirement benefit liability recognized by the Company is the present value of the defined benefit obligation. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using risk-free rates of government bonds that have terms to maturity approximating the terms of the related retirement benefit liability.

The Company recognizes current service cost and interest cost in profit or loss. The Company determines the interest cost by applying the discount rate to the retirement benefit liability at the beginning of the annual period.

Remeasurement of the retirement benefit liability comprises of actuarial gains and losses and are recognized immediately in OCI and are not reclassified to profit or loss in subsequent periods. Cumulative gains or losses on remeasurement of retirement benefit liability are presented in the equity section of the statements of financial position.

Under PAS 19, *Employee Benefits*, the cost of defined retirement benefits, including those mandated under R.A. No. 7641, should have been actuarially determined using projected unit credit method. Management assessed, however, that the effect on the financial statements of the difference between the current method used by the Company and the required valuation method is not significant.

Foreign Currency-Denominated Transactions

Transactions denominated in foreign currencies are recorded using the exchange rate at the date of the transaction. Outstanding monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate at reporting date. Differences arising on settlement or translation of monetary assets and liabilities are recognized in profit or loss.

For income tax reporting purposes, foreign exchange gains or losses are treated as taxable income or deductible expenses in the year such are realized.

Income Taxes

Current Tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax laws used to compute the amount are those that have been enacted or substantively enacted at the reporting date.

Deferred Tax. Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carryforward benefits of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax credits can be utilized.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognized in profit or loss except to the extent that it relates to business combination or items directly recognized to equity or in OCI.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Related Party Transactions

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, stockholders.

Provisions and Contingencies

Provisions. Provisions are recognized when the Company 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. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, 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 profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current 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 interest expense.

Provisions are reviewed at the end of each reporting year and adjusted to reflect the current best estimate.

Contingencies. Contingent liabilities are not recognized in the 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 financial statements but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable.

Events after the Reporting Date

Events after the reporting date that provide additional information about the Company's financial position as at reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Summary of Significant Judgments, Accounting Estimates, and Assumptions

The preparation of the financial statements in compliance with PFRS Accounting Standards requires management to exercise judgment, make accounting estimates, and use assumptions that affect the amounts reported in the financial statements and related notes. The judgment and accounting estimates used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at the reporting date.

While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

The judgments, accounting estimates, and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The following are the significant judgments, accounting estimates, and assumptions made by the Company:

Judgment

Classification and Measurement of Financial Assets. Classification and measurement of financial assets depend on the results of the “solely for payments of principal and interests” and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated, the risks that affect the performance of the assets, and how these risks are managed.

The Company monitors financial assets measured at FVPL or amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate. Otherwise, change in the business model should result to a change in the classification of those financial assets.

The Company’s investment in money market fund and quoted equity securities held for trading were classified as financial assets at FVPL (see Note 8).

Cash in banks, trade receivables, and refundable deposits were classified as financial assets at amortized cost because the Company’s primary business model in relation to these assets is to hold the financial assets to collect contractual cash flows, on specified dates, solely for principal and interest (see Notes 7, 9, and 13).

Accounting Estimates and Assumptions

Fair Value Measurement of Financial Instruments. The fair values of investments that are actively traded in organized financial markets are determined by reference to prevailing quoted market prices, which are usually the closing prices, as at reporting date.

In accordance with the amendments to PFRS 7, *Financial Instruments: Disclosures*, disclosures about the level in the fair value hierarchy are required in which the fair value measurements are categorized for assets and liabilities measured in the statements of financial position.

Assumptions and methods of determining the fair values of financial instruments are presented in Note 6 to the financial statements.

Assessment for ECL on Trade Receivables. The Company, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates for trade receivables. The provision matrix specifies provision rates depending on the number of days that a trade receivable is past due. The Company also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Company then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data to reflect the effects of current and forecasted economic conditions.

The determination of the relationship between historical default rates and forecasted economic conditions is a significant accounting estimate. Accordingly, the provision for impairment loss on trade receivables is sensitive to changes in assumptions about forecasted economic conditions.

The Company recognize provision for ECL in 2024 and reversal of allowance for ECL in 2023. The carrying amount of trade receivables and the related allowance for ECL as at December 31, 2024 and 2023 are disclosed in Note 9 to the financial statements.

Assessment for ECL on Other Financial Assets at Amortized Cost. The Company determines the allowance for ECL using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL is provided based on lifetime ECL.

The Company has assessed that the impairment on other financial assets at amortized cost is immaterial because the transactions with respect to these financial assets were entered into by the Company only with reputable banks and companies with good credit standing and relatively low risk of defaults. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized in 2024 and 2023.

The carrying amounts of other financial assets at amortized cost (cash in banks and refundable deposits) as at December 31, 2024 and 2023 are disclosed in Notes 7 and 13 to the financial statements.

Determination of the Useful Lives of Property and Equipment. The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The Company reviews annually the estimated useful lives of property and equipment and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the assets. In addition, estimation of the useful lives of property and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. However, it is possible that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

There are no changes in the estimated useful lives of property and equipment in 2024 and 2023. The carrying amount of property and equipment as at December 31, 2024 and 2023 is disclosed in Note 11 to the financial statements.

Assessment for the Impairment of Nonfinancial Assets. The Company assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of the assets or group of assets may not be recoverable.

The relevant factors that the Company considers in deciding whether to perform an asset impairment review include, among others, the following:

- Significant underperformance of a business in relation to expectations;
- Significant negative industry or economic trends; and
- Significant changes or planned changes in the use of the assets.

The Company determined that there are no indications of impairment on nonfinancial assets. Accordingly, no impairment loss was recognized in 2024 and 2023. The carrying amounts of nonfinancial assets (other current assets and property and equipment) as at December 31, 2024 and 2023 are disclosed in Notes 10 and 11 to the financial statements.

Estimation of the Useful Life and Assessment for Impairment of the Exchange Trading Right. Exchange trading right carried at cost less any allowance for impairment loss, is reviewed for impairment annually or more frequently, if events or changes in circumstances indicate that the carrying values may be impaired. The exchange trading right is deemed to have an indefinite useful life as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company.

No impairment loss on exchange trading right was recognized in 2024 and 2023. The carrying amount of exchange trading right as at December 31, 2024 and 2023 is disclosed in Note 12 to the financial statements.

There were no changes in the estimated useful life of exchange trading right in 2024 and 2023.

Determination of Retirement Benefits. The determination of the retirement benefit liability and expense is dependent on the assumptions used by the Company in calculating such amounts. These assumptions are described in Note 19 to the financial statements and include, among others, discount rates. Actual results that differ from the Company's assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded liability in such future periods. While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the retirement benefit liability.

Retirement benefit liability, retirement benefit costs, and related cumulative gains on remeasurement of retirement benefit liability (net of deferred tax) as at December 31, 2024 and 2023 are disclosed in Note 19 to the financial statements.

Recognition of Deferred Tax Assets. The Company reviews the carrying amounts of deferred tax assets at each reporting date and adjusts the balance to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Recognized deferred tax assets as at December 31, 2024 and 2023 are disclosed in Note 20 to the financial statements.

4. Financial Risk Management Objectives and Policies

The Company's principal financial instruments consist mainly of cash in banks, financial assets at FVPL, trade receivables, refundable deposits, trade payables, loans payable, and other current liabilities (excluding nonfinancial liabilities).

The main risks arising from the Company's use of financial instruments include credit risk, liquidity risk, and market risks. The Company's overall risk management process focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The BOD regularly reviews and approves the appropriate policies for managing these financial risks, as summarized below.

Credit Risk

The Company's exposure to credit risk arises from the failure of a counterparty in fulfilling its financial commitments to the Company under the prevailing contractual terms. Financial instruments that potentially subject the Company to credit risk consist primarily of trade receivables and other financial assets at amortized cost.

The Company limits its exposure to credit risk by depositing its cash with highly reputable and pre-approved financial institutions. Refundable deposits are entered into with reputable companies. In addition, customers are initially assessed for creditworthiness based on their profile (i.e., financial capacity, reputation, collateral). The Company mitigates its credit risk by transacting with recognized and creditworthy counterparties. The Company also monitors receivable balances regularly. In accordance with the Risk-Based Capital Adequacy (RBCA) requirements, limits are imposed to avoid large exposure to a single client or counterparty and single equity relative to a particular issuer company or group of companies. Furthermore, credit exposures are minimized by collateral held in the form of securities purchased.

The Company has no significant concentration of credit risk with any single counterparty or Company of counterparties having similar characteristics.

The table below presents the summary of the Company's maximum exposure to credit risk without taking into account any collateral, other credit enhancements or credit risk mitigating features and shows the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired, if any, are separately presented.

	2024					
	12-month ECL			Lifetime ECL		Total
	High Grade	Standard Grade	Substandard Grade	Not Credit Impaired	Credit Impaired	
Cash in banks	₱214,231,912	₱—	₱—	₱—	₱—	₱214,231,912
Trade receivables	—	—	—	339,599,660	1,299,829	340,899,489
Refundable deposits	—	29,229,469	—	—	—	29,229,469
	₱214,231,912	₱29,229,469	₱—	₱339,599,660	₱1,299,829	₱584,360,870

	2023					
	12-month ECL			Lifetime ECL		Total
	High Grade	Standard Grade	Substandard Grade	Not Credit Impaired	Credit Impaired	
Cash in banks	₱58,198,446	₱—	₱—	₱—	₱—	₱58,198,446
Trade receivables	—	—	—	265,870,023	789,253	266,659,276
Refundable deposits	—	27,124,659	—	—	—	27,124,659
	₱58,198,446	₱27,124,659	₱—	₱265,870,023	₱789,253	₱351,982,381

The description of the credit grades used by the Company in evaluating financial assets follows:

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. The counterparty has the ability to raise substantial amount of funds through the public markets. The counterparty has a strong debt service record and a moderate use of leverage.

Standard Grade - The counterparty has no history of default. The counterparty has sufficient liquidity to fully service its debt over the medium term. The counterparty has adequate capital to readily absorb any potential losses from its operations and any reasonably foreseeable contingencies. The borrower reported profitable operations for at least the past three years.

Substandard Grade - The counterparty is expected to be able to adjust to the cyclical downturns in its operations. Any prolonged adverse economic conditions would however ostensibly create profitability and liquidity issues. Operating performance could be marginal or on the decline. The counterparty may have history of default in interest but must have regularized its service record to date. The use of leverage is above industry standards but has contributed to shareholder value.

Trade Receivables

The Company uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments analyzed by customer type, credit terms, and number of days outstanding. The Company adjusts historical default rates to forward-looking default rate by determining the closely related economic factor affecting each customer segment (i.e., PSE index). At each reporting date, the observed historical default rates are updated and changes in the forward-looking estimates are analyzed.

The aging analysis of the Company's trade receivables from customers as follows:

Days from Transaction Date of Counterparty	2024		
	Amount	Collateral (Net of Haircut)	Counterparty Exposure
1 to 2 days	₱100,119,510	₱115,080,140	₱-
3 to 13 days	2,555,022	5,189,789,069	45,772
14 to 31 days	943,097	33,609,955	1,510
Over 31 days	197,082,867	202,665,564	1,247,974
	₱300,700,496	₱5,541,144,728	₱1,295,256

Days from Transaction Date of Counterparty	2023		
	Amount	Collateral (Net of Haircut)	Counterparty Exposure
1 to 3 days	₱36,884,758	₱40,970,141	₱8,626,087
4 to 14 days	6,424,808	295,997,855	401,647
15 to 31 days	1,968,410	26,955,201	217,726
Over 31 days	188,847,251	250,306,321	551,894
	₱234,125,227	₱614,229,518	₱9,797,354

Counterparty exposure is computed based on the rules provided by SRC Rule 52.1.11 which considers the age of receivables and the market value of related securities, net of haircut, as its collateral. The percentage of haircut is determined based on whether the security is within or outside the PSE index (PSEi).

SRC requires broker/dealers to maintain a stock record for each cash and margin account of every customer regardless of the frequency of transactions. The stock record is a record of accountability reflecting all securities for which the Company has custodial responsibility or proprietary ownership. Transactions in the customer accounts cover both money balances and security positions, with the security transaction and related money generally recorded on the settlement date.

On a regular basis, collateral valuations of customers' accounts are analyzed to ensure that these are sufficient to cover the outstanding balances due to the Company.

Allowance for ECL on trade receivables from customers amounted to ₱1,299,829 and ₱789,253 as at December 31, 2024 and 2023, respectively (see Note 9).

As at December 31, 2024 and 2023, trade receivables from customers amounting to ₱300,481,358 and ₱233,896,962, respectively, are secured by collateral comprising equity securities of listed companies with a total market value of ₱8,550,628,473 and ₱912,493,062, respectively (see Note 9).

Other Financial Assets at Amortized Cost

The Company's other financial assets at amortized cost consist of cash in banks and refundable deposits.

It is the Company's policy to measure ECL on other financial assets at amortized cost on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company considers the factors discussed in Note 3 to the financial statements in assessing ECL on other financial assets at amortized cost.

The Company limits its exposure to credit risk by investing its cash only with banks that have good credit standing and reputation in the local and international banking industry. These instruments are graded in the top category by an acceptable credit rating agency and, therefore, are considered to be low credit risk investments. For refundable deposits, credit risk is low because the Company only transacted with reputable companies with respect to these financial assets. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized in 2024 and 2023.

Liquidity Risk

Liquidity risk arises from the possibility that the Company may encounter difficulties in raising adequate funds to meet its financial commitments at a reasonable cost. The Company's objectives in effectively managing its liquidity are: (a) to ensure that adequate funding is available at all times; (b) to meet the commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost.

The Company monitors its cash flows, particularly the receivable from customers' collections and the funding requirements of operations, to ensure an adequate balance of inflows and outflows. Further, special reserve requirements for the customers of the Company are maintained in the bank (see Note 7).

The table below summarizes the maturity profile of the financial liabilities of the Company based on remaining contractual undiscounted cash flows.

	2024				Total
	On Demand	Up to 1 Month	Between 1 to 12 Months	Beyond 1 Year	
Financial liabilities at amortized cost:					
Trade payables	₱—	₱394,129,596	₱—	₱—	₱394,129,596
Other current liabilities**	8,735,198	2,697,915	—	—	11,433,113
	₱8,735,198	₱396,827,511	₱—	₱—	₱405,562,709

	2023				Total
	On Demand	Up to 1 Month	Between 1 to 12 Months	Beyond 1 Year	
Financial liabilities at amortized cost:					
Trade payables	P=	P133,440,377	P=	P=	P133,440,377
Loans payable*	—	342,082	675,038	—	1,017,120
Other current liabilities**	8,495,743	10,189,585	—	—	18,685,328
	P8,495,743	P143,972,044	P675,038	P=	P153,142,825

*Including future interests.

**Excluding nonfinancial liabilities aggregating to P2,657,704 and P7,580,159 as at December 31, 2024 and 2023, respectively.

Market Risks

The Company is exposed to market risks, primarily relating to equity price risk, interest rate risk and foreign currency risk. Management actively monitors these exposures as follows:

Equity Price Risk. Equity price risk is the risk that the fair values of quoted equity securities would decrease as the result of the adverse changes in the quoted equity prices is affected by both rational and irrational market forces. The equity price risk exposure of the Company arises mainly from its financial assets at FVPL.

The Company's policy is to maintain the risk to an acceptable level. Movement in share price is monitored regularly to determine the impact on its financial position.

The table below sets forth the impact of changes in PSEi in the Company's unrealized gain or loss on its financial assets at FVPL.

	2024		2023	
	15.34%	(15.34%)	14.04%	(14.04%)
Changes in PSEi				
Changes in trading income at equity portfolio under:				
Financial intermediaries	P1,728,344	(P1,728,344)	P1,567,810	(P1,567,810)
Industrial companies	74,981	(74,981)	46,791	(46,791)
Holding firms	6,132	(6,132)	1,264	(1,264)
Services	3,533	(3,533)	16,278	(16,278)
Mining and oil	948	(948)	874	(874)
	P1,813,938	(P1,813,938)	P1,633,017	(P1,633,017)

The sensitivity rate used for reporting equity price risk represents management's assessment of the reasonably possible change in equity pricing per PSEi. The sensitivity analysis includes the Company's stock portfolio with amounts adjusted by its specific beta for their valuation at the reporting date. The adjusted beta is the forecasted measure of the volatility of security or a portfolio in comparison to the market as a whole.

Interest Rate Risk. The Company's exposure to the risk for changes in market interest rates relates primarily to the Company's debt obligations. As at December 31, 2024 and 2023, the Company's interest-bearing debt obligations consist primarily of loans payable to local financial institution with fixed interest rate.

The Company regularly monitors interest rate movements and, on the basis of current and projected economic and monetary data, decides on the best alternative to take. The Company's exposure to changes in the interest rates is not significant.

Foreign Currency Risk. Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's transactional currency exposures arise from its United States (US) dollar-denominated cash in bank amounting to \$12,347 and \$12,343 as at December 31, 2024 and 2023, respectively. The Company periodically reviews the trend of the foreign exchange rates to address its exposure to foreign currency risk. For the purpose of restating the Company's foreign-currency denominated cash in banks as at December 31, 2024 and 2023, the exchange rates applied were ₱57.85 and ₱55.37 per \$1, respectively.

As at December 31, 2024 and 2023, the Company's exposure to foreign currency risk is not significant.

5. Capital Management

The Company's objective in managing capital is to ensure that a stable capital base is maintained in accordance with industry regulations, while maintaining investor, creditor and market confidence to sustain the future development of the business.

The Company's BOD has the overall responsibility for monitoring capital proportion to risks. The Associated Person designated by the Company monitors compliance with minimum net capital requirements imposed by PSE and SEC.

The Company, being a broker/dealer in securities, is regulated by PSE and SEC, and is subject to the following capital requirements in accordance with the SRC:

Required Capitalization for Broker/Dealers

In compliance with Rule 28 of the 2015 *Implementing Rules and Regulations of Securities Regulation Code*, trading participants, who will be participating in a registered clearing agency, are required to have a minimum unimpaired capital of ₱100,000,000 effective November 9, 2015.

Unimpaired paid-up capital pertains to the Company's paid-up capital less any deficit. The unimpaired paid-up capital of the Company amounted to ₱120,000,000 as at December 31, 2024 and 2023.

Details of the Company's common stock at ₱100 par value as at December 31, 2024 and 2023 are as follows:

	2024		2023	
	Number of Shares	Amount	Number of Shares	Amount
Authorized				
Balance at beginning and end of year	1,000,000	₱100,000,000	1,000,000	₱100,000,000
Issued and Outstanding				
Balance at beginning and end of year	1,000,000	₱100,000,000	1,000,000	₱100,000,000

Reserve Fund

The Company shall annually appropriate a certain minimum percentage of its audited net income and transfer the same to "Appropriated retained earnings". Minimum appropriation of 30%, 20%, and 10% of net income for broker/dealers with unimpaired paid-up capital of between ₱10,000,000 to ₱30,000,000, between ₱30,000,000 to ₱50,000,000, and more than ₱50,000,000, respectively, are prescribed by SRC Rule 49.1 (B).

The Company has appropriated a reserve fund from its unappropriated retained earnings amounting to ₱252,799 and ₱611,539 in 2024 and 2023, respectively, which is equivalent to 10% of net income given that the Company's unimpaired paid-up capital is more than ₱50,000,000.

The total amount of appropriated retained earnings amounted to ₱38,317,186 and ₱38,064,387 as at December 31, 2024 and 2023, respectively.

Net Liquid Capital (NLC)

The Company is required, at all times, to have and maintain a NLC of ₱5,000,000 or 5% of its Aggregate Indebtedness (AI), whichever is higher.

In computing for NLC, all non-allowable assets/equities, and collateralized liabilities will be deducted and allowable liabilities and equities are added to equity per books. The equity eligible for NLC pertains to the sum of the following:

- Equity per books;
- Liabilities subordinated to the claims of creditors in conformity with SRC Rule 49.1 and in accordance with a prescribed schedule; and
- Deposits for future stock subscription for which an application for increase in capital stock or request for exemption for registration has been filed with SEC.

The eligible equity for NLC shall exclude deferred income tax, revaluation reserves, minority interest, and any outside investment in affiliates and associates.

In computing for NLC, the equity eligible for NLC is adjusted by the following:

- Adding unrealized gains (or deducting unrealized losses) in the accounts of the Company;
- Deducting fixed assets and assets which cannot be readily converted into cash (less any AI in accordance with SRC Rule 49.1);
- Deducting general guarantees and indemnities for loans and indebtedness other than those incurred by the Company, unless otherwise permitted by SEC; and
- Deducting long and short securities differences.

AI shall mean the 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, 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' accounts having short positions in securities, but excluding the items set out in SRC Rule 49.1 (1) (D).

The Company's NLC met the minimum prescribed amounts as shown below:

	2024	2023
NLC:		
Equity eligible for NLC	₱232,236,880	₱229,353,462
Less ineligible assets	69,426,208	69,251,974
	162,810,672	160,101,488
Required NLC:		
Higher of:		
5% of AI	20,490,711	8,176,704
Minimum amount	5,000,000	5,000,000
	20,490,711	8,176,704
Net risk-based capital excess	₱142,319,961	₱151,924,784

Ratio of AI to NLC

The Company shall not permit its AI to all other persons to exceed 2,000% of its NLC.

The Company's AI consisted of 252% and 102% of its NLC as at December 31, 2024 and 2023, respectively. The Company is in compliance with the required ratio of AI to NLC as at December 31, 2024 and 2023.

RBCA Requirement/Ratio

The RBCA requirement/ratio refers to the minimum levels of capital to be maintained by firms which are licensed, or securing a broker/dealer license, taking into consideration the firm size, complexity and business risk. Such risks that are considered in determining the capital requirement include, among others, operational, position, counterparty, large exposure, underwriting, and margin financing risks. The RBCA ratio should be greater than or equal to 1.1. The RBCA ratio is the ratio linking the NLC of the Company to its Total Risk Capital Requirement (TRCR), calculated as the Company's NLC divided by its TRCR.

The TRCR is the sum of:

- Operational Risk Requirement (ORR);
- Credit Risk Requirement which include requirements for Counterparty Risk, Settlement Risk, Large Exposure Risk, and Margin Lending/Financing Risk; and
- Position or Market Risk Requirement.

The details of RBCA ratio are as follows:

	2024	2023
NLC	₱162,810,672	₱160,101,488
TRCR:		
ORR	79,218,078	75,352,579
Position risk	6,962,961	7,141,437
Counterparty risk	3,831	140,297
	₱86,184,870	₱82,634,313
RBCA ratio	189%	194%

As at December 31, 2024 and 2023, the Company is in compliance with the required RBCA ratio.

Ratio of Core Equity to ORR

The Company's core equity shall be at all times greater than its ORR.

Core equity refers to the sum of paid-up common stock, common stock dividends distributable, additional paid-in capital, surplus reserves excluding revaluation reserves or appraisal capital, and opening retained earnings adjusted for all current year movements. Core equity shall exclude treasury shares and unbooked valuation reserves and other capital adjustments, such as unrealized gain or loss in fair value changes.

The Company's ratio of core equity to ORR is as follows:

	2024	2023
Common stock	₱100,000,000	₱100,000,000
Additional paid-in capital	20,000,000	20,000,000
Retained earnings, beginning of year	110,682,117	104,566,728
Core equity	230,682,117	224,566,728
ORR	79,218,078	75,352,579
Ratio of Core Equity to ORR	292%	298%

As at December 31, 2024 and 2023, the Company is in compliance with the required ratio of core equity to ORR.

6. Fair Value Measurement

The following table presents the carrying amounts and fair values of the Company's asset measured at fair value and liability for which fair value is disclosed, and the corresponding fair value hierarchy:

		2024			
		Carrying Amounts	Fair value		
Note			Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Asset measured at fair value -					
Financial assets at FVPL	8	₱40,492,217	₱40,492,217	₱-	₱-

		2023			
		Carrying Amounts	Fair value		
Note			Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Asset measured at fair value -					
Financial assets at FVPL	8	₱20,303,244	₱20,303,244	₱-	₱-

The Company's financial assets at FVPL as at December 31, 2024 and 2023 are carried at fair values based on sources classified under the Level 1 category. The fair values of financial assets at FVPL are based on quoted market prices from active markets as at the reporting date.

In 2024 and 2023, there were no transfers between Level 1, Level 2, and Level 3 fair value measurements.

The table below presents the financial assets and liabilities whose carrying amounts approximate their fair values.

	2024	2023
Financial Assets at Amortized Cost:		
Cash in banks	₱214,231,912	₱58,198,446
Trade receivables	339,599,660	265,870,023
Refundable deposits	29,229,469	27,124,659
	₱583,061,041	₱351,193,128
Financial Liabilities at Amortized Cost:		
Trade payables	₱394,129,596	₱133,440,377
Other current liabilities*	11,433,113	18,685,328
Loans payable	–	1,000,000
	₱405,562,709	₱153,125,705

*Excluding nonfinancial liabilities aggregating to ₱2,657,704 and ₱7,580,159 as at December 31, 2024 and 2023, respectively.

Current Financial Assets and Liabilities. The carrying amounts of cash in banks, trade receivables, trade payables, other current liabilities (excluding nonfinancial liabilities), and loans payable approximate their fair values due to their short-term nature.

Refundable Deposits. The carrying amount of refundable deposits approximates fair value because management has assessed that the effect of discounting the future receipts from this financial instrument using the prevailing market rates is not significant.

7. Cash in Banks

Cash in banks amounted to ₱214,231,912 and ₱58,198,446 as at December 31, 2024 and 2023, respectively. Cash in banks earn interest at prevailing bank deposit rates and are immediately available for use in the Company's current operations.

Interest income earned on cash in banks amounted to ₱1,104,891 and ₱225,321 in 2024 and 2023, respectively.

In compliance with SRC Rule 49.2 covering customer protection and custody of securities, the Company maintains a special reserve bank account for the exclusive benefit of its customers amounting to ₱187,609,093 and ₱3,164,069 as at December 31, 2024 and 2023, respectively. The Company's reserve requirement is determined weekly based on the SEC's prescribed computation. As at December 31, 2024 and 2023, the Company's reserve accounts are adequate to cover its reserve requirements.

8. Financial Assets at FVPL

This account consists of:

	Note	2024	2023
Money market fund		₱20,681,299	₱—
PSE shares	12	18,894,440	19,585,700
Other listed shares		916,478	717,544
		₱40,492,217	₱20,303,244

The fair value of PSE shares is determined based on its market prices as at December 31, 2024 and 2023 amounting to ₱164 and ₱170 per share, respectively. As at December 31, 2024 and 2023, the Company holds 115,210 PSE shares.

Net trading gains recognized on financial assets at FVPL are as follows:

	2024	2023
Unrealized gains from fair value changes	₱93,971	₱1,436,637
Realized gain on sale	9,658	1,932,932
	₱103,629	₱3,369,569

Dividend income earned from financial assets at FVPL amounted to ₱1,185,738 and ₱1,176,084 in 2024 and 2023, respectively.

The Company's financial assets at FVPL as at December 31, 2024 and 2023 are carried at fair values based on quoted market prices or bidding dealer price quotations from active market as at the reporting date (see Note 6).

9. Trade Receivables

This account consists of:

	2024	2023
Trade receivables from:		
Customers	₱300,700,496	₱234,125,227
Clearing house	40,198,993	32,534,049
	340,899,489	266,659,276
Less allowance for ECL	1,299,829	789,253
	₱339,599,660	₱265,870,023

Trade receivables from customers are due within two business days from the reporting period. Details are as follows:

	2024		2023	
	Money Balance	Security Valuation - Long	Money Balance	Security Valuation - Long
Cash and fully secured accounts:				
More than 250%	₱3,195,562	₱8,069,249,756	₱3,347,243	₱540,342,277
Between 200% - 250%	488,659	1,069,198	702,182	1,589,572
Between 150% - 200%	154,096,749	267,292,441	187,373,467	333,438,088
Between 100% - 150%	60,099,365	78,920,906	101,187	112,580
Partially secured accounts	82,601,024	134,096,172	42,372,883	37,010,545
Unsecured accounts	219,138	—	228,265	—
	300,700,496	8,550,628,473	234,125,227	912,493,062
Less allowance for ECL	1,299,829	—	789,253	—
	₱299,400,667	₱8,550,628,473	₱233,335,974	₱912,493,062

Collaterals on trade receivables from customers pertain to listed equity securities amounting to ₱8,550,628,473 and ₱912,493,062 as at December 31, 2024 and 2023, respectively. The fair values of these securities are based on prevailing quoted market prices, which are usually the closing prices from active markets as at reporting date.

Trade receivables from clearing house are due and collectible after two business days from the transaction date. Accordingly, balances as at December 31, 2024 and 2023 were fully collected in January 2025 and 2024, respectively.

The movement in this account is as follows:

	2024	2023
Balance at beginning of year	₱789,253	₱4,167,903
Provision for (reversal of) ECL	510,576	(3,378,650)
Balance at end of year	₱1,299,829	₱789,253

10. Other Current Assets

This account consists of:

	2024	2023
Prepayments	₱479,928	₱337,978
Advances to officers and employees	307,689	376,159
Creditable withholding taxes	—	141,162
	₱787,617	₱855,299

Prepayments pertain to advance payments for taxes and licenses, insurance and software subscription fees.

Advances to officers and employees are amounts paid in advance to officers and employee, which are usually in the form of salary or an advance payment for future expenses in the normal course of business of the Company.

11. Property and Equipment

The balances and movements in this account are as follows:

	2024				
	Condominium Unit and Improvements	Office Equipment	Furniture and Fixtures	Transportation Equipment	Total
Cost					
Balances at beginning of year	₱20,409,590	₱6,157,415	₱6,145,587	₱4,686,444	₱37,399,036
Additions	—	174,910	—	—	174,910
Balances at end of year	20,409,590	6,332,325	6,145,587	4,686,444	37,573,946
Accumulated Depreciation					
Balances at beginning of year	3,610,846	5,291,940	6,123,490	4,686,444	19,712,720
Depreciation	992,628	344,094	9,822	—	1,346,544
Balances at end of year	4,603,474	5,636,034	6,133,312	4,686,444	21,059,264
Carrying Amounts	₱15,806,116	₱696,291	₱12,275	₱—	₱16,514,682

	2023				
	Condominium Unit and Improvements	Office Equipment	Furniture and Fixtures	Transportation Equipment	Total
Cost					
Balances at beginning of year	₱20,409,590	₱6,048,986	₱6,116,123	₱4,686,444	₱37,261,143
Additions	—	108,429	29,464	—	137,893
Balances at end of year	20,409,590	6,157,415	6,145,587	4,686,444	37,399,036
Accumulated Depreciation					
Balances at beginning of year	2,618,218	4,773,971	6,116,123	4,686,444	18,194,756
Depreciation	992,628	517,969	7,367	—	1,517,964
Balances at end of year	3,610,846	5,291,940	6,123,490	4,686,444	19,712,720
Carrying Amounts	₱16,798,744	₱865,475	₱22,097	₱—	₱17,686,316

As at December 31, 2024 and 2023, cost of fully-depreciated assets still in use amounted to ₱17,907,476 and ₱15,479,131, respectively.

12. Investment in PSE Shares and Exchange Trading Right

Under the PSE rules, all exchange trading rights are pledged at its full value to the PSE to secure the payment of all debts due to other members of the exchange arising out, of or in connection with, the present or future members' contracts.

R.A. No. 8799, *the SRC*, prescribed the conversion of the PSE from a non-stock corporation into a stock corporation (demutualization) effective August 8, 2001, pursuant to a conversion plan approved by the Philippine SEC.

As a result of the conversion plan and on the basis of the relative fair values of the PSE shares and the exchange trading right as of the time of the demutualization, the Company's membership in PSE, originally amounting to ₱8,000,000 was allocated equally into (a) investment in PSE shares (classified as financial assets at FVPL) and (b) exchange trading right.

As at December 31, 2024 and 2023, the carrying amounts of the investment in PSE shares and exchange trading right are as follows:

	Note	2024	2023
Investment in PSE shares	8	₱18,894,440	₱19,585,700
Exchange trading right		4,000,000	4,000,000
		₱22,894,440	₱23,585,700

As at December 31, 2024 and 2023, the latest transacted price of the exchange trading right, as provided by the PSE, is ₱8,000,000.

13. Refundable Deposits

This account consists of:

	2024	2023
Refundable Clearing and Trade Guaranty Fund (CTGF) contributions	₱29,204,452	₱27,099,642
Others	25,017	25,017
	₱29,229,469	₱27,124,659

The Company, as a Clearing Member, is required to pay monthly contributions to the CTGF maintained by the Securities Clearing Corporation of the Philippines (SCCP) for an amount of 1/500 of 1% applied to the Clearing Member's total monthly turnover value less block sales and cross transactions of the same flag.

Under the amended SCCP Rule 5.2, the contributions to the CTGF shall be refunded as trade-related assets to the Company upon cessation of business and/or termination of membership with the SCCP, provided that all liabilities owing to the SCCP at the time of termination, whether actual or contingent, shall have been satisfied or paid in full.

The movements in refundable CTGF contributions are as follows:

	2024	2023
Balance at beginning of year	₱27,099,642	₱24,810,337
Additional contributions	2,104,810	2,289,305
Balance at end of year	₱29,204,452	₱27,099,642

14. Trade Payables

This account consists of:

	2024		2023	
	Money Balance	Security Valuation - Long	Money Balance	Security Valuation - Long
Trade payable to customers:				
With money balance	₱329,392,282	₱5,605,228,976	₱94,669,651	₱1,786,153,267
Without money balance	–	5,225,289,686	–	4,159,507,863
	329,392,282	10,830,518,662	94,669,651	5,945,661,130
Trade payable to clearing house	63,577,119	–	37,815,656	–
Dividends payable to customers	1,160,195	–	955,070	–
	₱394,129,596	₱10,830,518,662	₱133,440,377	₱5,945,661,130

Trade payable to customers are noninterest-bearing and due within two business days from the transaction date.

Trade payable to clearing house is due after two business days from the transaction date. Accordingly, balances as at December 31, 2024 and 2023 were fully settled in January 2025 and 2024, respectively.

Dividends payable to customers are noninterest-bearing and payable within one month.

15. Loans Payable

The Company has outstanding loans payable amounting to ₱1,000,000 as at December 31, 2023. The loans bear an interest rate of 10% and are payable in monthly installments within seven years. The loans payable was fully paid in 2024.

Interest expense on loans payable paid by the Company amounted to ₱20,584 and ₱347,687 in 2024 and 2023, respectively.

Reconciliation of a Liability Arising from a Financing Activity

The table below details movement in the Company's loans payable arising from financing activity.

	2024	2023
Balance at beginning of year	₱1,000,000	₱5,000,000
Availment of loans	–	72,500,000
Payments of loans payable	(1,000,000)	(76,500,000)
Balance at end of year	₱–	₱1,000,000

16. Other Current Liabilities

This account consists of:

	2024	2023
Accounts payable	₱8,735,198	₱8,495,743
Accruals for:		
Stock exchange dues and fees	1,481,310	1,915,479
Marketing, research and development	690,442	7,727,585
Others	250,651	275,795
Stock transaction tax payable	1,191,698	588,774
Output VAT payable	1,150,369	6,671,919
Withholding taxes payable	187,398	201,777
Statutory payables	128,239	117,689
Others	275,512	270,726
	₱14,090,817	₱26,265,487

Accounts payable are noninterest bearing and payable on demand.

Accrued expenses and other current liabilities are noninterest-bearing and generally settled within one year.

Statutory payables included Social Security System, Pag-IBIG, and PhilHealth payable, which are generally settled in the succeeding month from the transaction date.

17. Related Party Transactions

The Company, in the normal course of business, has transactions with its related parties as follows:

	Nature of Transaction	Amount of Transaction		Outstanding Balance		Terms and Conditions
		2024	2023	2024	2023	
Trade Receivables						
Key management personnel (KMP)	Trading of securities	₱6,807,472	₱3,074,400	₱435,231	₱1,162,883	2 days, secured, noninterest-bearing and generally collected in cash
Trade Payables						
KMP	Trading of securities	₱7,856,128	₱4,782,614	₱3,302,298	₱728,836	2 days, secured, noninterest-bearing and generally settled in cash
Management Fees						
KMP	Management fees	₱6,000,000	₱6,000,000	₱—	₱—	Payable in cash and on demand, unsecured
Commission						
KMP	Trading of securities	₱37,917	₱21,438	₱—	₱—	Payable in cash and on demand, unsecured
Salaries and Other Employee Benefits						
KMP	Salaries and wages	₱1,252,350	₱1,178,850	₱—	₱—	Noninterest-bearing, unsecured and payable within the month of incurrence
	Retirement benefits	44,036	41,126	501,621	457,585	Noninterest-bearing, unsecured and payable upon retirement

18. Personnel Costs

This account consists of:

	Note	2024	2023
Salaries and wages		₱8,022,009	₱8,165,909
Retirement benefit costs	19	526,633	526,673
Other employee benefits		964,103	933,307
		₱9,512,745	₱9,625,889

Personnel costs are classified in the statements of comprehensive income as follows:

	2024	2023
Cost of services	₱4,289,075	₱4,216,969
General and administrative expenses	5,223,670	5,408,920
	₱9,512,745	₱9,625,889

19. Retirement Benefits

The Company has an unfunded, noncontributory defined benefit plan covering all of its regular employees. The benefits are based on years of service and compensation. The plan provides for a lump-sum benefit payment upon retirement which shall not be less than the minimum mandated retirement benefit plan under R.A. No. 7641, *Retirement Pay Law*.

In 2024 and 2023, the management has assessed that the difference between the retirement benefit liability as determined by an acceptable actuarial valuation method and the estimated retirement benefit liability will not significantly affect the Company's financial position and results of operations.

The components of retirement benefit costs included under "Personnel costs" account in the statements of comprehensive income are as follows:

	2024	2023
Current service cost	₱233,813	₱216,914
Interest cost	292,820	309,759
	₱526,633	₱526,673

The components of retirement benefit liability recognized in the statements of financial position are as follows:

	2024	2023
Balance at beginning of year	₱3,557,046	₱3,408,068
Retirement benefit costs	526,633	526,673
Gain on remeasurement	(328,622)	(377,695)
Balance at end of year	₱3,755,057	₱3,557,046

The discount rate used to determine the retirement benefit liability is 6.13% and 6.10% in 2024 and 2023, respectively.

The sensitivity analysis of retirement benefit liability is as follows:

	Change in Assumption	Effect on Retirement Benefit Liability	
		2024	2023
Discount rate	+1.00%	(P16,473)	(P18,659)
	-1.00%	21,016	22,579

The sensitivity analysis above has been determined based in a method that extrapolates the impact on the retirement benefit liability as a result of reasonable changes in key assumptions occurring as at the end of the reporting year.

As at December 31, 2024, the maturity analysis of the undiscounted retirement benefit liability is as follows:

More than one year to five years	₱3,272,673
More than five years to 10 years	1,893,046
More than 10 years to 20 years	1,868,442
More than 20 years	841,330
	₱7,875,491

As at December 31, 2024, the average duration of the retirement benefit liability is 18 years.

The cumulative gains or losses on remeasurement of retirement benefit liability recognized in OCI are as follows:

	2024		
	Cumulative Gains on Remeasurement of Retirement Benefit Liability	Deferred Tax (see Note 20)	Net
Balances at beginning of year	(P562,154)	₱140,539	(P421,615)
Gain on remeasurement	(328,622)	82,155	(246,467)
Balances at end of year	(P890,776)	₱222,694	(P668,082)

	2023		
	Cumulative Gains on Remeasurement of Retirement Benefit Liability	Deferred Tax (see Note 20)	Net
Balances at beginning of year	(P184,459)	₱46,115	(P138,344)
Gain on remeasurement	(377,695)	94,424	(283,271)
Balances at end of year	(P562,154)	₱140,539	(P421,615)

20. Income Taxes

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

	Note	2024	2023
Reported in Profit or Loss			
Current tax expense:			
MCIT		₱1,245,274	₱1,132,053
Final tax		220,920	45,064
		1,466,194	1,177,117
Deferred tax expense (benefit)		(394,804)	469,318
		₱1,071,390	₱1,646,435
Reported in OCI			
Deferred tax expense on gain on remeasurement of retirement benefit liability	19	₱82,155	₱94,424

The components of the Company's net deferred tax assets are as follows:

	2024	2023
Deferred tax assets:		
Retirement benefit liability	₱938,764	₱889,261
Excess MCIT over RCIT	670,437	670,437
Allowance for ECL	324,957	197,313
Unrealized foreign exchange loss	—	3,735
	1,934,158	1,760,746
Deferred tax liabilities:		
Excess of fair value over cost of financial assets at FVPL	285,259	432,091
Unrealized foreign exchange gain	7,595	—
	292,854	432,091
Net deferred tax assets	₱1,641,304	₱1,328,655

In 2023, the Company incurred excess of MCIT over RCIT of ₱670,437, which may be carried forward and credited against future RCIT for the three immediately succeeding taxable years until 2026.

The reconciliation between the income tax expense based on statutory income tax rate and the effective income tax rate is as follows:

	2024	2023
Income tax expense at statutory tax rate	₱899,844	₱1,940,456
Increase (decrease) in income tax resulting from:		
Nondeductible expenses	693,551	11,266
Dividend income exempt from income tax	(296,435)	(294,021)
Unrealized gain on money market fund	(170,325)	—
Interest income already subjected to final tax	(55,245)	(11,266)
Income tax expense at effective tax rate	₱1,071,390	₱1,646,435

The income tax rates used in the financial statements are 25% and 2% for RCIT and MCIT, respectively, in 2024, and 25% and 1.5% for RCIT and MCIT, respectively, in 2023.



**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION**

The Stockholders and the Board of Directors
Mandarin Securities Corporation
28th Floor, LKG Tower
6801 Ayala Avenue, Makati City

We have audited the accompanying financial statements of Mandarin Securities Corporation (the Company) as at and for the years ended December 31, 2024 and 2023, on which we have rendered our report dated April 11, 2025.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Company has seven stockholders owning 100 or more shares each as at December 31, 2024 and 2023.

REYES TACANDONG & Co.

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

Tax Identification No. 287-809-533-000

BOA Accreditation No. 4782/P-027; Valid until June 6, 2026

BIR Accreditation No. 08-005144-026-2024

Valid until March 26, 2027

PTR No. 10467117

Issued January 2, 2025, Makati City

April 11, 2025
Makati City, Metro Manila



REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Mandarin Securities Corporation
28th Floor, LKG Tower
6801 Ayala Avenue, Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Mandarin Securities Corporation (the Company) as at and for the years ended December 31, 2024 and 2023, and have issued our opinion thereon dated April 11, 2025. Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary schedules as at and for the year ended December 31, 2024 are the responsibility of the Company's management. These supplementary schedules include the following:

- I. Statement of Changes in Liabilities Subordinated to Claims of General Creditors;
- II. Computation of Risk-Based Capital Adequacy Requirement Pursuant to Securities and Exchange Commission (SEC) Memorandum Circular No. 16;
- III. Information Relating to the Possession or Control Requirements under Annex F of Securities Regulation Code (SRC) Rule 49.2;
- IV. Computation for Determination of Reserve Requirements under Annex G of SRC Rule 49.2;
- V. A Report Describing Any Material Inadequacies Found to Exist or Found to Have Existed Since the Report Date of the Previous Audit; and
- VI. Results of Monthly Securities Count Conducted Pursuant to SRC Rule 52.1-10, as Amended.

The supplementary schedules are presented for purposes of complying with the SRC Rule 52.1.5 and are not part of the basic financial statements. The supplementary schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

REYES TACANDONG & Co.

Mark Christian M. Ababa

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

Tax Identification No. 287-809-533-000

BOA Accreditation No. 4782/P-027; Valid until June 6, 2026

BIR Accreditation No. 08-005144-026-2024

Valid until March 26, 2027

PTR No. 10467117

Issued January 2, 2025, Makati City

April 11, 2025
Makati City, Metro Manila

SCHEDULE I

**MANDARIN SECURITIES CORPORATION
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS**

DECEMBER 31, 2024

The Company has no liabilities subordinated to claims of general creditors.

SCHEDULE II

**MANDARIN SECURITIES CORPORATION
COMPUTATION OF RISK-BASED CAPITAL ADEQUACY REQUIREMENT PURSUANT TO
SEC MEMORANDUM CIRCULAR NO. 16**

DECEMBER 31, 2024

Assets	₱646,496,861
Liabilities	412,618,677
Equity as per books	233,878,184
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	—
Subordinated Liabilities	—
Unrealized Gain / (Loss) in proprietary accounts	—
Deferred Income Tax	(1,641,304)
Revaluation Reserves	—
Deposit for Future Stock Subscription (No application with SEC)	—
Minority Interest	—
Total Adjustments to Equity per books	(1,641,304)
Equity Eligible For Net Liquid Capital	232,236,880
Contingencies and Guarantees	
Deduct: Contingent Liability	—
Guarantees or indemnities	—
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	4,000,000
b. Intercompany Receivables	—
c. Fixed Assets, net of accumulated and excluding those used as collateral	16,514,682
d. Prepayment from Client for Early Settlement of Account	—
e. All Other Current Assets	787,617
f. Securities Not Readily Marketable	—
g. Negative Exposure (SCCP)	—
h. Notes Receivable (non-trade related)	—
i. Interest and Dividends Receivables outstanding for more than 30 days	—
j. Ineligible Insurance claims	—
k. Ineligible Deposits	29,204,452
l. Short Security Differences	—
m. Long Security Differences not resolved prior to sale	—
n. Other Assets including Equity Investment in PSE	18,919,457
Total ineligible assets	69,426,208
Net Liquid Capital (NLC)	162,810,672
Less:	
Operational Risk Requirement	79,218,078
Position Risk Requirement	6,962,961
Counterparty Risk	3,831
Large Exposure Risk	
LERR to a single client	—
LERR to a single debt	—
LERR to a single issuer and group of companies	—
Total Risk Capital Requirement (TRCR)	86,184,870
Net RBCA Margin (NLC-TRCR)	76,625,802
Liabilities	412,618,677
Add: Deposit for Future Stock Subscription (No application with SEC)	—
Less: Exclusions from Aggregate Indebtedness	—
Subordinated Liabilities	—
Loans and secured securities	—
Loans secured by fixed assets	—
Others	2,804,461
Total adjustments to AI	(2,804,461)
Aggregate Indebtedness	409,814,216
5% of Aggregate Indebtedness	20,490,711
Required Net Liquid Capital (> of 5% of AI or ₱5M)	20,490,711
Net Risk-based Capital Excess / (Deficiency)	142,319,961
Ratio of AI to Net Liquid Capital	252%
RBCA Ratio (NLC/TRCR)	189%

SCHEDULE III

**MANDARIN SECURITIES CORPORATION
INFORMATION RELATING TO THE POSSESSION OR
CONTROL REQUIREMENTS UNDER ANNEX F OF SRC RULE 49.2**

DECEMBER 31, 2024

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

Market Valuation	<u>NIL</u>
Number of Items	<u>NIL</u>

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

Market Valuation	<u>NIL</u>
Number of Items	<u>NIL</u>

SCHEDULE IV

**MANDARIN SECURITIES CORPORATION
COMPUTATION FOR DETERMINATION OF
RESERVE REQUIREMENTS UNDER ANNEX G OF SRC RULE 49.2**

DECEMBER 31, 2024

Particulars	Credits	Debits
1. Free credit balance and other credit balance in customers' security accounts.	₱342,816,722	
2. Monies borrowed collateralized by securities carried for the account of customers.	—	
3. Monies payable against customers' securities loaned.	—	
4. Customers' securities failed to receive.	62,948,879	
5. Credit balances in firm accounts which are attributable to principal sales to customer.	—	
6. Market value of stock dividends stock splits and similar distributions receivable outstanding of 30 calendar days old.	—	
7. Market value of the short security count differences over 30 calendar days old.	—	
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.	—	
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.	—	
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		₱240,174,453
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to delivery.		—
12. Failed to deliver customers' securities not older than 30 calendar days.		39,145,383
13. Others due from clearing house		—
Total	₱405,765,601	₱279,319,836
Net Credit (Debit)	₱126,445,765	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	₱126,445,765	

SCHEDULE V

**MANDARIN SECURITIES CORPORATION
A REPORT DESCRIBING ANY MATERIAL INADEQUACIES FOUND TO EXIST OR FOUND TO HAVE EXISTED
SINCE THE REPORT DATE OF THE PREVIOUS AUDIT**

DECEMBER 31, 2024

There were no matters involving the Company's internal structure and its operations that were considered to be material weaknesses.

SCHEDULE VI

**MANDARIN SECURITIES CORPORATION
RESULTS OF MONTHLY SECURITIES COUNT
CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED**

DECEMBER 31, 2024

There is no discrepancy in the results of the securities count conducted. Refer to attached summary.

MANDARIN SECURITIES CORPORATION

RESULTS OF MONTHLY SECURITIES COUNT
CONDUCTED PURSUANT TO SEC RULE 52.1-10, AS AMENDED
DECEMBER 31, 2024

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
AAA	(SUSPENDED)ASIA AMALGAMATED HLDGS.	13,000	₱20,930	13,000	₱20,930	—	₱—
AB	ATOK-BIG WEDGE CO., INC.	36,087,750	196,317,360	36,087,750	196,317,360	—	—
ABA	ABACORE CAPITAL HOLDINGS, INC.	89,706,465	47,544,426	89,706,465	47,544,426	—	—
ABG	ASIABEST GROUP INTERNATIONAL, INC.	2,000	52,400	2,000	52,400	—	—
ABS	ABS-CBN CORPORATION	252,826	1,061,869	252,826	1,061,869	—	—
ABSP	ABS-CBN PHIL. DEPOSIT RECEIPTS	21,350	81,130	21,350	81,130	—	—
AC	AYALA CORPORATION	79,246	47,468,354	79,246	47,468,354	—	—
ACEN	ACEN CORPORATION	5,888,324	23,553,296	5,888,324	23,553,296	—	—
ACENA	ACEN CORP. PREFERRED "A" SHARES	1,000	1,050,000	1,000	1,050,000	—	—
ACENB	ACEN CORP. PREFERRED "B" SHARES	1,200	1,267,200	1,200	1,267,200	—	—
ACPB3	AYALA CORP. CLASS B3 PREF. SHARES	50	102,600	50	102,600	—	—
ACR	ALSONS CONS. RES., INC.	11,992,000	5,516,320	11,992,000	5,516,320	—	—
ACRMC	ACR MINING CORPORATION	299,815	—	299,815	—	—	—
AEV	ABOITIZ EQUITY VENTURES INC.	185,453	6,370,311	185,453	6,370,311	—	—
AGI	ALLIANCE GLOBAL GROUP, INC.	1,055,700	9,501,300	1,055,700	9,501,300	—	—
ALCO	ARTHALAND CORPORATION	430,000	156,950	430,000	156,950	—	—
ALCPF	ARTHALAND CORP. SERIES F PREF.	33,560	16,444,400	33,560	16,444,400	—	—
ALHI	ANCHOR LAND HOLDINGS, INC.	96,700	464,160	96,700	464,160	—	—
ALI	AYALA LAND, INC.	1,419,381	37,187,782	1,419,381	37,187,782	—	—
ALLDY	ALLDY MARTS, INC.	4,960,000	659,680	4,960,000	659,680	—	—
ALLHC	AYALALAND LOGISTICS HOLDINGS CORP.	3,930,900	6,682,530	3,930,900	6,682,530	—	—
ANI	AGRINURTURE, INC.	24,200	12,342	24,200	12,342	—	—
ANS	A. SORIANO CORPORATION	1,820,450	24,903,756	1,820,450	24,903,756	—	—
AP	ABOITIZ POWER CORP.	360,500	13,590,850	360,500	13,590,850	—	—
APC	APC GROUP, INC.	10,470,000	1,936,950	10,470,000	1,936,950	—	—
APL	APOLLO GLOBAL CAPITAL, INC.	212,163,400	848,654	212,163,400	848,654	—	—
APO	ANGLO-PHILIPPINE HLDS CORP.	32,323,318	14,545,493	32,323,318	14,545,493	—	—
APVI	ALTUS PROPERTY VENTURES, INC.	1,960	16,307	1,960	16,307	—	—
APX	APEX MINING CO., INC. "A"	15,170,250	52,337,363	15,170,250	52,337,363	—	—
AR	(SUSPENDED) ABRA MINING INDL CORP.	1,802,500,000	8,291,500	1,802,500,000	8,291,500	—	—
AREIT	AREIT, INC.	1,073,600	40,743,120	1,073,600	40,743,120	—	—
ASLAG	RASLAG CORP.	5,000	5,150	5,000	5,150	—	—
AT	ATLAS CONS. MINING	15,390,160	67,408,901	15,390,160	67,408,901	—	—
ATNB	ATN HOLDINGS B	1,870,000	972,400	1,870,000	972,400	—	—
ATRK	ATR KIM ENG FINANCIAL CORP.	219	—	219	—	—	—
AUB	ASIA UNITED BANK CORP.	64,975	3,995,963	64,975	3,995,963	—	—
AXLM	AXELUM RESOURCES CORP.	3,561,300	9,223,767	3,561,300	9,223,767	—	—
BC	BENGUET CORPORATION "A"	36,286	144,055	36,286	144,055	—	—
BCB	BENGUET CORPORATION "B"	3,518,690	13,863,639	3,518,690	13,863,639	—	—
BDO	BDO UNIBANK, INC.	1,434,695	206,596,080	1,434,695	206,596,080	—	—
BEL	BELLE CORPORATION	1,842,780	3,059,015	1,842,780	3,059,015	—	—
BHI	BOULEVARD HOLDINGS, INC.	48,800,000	3,611,200	48,800,000	3,611,200	—	—
BKR	BRIGHT KINDLE RESOURCES & INV. INC.	877,000	868,230	877,000	868,230	—	—
BLOOM	BLOOMBERRY RESORTS CORP.	4,670,200	21,389,516	4,670,200	21,389,516	—	—
BNCOM	BANK OF COMMERCE	250,000	1,687,500	250,000	1,687,500	—	—
BPI	BANK OF THE PHIL. ISLANDS	170,747	20,831,134	170,747	20,831,134	—	—
BRN	A BROWN COMPANY, INC.	3,572,432	2,000,562	3,572,432	2,000,562	—	—
BRNP	A BROWN CO., INC. SERIES "A" PREF.	32,000	3,088,000	32,000	3,088,000	—	—
BRNPC	A BROWN COMPANY, INC. SERIES C PREF	92,750	9,479,050	92,750	9,479,050	—	—
BSC	BASIC ENERGY CORP.	7,168,478	1,003,587	7,168,478	1,003,587	—	—
C	CHELSEA LOGISTICS & INFRA HLDS CORP	2,209,600	2,894,576	2,209,600	2,894,576	—	—
CAL	(DELISTED) CALATA CORPORATION	181,176	—	181,176	—	—	—
CAT	CENTRAL AZUCARRERA DE TARLAC	300	3,360	300	3,360	—	—
CBC	CHINA BANKING CORP.	1,540,721	97,835,784	1,540,721	97,835,784	—	—
CDC	CITYLAND DEVELOPMENT CORP. "A"	11,194,192	7,612,051	11,194,192	7,612,051	—	—
CEB	CEBU AIR, INC.	330,815	9,345,524	330,815	9,345,524	—	—
CEBCP	CEBU AIR, INC. CONV. PREF. SHARES	52,000	1,794,000	52,000	1,794,000	—	—
CEI	CROWN EQUITIES, INC.	71,331,680	3,994,574	71,331,680	3,994,574	—	—
CEU	CENTRO ESCOLAR UNIVERSITY	69,817	963,475	69,817	963,475	—	—
CHP	CEMEX HOLDINGS PHILS.	9,784,545	17,416,490	9,784,545	17,416,490	—	—
CIC	CONCEPCION INDUSTRIAL CORP	300	4,014	300	4,014	—	—
CLI	CEBU LANDMASTERS, INC.	74,994	198,734	74,994	198,734	—	—

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
CNPF	CENTURY PACIFIC FOOD, INC.	458,150	₱19,219,393	458,150	₱19,219,393	—	—
CNVRG	CONVERGE ICT SOLUTIONS, INC.	13,547,300	218,653,422	13,547,300	218,653,422	—	—
COAL	COAL ASIA HOLDINGS INC.	190,000	29,260	190,000	29,260	—	—
COL	COL FINANCIAL GROUP, INC.	1,197,500	1,975,875	1,197,500	1,975,875	—	—
COSCO	COSCO CAPITAL, INC.	1,141,775	6,142,750	1,141,775	6,142,750	—	—
CPG	CENTURY PROPERTIES GROUP, INC.	9,697,277	4,072,856	9,697,277	4,072,856	—	—
CPM	CENTURY PEAK HOLDINGS CORP.	505,000	1,262,500	505,000	1,262,500	—	—
CREIT	CITICORE ENERGY REIT CORP.	2,627,000	8,012,350	2,627,000	8,012,350	—	—
CROWN	CROWN ASIA CHEMICALS CORP.	26,000	44,460	26,000	44,460	—	—
CTS	CTS GLOBAL EQUITY GROUP, INC.	2,590,000	1,683,500	2,590,000	1,683,500	—	—
CYBR	CYBER BAY CORPORATION	9,672,660	3,191,978	9,672,660	3,191,978	—	—
DD	DOUBLE DRAGON CORP.	326,000	3,325,200	326,000	3,325,200	—	—
DDMPR	DDMP REIT, INC.	14,012,000	14,432,360	14,012,000	14,432,360	—	—
DELM	DEL MONTE PACIFIC LIMITED	12,242	47,744	12,242	47,744	—	—
DFNN	DIVERSIFIED FINANCIAL NETWORK	1,925,200	5,486,820	1,925,200	5,486,820	—	—
DHI	DOMINION HOLDINGS, INC.	4,262,290	6,819,664	4,262,290	6,819,664	—	—
DITO	DITO CME HOLDINGS CORP.	63,935,657	104,854,477	63,935,657	104,854,477	—	—
DIZ	DIZON COPPER SILVER MINES, INC	2,493	5,061	2,493	5,061	—	—
DMC	DMCI HOLDINGS, INC.	648,700	7,018,934	648,700	7,018,934	—	—
DMW	DM WENCESLAO & ASSOCIATES INC.	29,500	162,840	29,500	162,840	—	—
DNA	(SUSPENDED) PHILAB HOLDINGS CORP.	425,200	1,216,072	425,200	1,216,072	—	—
DNL	D&L INDUSTRIES, INC.	2,163,200	13,173,888	2,163,200	13,173,888	—	—
DWC	DISCOVERY WORLD CORPORATION	27,000	30,240	27,000	30,240	—	—
ECVC	EAST COAST VULCAN CORPORATION	24,405,546	7,565,719	24,405,546	7,565,719	—	—
EEI	EEI CORPORATION	920,807	3,314,905	920,807	3,314,905	—	—
EEIPB	EEI CORP. SERIES B PREF. SHARES	30,000	2,953,500	30,000	2,953,500	—	—
EIBA	(DELISTED) EXPORT INDS. "A"	3,317,041	—	3,317,041	—	—	—
EIBB	EXPORT & INDUSTRY BANK B	10,000	—	10,000	—	—	—
ELI	EMPIRE EAST LAND HOLDINGS, INC	53,216,546	6,385,986	53,216,546	6,385,986	—	—
EMI	EMPERADOR INC.	108,600	1,961,316	108,600	1,961,316	—	—
ENEX	ENEX ENERGY CORP.	78,940	394,700	78,940	394,700	—	—
EURO	EURO-MED LAB. PHILS., INC.	8,000	6,560	8,000	6,560	—	—
EVER	EVER-GOTESCO RES. & HLDGS., INC.	17,190,000	4,383,450	17,190,000	4,383,450	—	—
EW	EAST WEST BANKING CORP.	1,072,754	10,566,627	1,072,754	10,566,627	—	—
FAF	FIRST ABACUS FINANCIAL HLDGS.	31,161,000	20,254,650	31,161,000	20,254,650	—	—
FB	SAN MIGUEL FOOD & BEVERAGE, INC.	22,421,210	1,182,718,828	22,421,210	1,182,718,828	—	—
FCG	FIGARO COFFEE GROUP, INC.	3,582,000	3,080,520	3,582,000	3,080,520	—	—
FDC	FILINVEST DEVELOPMENT CORP.	800,862	3,956,258	800,862	3,956,258	—	—
FEU	FAR EASTERN UNIVERSITY	14,166	10,412,010	14,166	10,412,010	—	—
FFI	FILIPINO FUND, INC.	4,509	26,468	4,509	26,468	—	—
FGEN	FIRST GEN CORPORATION	507,200	8,176,064	507,200	8,176,064	—	—
FILRT	FILINVEST REIT CORP.	4,866,070	14,354,907	4,866,070	14,354,907	—	—
FJP	F&J PRINCE HOLDINGS CORP. "A"	1,505,950	3,764,875	1,505,950	3,764,875	—	—
FJPB	F&J PRINCE HOLDINGS CORP. "B"	174,300	332,913	174,300	332,913	—	—
FLI	FILINVEST LAND, INC.	78,772,237	57,503,733	78,772,237	57,503,733	—	—
FNI	GLOBAL FERRONICKEL HOLDINGS, INC.	14,386,603	14,962,067	14,386,603	14,962,067	—	—
FOOD	ALLIANCE SELECT FOODS INTL, INC.	329,392,533	125,169,163	329,392,533	125,169,163	—	—
FPH	FIRST PHIL. HOLDINGS CORP.	391,453	23,095,727	391,453	23,095,727	—	—
FPI	FORUM PACIFIC, INC.	1,331,000	327,426	1,331,000	327,426	—	—
FRUIT	FRUITAS HOLDINGS, INC.	1,343,000	859,520	1,343,000	859,520	—	—
FWBC	FWBC HOLDINGS, INC.	200,745	—	200,745	—	—	—
GEO	GEOGRACE RESOURCES PHILS	32,759,870	2,882,869	32,759,870	2,882,869	—	—
GERI	GLOBAL-ESTATE RESORTS, INC.	10,071,282	6,445,620	10,071,282	6,445,620	—	—
GLO	GLOBE TELECOM, INC.	19,132	41,784,288	19,132	41,784,288	—	—
GMA7	GMA NETWORK, INC.	1,389,200	8,488,012	1,389,200	8,488,012	—	—
GMAP	GMA HOLDINGS, INC. "PDR"	66,575	416,760	66,575	416,760	—	—
GO	(DELISTED)GOTESCO LAND, INC. "A"	11,209	—	11,209	—	—	—
GOB	(DELISTED)GOTESCO LAND, INC. "B"	999	—	999	—	—	—
GPH	GRAND PLAZA HOTEL CORPORATION	322	1,903	322	1,903	—	—
GREEN	GREENERGY HOLDINGS INC.	561486	106,682	561486	106,682	—	—
GSMI	GINEBRA SAN MIGUEL, INC.	3,111,823	855,751,325	3,111,823	855,751,325	—	—
GTAP	GT CAPITAL HOLDINGS, INC.	27,233	17,919,314	27,233	17,919,314	—	—
GTPPB	GT CAPITAL HOLDINGS, INC. SERIES B	150	148,500	150	148,500	—	—
HI	HOUSE OF INVESTMENTS, INC.	150,300	508,014	150,300	508,014	—	—
HOME	ALLHOME CORP.	258400	165,376	258400	165,376	—	—
HOUSE	8990 HOLDINGS, INC.	600	5,454	600	5,454	—	—
HTI	HAUS TALK, INC.	32,176,000	33,784,800	32,176,000	33,784,800	—	—
HVN	GOLDEN MV HOLDINGS, INC.	640	1,440,000	640	1,440,000	—	—
I	I-REMIT, INC.	138,702	32,318	138,702	32,318	—	—
ICT	INTL CONTAINER TERMINAL SERVICES	161,392	62,297,312	161,392	62,297,312	—	—

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
IDC	ITALPINAS DEVELOPMENT CORP.	144,319	₱187,615	144,319	₱187,615	—	₱—
IMI	INTEGRATED MICRO-ELECTRONICS	196,285	292,465	196,285	292,465	—	—
IMP	IMPERIAL RESOURCES, INC. "A"	38,000	23,940	38,000	23,940	—	—
INFRA	PHIL. INFRADEV HOLDINGS, INC.	2,704,500	811,350	2,704,500	811,350	—	—
ION	IONICS CIRCUITS, INC.	1,229,500	1,032,780	1,229,500	1,032,780	—	—
IPM	IPM HOLDINGS, INC.	75,000	225,000	75,000	225,000	—	—
IPO	IPEOPLE, INC. "A"	36,100	245,119	36,100	245,119	—	—
IS	ISLAND INFORMATION TECH., INC.	2,000,000	288,000	2,000,000	288,000	—	—
JFC	JOLLIBEE FOODS CORPORATION	82,484	22,188,196	82,484	22,188,196	—	—
JGS	JG SUMMIT HOLDINGS, INC.	784,651	16,124,578	784,651	16,124,578	—	—
JOH	JOLLIVILLE HOLDINGS CORP.	3,170,000	21,524,300	3,170,000	21,524,300	—	—
KEEPR	THE KEEPERS HOLDINGS, INC.	756,000	1,685,880	756,000	1,685,880	—	—
KEP	KEPPEL PHILS. PROPS., INC.	299,199	834,765	299,199	834,765	—	—
KPH	KEPPEL PHILS. HOLDINGS	101,103	1,664,155	101,103	1,664,155	—	—
KPHB	KEPPEL PHILS. HOLDINGS B	1,100	20,724	1,100	20,724	—	—
KPPI	KEPWEALTH PROPERTY PHILS., INC.	11,000	13,860	11,000	13,860	—	—
LAND	CITY AND LAND DEVELOPERS INC	256,266	174,261	256,266	174,261	—	—
LC	LEPANTO CONS. MINING CO. "A"	294,694,598	19,744,538	294,694,598	19,744,538	—	—
LCB	LEPANTO CONS. MINING CO. "B"	60,816,644	4,074,715	60,816,644	4,074,715	—	—
LMG	LMG CORPORATION	2,130,000	404,700	2,130,000	404,700	—	—
LODE	LODESTAR INVESTMENT HLDGS. CORP.	1,050,000	294,000	1,050,000	294,000	—	—
LOTO	PACIFIC ONLINE SYSTEMS CORP.	22,500	59,625	22,500	59,625	—	—
LPZ	LOPEZ HOLDINGS CORP.	90,204	243,551	90,204	243,551	—	—
LSC	LORENZO SHIPPING CORP.	340,000	292,400	340,000	292,400	—	—
LTG	LT GROUP, INC.	470,200	4,937,100	470,200	4,937,100	—	—
MA	MANILA MINING CORP. "A"	255,838,527	767,516	255,838,527	767,516	—	—
MAB	MANILA MINING CORP. "B"	277,041,109	831,123	277,041,109	831,123	—	—
MAC	MACROASIA CORPORATION	1,985,420	10,800,685	1,985,420	10,800,685	—	—
MACAY	MACAY HOLDINGS, INC.	219	1,647	219	1,647	—	—
MAHB	METRO ALLIANCE "B"	346,000	235,280	346,000	235,280	—	—
MARC	MARCVENTURES HOLDINGS, INC.	1,440,800	1,080,600	1,440,800	1,080,600	—	—
MAXS	MAXS GROUP, INC.	156,100	416,787	156,100	416,787	—	—
MB	MANILA BULLETIN PUBLISHING CORP.	8,984,462	1,689,079	8,984,462	1,689,079	—	—
MBC	MANILA BROADCASTING CORP.	5,000	32,000	5,000	32,000	—	—
MBT	METROPOLITAN BANK & TRUST CO.	806,913	58,097,736	806,913	58,097,736	—	—
MC	(DELISTED)) MARSTEEL CONS., "A"	800,000	—	800,000	—	—	—
MEDIC	MEDILINES DISTRIBUTORS INC.	1,745,000	540,950	1,745,000	540,950	—	—
MEG	MEGAWORLD CORP.	6,658,074	13,649,052	6,658,074	13,649,052	—	—
MER	MANILA ELECTRIC CO.	109,223	53,300,824	109,223	53,300,824	—	—
MERP	MERALCO 9 1/2% SERIES A	35	—	35	—	—	—
MFC	MANULIFE FINANCIAL CORP.	2,508	4,414,080	2,508	4,414,080	—	—
MG	MILLENNIUM GLOBAL HOLDINGS, INC.	9,469,000	890,086	9,469,000	890,086	—	—
MGH	(SUSPENDED) METRO GLOBAL HLDGS CORP	5,300	5,300	5,300	5,300	—	—
MHC	MABUHAY HOLDINGS CORP.	4,159,000	669,599	4,159,000	669,599	—	—
MJC	MANILA JOCKEY CLUB, INC.	6,624,803	8,413,500	6,624,803	8,413,500	—	—
MJIC	MJC INVESTMENT CORP.	25,300	25,300	25,300	25,300	—	—
MM	MERRYMART CONSUMER CORP.	3,447,000	2,068,200	3,447,000	2,068,200	—	—
MONDE	MONDE NISSIN CORP.	967,200	8,317,920	967,200	8,317,920	—	—
MRC	MRC ALLIED INDUSTRIES, INC.	485,500	407,820	485,500	407,820	—	—
MREIT	MREIT, INC.	1,001,800	13,364,012	1,001,800	13,364,012	—	—
MRSGL	METRO RETAIL STORES GROUP, INC.	940,000	1,128,000	940,000	1,128,000	—	—
MVC	MABUHAY VINYL CORP.	12,816	69,078	12,816	69,078	—	—
MWC	MANILA WATER CO., INC.	1,761,374	47,557,098	1,761,374	47,557,098	—	—
MWIDE	MEGAWIDE CONSTRUCTION CORP.	458,502	1,114,160	458,502	1,114,160	—	—
MWP2B	MEGAWIDE CONSTRUCTION CORP PREF"2B"	348,000	33,060,000	348,000	33,060,000	—	—
NI	NIHAO MINERAL RES. INTL, INC.	177,285	68,255	177,285	68,255	—	—
NIKL	NICKEL ASIA CORPORATION	10,291,063	35,915,810	10,291,063	35,915,810	—	—
NOW	NOW CORPORATION	2,079,300	1,226,787	2,079,300	1,226,787	—	—
NRCP	NATL REINSURANCE CORP	28,211,000	19,465,590	28,211,000	19,465,590	—	—
NXGEN	(SUSPENDED) NEXTGENESIS CORPORATION	56,000	392,000	56,000	392,000	—	—
OGP	OCEANAGOLD PHILIPPINES, INC.	534,900	7,499,298	534,900	7,499,298	—	—
OM	OMICO CORPORATION	3,695,666	491,524	3,695,666	491,524	—	—
OPM	ORIENTAL PET. & MINERALS "A"	1,441,960,630	10,670,509	1,441,960,630	10,670,509	—	—
OPMB	ORIENTAL PET. & MINERALS "B"	165,013,028	1,237,598	165,013,028	1,237,598	—	—
ORE	ORIENTAL PENINSULA RES. GROUP	7,962,600	3,503,544	7,962,600	3,503,544	—	—
OV	THE PHILODRILL CORP.	470,360,262	3,527,702	470,360,262	3,527,702	—	—
PA	PACIFICA HOLDINGS, INC.	62,500	100,000	62,500	100,000	—	—
PAL	PAL HOLDINGS, INC.	195,713	968,779	195,713	968,779	—	—
PAX	PAXYS, INC.	10,000	17,000	10,000	17,000	—	—

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
PBB	PHILIPPINE BUSINESS BANK	205,291	₱1,991,323	205,291	₱1,991,323	—	—
PBC	PHIL. BANK OF COMMUNICATIONS	2,523	39,308	2,523	39,308	—	—
PCOR	PETRON CORPORATION	29,355,113	71,332,925	29,355,113	71,332,925	—	—
PCP	(DELISTED) PICOP RES., INC.	10,157,845	—	10,157,845	—	—	—
PERC	PETROENERGY RESOURCES CORP.	11,282,155	38,923,435	11,282,155	38,923,435	—	—
PGOLD	PUREGOLD PRICE CLUB, INC.	44,200	1,363,570	44,200	1,363,570	—	—
PHA	PREMIERE HORIZON ALLIANCE CORP.	6,320,000	1,099,680	6,320,000	1,099,680	—	—
PHC	PHILCOMSAT HOLDINGS CORP.	222,000	310,800	222,000	310,800	—	—
PHES	PHILIPPINE ESTATES CORP.	1,290,000	328,950	1,290,000	328,950	—	—
PHN	PHINMA CORPORATION	530	10,070	530	10,070	—	—
PHR	PH RESORTS GROUP HOLDINGS, INC.	2,612,140	1,410,556	2,612,140	1,410,556	—	—
PIF	FFI PHILIPPINE INDEX FUND, CORP.	666	—	666	—	—	—
PIZZA	SHAKEYS PIZZA ASIA VENTURES, INC.	14,095,411	112,622,334	14,095,411	112,622,334	—	—
PLUS	DIGIPLUS INTERACTIVE CORP.	482,602,321	13,102,653,015	482,602,321	13,102,653,015	—	—
PMPC	PANASONIC MFG. PHILS. CORP.	2,600	14,248	2,600	14,248	—	—
PMT	(DELISTED)PRIMETOWN PROP GROUP,	2,000	—	2,000	—	—	—
PNB	PHILIPPINE NATIONAL BANK	467,935	12,961,800	467,935	12,961,800	—	—
PNC	(SUSPENDED) PHIL. NATIONAL CONSTR.	192,941	945,411	192,941	945,411	—	—
PNX	PHOENIX PETROLEUM PHILS., INC.	106,433	443,826	106,433	443,826	—	—
PORT	GLOBALPORT 900, INC.	3,400	24,820	3,400	24,820	—	—
PPC	PRYCE CORPORATION	1,300	13,884	1,300	13,884	—	—
PPI	PHILTOWN PROP., INC- P.DIV.(NON-T)	1,901	—	1,901	—	—	—
PRC	PHILIPPINE RACING CLUB, INC.	20,000	140,000	20,000	140,000	—	—
PREIT	PREMIERE ISLAND POWER REIT CORP.	8000	17,680	8000	17,680	—	—
PRF3B	PCOR PERPETUAL PREF. SERIES 3 "B"	750	772,500	750	772,500	—	—
PRF4B	PETRON CORP. PREF. SERIES 4 "B"	1,000	1,020,000	1,000	1,020,000	—	—
PRF4C	PETRON CORP. PREF. SERIES 4 "C"	1,900	1,981,700	1,900	1,981,700	—	—
PRF4E	PETRON CORP. PREF. SERIES 4 "E"	10,800	11,340,000	10,800	11,340,000	—	—
PRIM	PRIME MEDIA HOLDINGS, INC.	169,680	361,418	169,680	361,418	—	—
PRMX	PRIMEX CORPORATION	44,366,000	80,302,460	44,366,000	80,302,460	—	—
PSB	PHILIPPINE SAVINGS BANK	2,147	124,955	2,147	124,955	—	—
PSE	THE PHILIPPINE STOCK EXCHANGE, INC.	136,383	22,366,812	136,383	22,366,812	—	—
PTT	(SUSPENDED) PHIL. TELEG. & TEL	3,051,666	1,007,050	3,051,666	1,007,050	—	—
PX	PHILEX MINING CORP.	20,298,746	56,633,501	20,298,746	56,633,501	—	—
PXP	PXP ENERGY CORP.	2,849,079	8,176,857	2,849,079	8,176,857	—	—
RCB	RIZAL COMM. BANKING CORP.	102,326	2,440,475	102,326	2,440,475	—	—
RCBP	R C B C "PREF"	7,583	—	7,583	—	—	—
RCI	ROXAS AND CO., INC.	91,217	248,110	91,217	248,110	—	—
RCR	RL COMMERCIAL REIT, INC.	1,804,600	10,556,910	1,804,600	10,556,910	—	—
REG	REPUBLIC GLASS HOLDINGS CORP.	226,237	622,152	226,237	622,152	—	—
RFM	RFM CORPORATION	296,834	1,148,748	296,834	1,148,748	—	—
RLC	ROBINSONS LAND CORP.	1,986,187	26,416,287	1,986,187	26,416,287	—	—
RLT	PHIL. REALTY & HOLDINGS CORP.	8,795,473	1,055,457	8,795,473	1,055,457	—	—
ROCK	ROCKWELL LAND CORPORATION	343,182	518,205	343,182	518,205	—	—
ROX	ROXAS HOLDINGS, INC.	221,880	321,726	221,880	321,726	—	—
RPC	(DELISTD) REYNOLDS PHILIPPINES CORP	3,561	—	3,561	—	—	—
RRHI	ROBINSONS RETAIL HOLDINGS, INC.	23,730	854,280	23,730	854,280	—	—
SWM	SANITARY WARES MFG.	310,400	—	310,400	—	—	—
SBS	SBS PHILIPPINES CORPORATION	168,179	832,486	168,179	832,486	—	—
SCC	SEMIARA MINING AND POWER CORP.	246,220	8,593,078	246,220	8,593,078	—	—
SECB	SECURITY BANK CORPORATION	108,802	9,465,774	108,802	9,465,774	—	—
SECBP	SECURITY BANK CORP. "PREF."	27,880	—	27,880	—	—	—
SEVN	PHILIPPINE SEVEN CORP.	25,678	1,740,968	25,678	1,740,968	—	—
SFI	SWIFT FOODS, INC.	18,787	1,090	18,787	1,090	—	—
SFIP	SWIFT FOODS, INC. CONVERT. PREF.	14,463	25,166	14,463	25,166	—	—
SGI	SOLID GROUP, INC.	38,147,000	39,291,410	38,147,000	39,291,410	—	—
SGP	SYNERGY GRID & DEVT. PHILS. INC	1,199,900	11,759,020	1,199,900	11,759,020	—	—
SHLPH	SHELL PILIPINAS CORPORATION	59,000	442,500	59,000	442,500	—	—
SHNG	SHANG PROPERTIES, INC.	11,329,092	44,636,622	11,329,092	44,636,622	—	—
SLF	SUN LIFE FINANCIAL INC.	4,926	14,915,928	4,926	14,915,928	—	—
SLI	STA. LUCIA LAND, INC.	265,000	768,500	265,000	768,500	—	—
SM	SM INVESTMENTS CORP.	44,564	40,063,036	44,564	40,063,036	—	—
SMC	SAN MIGUEL CORP.	8,845,486	760,711,796	8,845,486	760,711,796	—	—
SMC2F	SAN MIGUEL CORP. SERIES 2-F PREF.	485,600	35,594,480	485,600	35,594,480	—	—
SMC2I	SAN MIGUEL CORP. SERIES 2-I PREF.	11,000	794,750	11,000	794,750	—	—
SMC2J	SAN MIGUEL CORP.-SERIES 2-J PREF.	56,860	4,008,630	56,860	4,008,630	—	—
SMC2K	SAN MIGUEL CORP. SERIES 2-K PREF.	2,000	140,000	2,000	140,000	—	—
SMC2L	SAN MIGUEL CORP. SERIES 2-L PREF.	56,300	4,371,695	56,300	4,371,695	—	—
SMC2N	SAN MIGUEL CORP. SERIES 2-N PREF.	1,000	79,700	1,000	79,700	—	—

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
SMC2O	SAN MIGUEL CORP. SERIES 2-O PREF.	630,000	₱51,849,000	630,000	₱51,849,000	—	₱—
SMPH	SM PRIME HOLDINGS, INC.	1,939,753	48,784,788	1,939,753	48,784,788	—	—
SOC	SOC RESOURCES, INC.	7,813,000	1,437,592	7,813,000	1,437,592	—	—
SPC	SPC POWER CORP.	1,500	13,515	1,500	13,515	—	—
SPM	SEAFRONT RESOURCES CORP.	426,555	644,098	426,555	644,098	—	—
SPNEC	SP NEW ENERGY CORP.	30,247,094	30,852,036	30,247,094	30,852,036	—	—
SPT	FFI SPECIAL PURPOSE TRUST	222,000	—	222,000	—	—	—
SSI	SSI GROUP, INC.	747,600	2,377,368	747,600	2,377,368	—	—
STI	STI EDUCATION SYSTEMS HLDGS., INC.	5,970,590	8,000,591	5,970,590	8,000,591	—	—
STN	STENIEL MFG CORP.	692,250	1,086,833	692,250	1,086,833	—	—
STR	STARMALLS, INC.	32,000	47,040	32,000	47,040	—	—
SUN	SUNTRUST RESORT HOLDINGS, INC.	317,500	285,750	317,500	285,750	—	—
T	TKC METAL CORP.	242,000	70,180	242,000	70,180	—	—
TBGI	TRANSPACIFIC BROADBAND GRP	1,070,000	144,450	1,070,000	144,450	—	—
TCB2C	CIRTEK HLDGS PHILS CORP 2C PREF	19,500	898,950	19,500	898,950	—	—
TCB2D	CIRTEK HOLDINGS PHILS CORP 2D PREF	111,600	5,144,760	111,600	5,144,760	—	—
TECH	CIRTEK HOLDINGS PHILS. CORP.	319,940	422,321	319,940	422,321	—	—
TEL	PLDT INC.	43,481	56,307,895	43,481	56,307,895	—	—
TELB	(DELISTED) PLDT (10% PREF) SERIES B	15	—	15	—	—	—
TELH	(DELISTED) PLDT (10% PREF) SERIES H	200	—	200	—	—	—
TELK	(DELISTED) PLDT (10% PREF) SERIES K	350	—	350	—	—	—
TELN	(DELISTED) PLDT (10% PREF) SERIES N	80	—	80	—	—	—
TELQ	(DELISTED) PLDT (10% PREF) SERIES Q	350	—	350	—	—	—
TELR	(DELISTED) PLDT SERIES "R"	420	—	420	—	—	—
TELS	(DELISTED) PLDT SERIES "S"	350	—	350	—	—	—
TELU	(DELISTED) PLDT (10% PREF) SERIES U	1,750	—	1,750	—	—	—
TELW	PLDT (10% PREF) SERIES W	3,000	—	3,000	—	—	—
TELX	(DELISTED) PLDT SERIES "X"	700	—	700	—	—	—
TFC	PTFC REDEVELOPMENT CORP.	91,676	5,042,180	91,676	5,042,180	—	—
TFHI	TOP FRONTIER INVESTMENT HLDGS, INC.	1,655,098	104,436,684	1,655,098	104,436,684	—	—
TUGS	HARBOR STAR SHIPPING SERVICES, INC.	76,000	47,120	76,000	47,120	—	—
UBP	UNION BANK OF THE PHILS.	144,970	5,218,920	144,970	5,218,920	—	—
UNI	(DELISTED) UNIOIL RES. HLDGS. CO.	8,370,500	—	8,370,500	—	—	—
UP	UNIVERSAL RIGHTFIELD PROP.	7,027,000	—	7,027,000	—	—	—
UPM	UNITED PARAGON MINING CORP.	37,475,000	104,930	37,475,000	104,930	—	—
URC	UNIVERSAL ROBINA CORP.	448,031	35,394,449	448,031	35,394,449	—	—
UW	(DELISTED) UNIWIDE HOLDINGS, INC.	4,300,000	—	4,300,000	—	—	—
V	VANTAGE EQUITIES, INC.	4,745,250	3,321,675	4,745,250	3,321,675	—	—
VITA	VITARICH CORPORATION	1,659,000	895,860	1,659,000	895,860	—	—
VLL	VISTA LAND & LIFESCAPES	822,325	1,217,041	822,325	1,217,041	—	—
VMC	VICTORIAS MILLING CO., INC.	352,702	705,404	352,702	705,404	—	—
VREIT	VISTAREIT, INC.	3,074,000	5,809,860	3,074,000	5,809,860	—	—
WEB	PHILWEB CORPORATION	90,720	127,008	90,720	127,008	—	—
WIN	WELLEX INDUSTRIES, INC.	1,000,000	211,000	1,000,000	211,000	—	—
WLCON	WILCON DEPOT, INC.	28,000	400,400	28,000	400,400	—	—
WPI	WATERFRONT PHILIPPINES, INC.	1,593,200	597,450	1,593,200	597,450	—	—
X	XURPAS INC.	631,000	114,842	631,000	114,842	—	—
ZHI	ZEUS HOLDINGS, INC.	10,903,000	785,016	10,903,000	785,016	—	—
		₱19,400,958,053		₱19,400,958,053		₱—	

SCHEDULE VII

**MANDARIN SECURITIES CORPORATION
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
PURSUANT TO THE REVISED SRC RULE 68
DECEMBER 31, 2024**

Ratio	Formula	2024	2023
Current ratio	Total current assets	₱595,111,406	₱345,227,012
	Divided by: Total current liabilities	408,863,620	160,705,864
	Current ratio	1.46:1	2.15:1
Quick ratio	Quick assets	₱594,323,789	₱344,371,713
	Divided by: Total current liabilities	408,863,620	160,705,864
	Quick ratio	1.45:1	2.14:1
Solvency ratio	Net income after tax	₱2,527,985	₱6,115,389
	Add: Depreciation	1,346,544	1,517,964
	Net income after tax before depreciation	3,874,529	7,633,353
	Divided by: Total liabilities	412,618,677	164,262,910
	Solvency ratio	0.01:1	0.05:1
Debt-to-equity ratio	Total liabilities	₱412,618,677	₱164,262,910
	Divided by: Total equity	233,878,184	231,103,732
	Debt-to-equity ratio	1.76:1	0.71:1
Asset-to-equity ratio	Total assets	₱646,496,861	₱395,366,642
	Divided by: Total equity	233,878,184	231,103,732
	Asset-to-equity ratio	2.76:1	1.71:1
Return on equity	Net income	₱2,527,985	₱6,115,389
	Divided by: Average total equity	232,490,958	227,904,402
	Return on equity	0.01:1	0.03:1
Return on assets	Net income	₱2,527,985	₱6,115,389
	Divided by: Average total assets	520,931,752	544,615,084
	Return on assets	0.00:1	0.01:1
Net profit margin	Net income	₱2,527,985	₱6,115,389
	Divided by: Revenue	137,291,549	330,420,399
	Net profit margin	0.02:1	0.02:1
Interest rate coverage ratio	Income before interest and taxes	₱3,619,959	₱8,109,511
	Divided by: Interest expense	20,584	347,687
	Interest rate coverage ratio	175.86:1	23.32:1

SCHEDULE VIII

**MANDARIN SECURITIES CORPORATION
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION
DECEMBER 31, 2024 AND 2023**

	2024	2023
Total Audit Fees	₱285,000	₱285,000
Non-audit service fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Non-audit Fees	—	—
TOTAL AUDIT AND NON-AUDIT FEES	₱285,000	₱285,000



**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
BUREAU OF INTERNAL REVENUE**

The Stockholders and the Board of Directors
Mandarin Securities Corporation
28th Floor, LKG Tower
6801 Ayala Avenue, Makati City

We have audited the accompanying financial statements of Mandarin Securities Corporation (the Company) as at and for the years ended December 31, 2024 and 2023, on which we have rendered our report dated April 11, 2025.

In compliance with Revenue Regulations V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholders of the Company.

REYES TACANDONG & Co.

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

Tax Identification No. 287-809-533-000

BOA Accreditation No. 4782/P-027; Valid until June 6, 2026

BIR Accreditation No. 08-005144-026-2024

Valid until March 26, 2027

PTR No. 10467117

Issued January 2, 2025, Makati City

April 11, 2025
Makati City, Metro Manila