



# SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City  
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## Company Information

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**SEC Registration No.:** 0000170457

**Company Name:** AAA SOUTHEAST EQUITIES INC.

**Industry Classification:** J66930

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10430202583233321

**Document Type:** Financial Statement

**Document Code:** FS

**Period Covered:** December 31, 2024

**Submission Type:** Annual

**Remarks:** None

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Acceptance of this document is subject to review of forms and contents



Gian Antiojo &lt;gantiojo@aaa-equities.com.ph&gt;

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**eafs@bir.gov.ph** <eafs@bir.gov.ph>  
To: SUPPORT@aaa-equities.com.ph  
Cc: GANTIOJO@aaa-equities.com.ph

Tue, Apr 29, 2025 at 10:10 AM

Hi AAA SOUTHEAST EQUITIES, INC.,

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Submission Date/Time: **Apr 29, 2025 10:10 AM**  
Company TIN: **000-141-894**

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- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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<b>COMPANY INFORMATION</b>
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aaasoutheast237@gmail.com

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## CONTACT PERSON INFORMATION

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Email Address \_\_\_\_\_

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CONTACT PERSON'S ADDRESS

Note 1: In case of death, resignation or cessation of office of the officer designated as contact

Commission within thirty (30) calendar days from 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 record with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

**AAA SOUTHEAST EQUITIES INC.**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2024**



# AAA SOUTHEAST EQUITIES, INC.

Unit 1511, Tower One & Exchange Plaza, Ayala Avenue, Makati City

Office Tel.: 898-30-93 & Telefax: 403-29-27

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## STATEMENT OF MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

### SECURITIES AND EXCHANGE COMMISSION

Philippine International Convention Center  
Pasay City

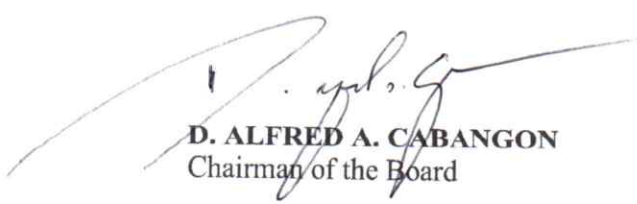
The management of AAA Southeast Equities, Inc. (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated 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 the schedules attached therein, and submits the same to the stockholders or members.

Teodoro Santamaria and Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.



**D. ALFRED A. CABANGON**  
Chairman of the Board



**WILLIAM MATTHEW M. CABANGON**  
President



**J. ANTONIO A. CABANGON JR.**  
Treasurer

Signed this 5<sup>th</sup> day of APRIL 2025



**TEODORO SANTAMARIA AND Co.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

Suite 2108 Cityland 10 Tower 1  
156 H.V. Dela Costa St.  
Salcedo Village 1226  
Makati City, Philippines | Email: tscocpas@gmail.com  
Tel : (632) 8812 - 4202  
(632) 8553 - 4845

**Trust Service Commitment**

**Supplemental Written Statement Accompanying**  
**Report of Independent Auditors**

**The Board of Directors and Stockholders**

**AAA Southeast Equities, Inc.**

Unit 1511 Tower One and Exchange  
Plaza  
Ayala Avenue, Makati City

We have audited the financial statements of **AAA Southeast Equities, Inc.** for the year ended **December 31, 2024** on which we have rendered the attached report dated April 15, 2025.

In compliance with Revised SRC Rule 68, we are stating that the above Company has a total of twenty-one (21) stockholders, six (6) of which own one hundred (100) or more shares each.

**TEODORO SANTAMARIA AND CO.**

  
**By: Arsenio M. Dimagiba Jr.**

Partner

CPA License No. 007468

Valid until June 5, 2026

BOA Accreditation No. 5593 (Firm)

Valid until September 26, 2027

BOA Accreditation No. 5593/P-002 (Individual)

Valid until September 26, 2027

SEC Accreditation No. 5593 – SEC (Firm)

Valid until 2025 Financial Statements of SEC covered institutions

SEC Accreditation No. 07468 – SEC (Individual)

Valid until 2025 Financial Statements of SEC covered institutions

BIR A.N. 08-008055-000-2025 (Firm)

Valid until March 11, 2028

BIR A.N. 08-008055-002-2023 (Individual)

Valid until April 12, 2026

T.I.N. 106-713-002

PTR No. 10487187 / Makati City

January 17, 2025

April 15, 2025  
Makati City, Philippines



**TEODORO SANTAMARIA AND Co.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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Tel : (632) 8812 - 4202

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Email: tscocpas@gmail.com

**Trust Service Commitment**

### **Report of Independent Auditors**

#### **The Board of Directors and Stockholders**

##### **AAA Southeast Equities, Inc.**

Unit 1511 Tower One and  
Exchange Plaza  
Ayala Avenue, Makati City

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **AAA Southeast Equities, Inc.**, (the Company) which comprise the statements of financial position as at **December 31, 2024 and 2023**, and the related statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

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

#### **Basis for Opinion**

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

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

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

- Identify and assess the risks of material misstatement of the 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### Report on Supplemental Information required by the Bureau of Internal Revenue

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 28 of the Notes to Financial Statements is presented for the purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Report on Supplementary Information required by the Securities and Exchange Commission**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on the attached Schedules 1 to 7 is presented for the purpose of filing with the Securities and Exchange Commission as required under the Revised Securities Regulation Code (SRC Rules), and is not a required part of the basic financial statements. Such information is the responsibility of the management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all materials respects in relation to the basic financial statements taken as a whole.

**TEODORO SANTAMARIA AND CO.**



**By: Arsenjo M. Dimagiba Jr.**

Partner

CPA License No. 007468

Valid until June 5, 2026

BOA Accreditation No. 5593 (Firm)

Valid until September 26, 2027

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PTR No. 10487187 / Makati City

January 17, 2025

April 15, 2025

Makati City, Philippines

**AAA SOUTHEAST EQUITIES, INC.**

**STATEMENTS OF FINANCIAL POSITION**

	Notes	December 31		Market Value of Securities - December 31		
		2024	2023	2024	2023	
		( In Philippine Peso)				
Assets				Long	Short	Short
Current assets						
Cash and cash equivalents	7	319,228,604	280,388,460			
Trade receivables, net	8	14,926,054	3,991,854	147,820,332		74,524,803
Other receivables	9, 16	7,956,950	7,999,350			
Financial assets at fair value through profit or loss	10	61,697,887	40,756,411	61,697,887		40,756,411
Other current assets	11	2,715,521	2,691,477			
Total current assets		406,525,015	335,827,551			
Non-current assets						
Property and equipment, net	12	16,321,914	12,740,499			
Investment property, net	13	3,318,479	3,603,510			
Trading rights	3	1,188,000	1,188,000			
Total non-current assets		20,828,392	17,532,009			
Total assets		427,353,408	353,359,560			
Securities						
In box, with Philippine Depository and Trust Corporation, and Clearing House forward-				3,550,655,970		2,795,817,996

-brought forward-

		December 31		Market Value of Securities - December 31		
		Notes	2024	2023	2024	2023
		( In Philippine Peso)				
					Long	Short
					Long	Short
<b>Liabilities and equity</b>						
<b>Current liabilities</b>						
Trade payables	14		305,789,589	236,291,758	3,341,137,750	2,680,536,783
Other current liabilities	15		1,134,336	827,245		
Total current liabilities			306,923,925	237,119,003		
<b>Non-current liabilities</b>						
Retirement benefits liability	17		2,163,979	2,029,159		
Deferred tax liabilities, net	24		1,695,228	4,160,570		
Other non-current liabilities			62,018	260,933		
Total non-current liabilities			3,921,225	6,450,661		
Total liabilities			310,845,151	243,569,664		
<b>Equity</b>						
Share capital	18		41,800,000	41,800,000		
Treasury shares	18		(300)	(300)		
Retained earnings						
Appropriated	19		29,793,376	27,686,729		
Unappropriated	19		44,915,183	40,303,468		
Total equity			116,508,259	109,789,898		
<b>Total liabilities and equity</b>			<b>427,353,408</b>	<b>353,359,560</b>	<b>3,550,655,970</b>	<b>2,795,817,996</b>

See accompanying notes to financial statements.

**AAA SOUTHEAST EQUITIES, INC.**

**STATEMENTS OF COMPREHENSIVE INCOME**

		For the years ended December 31	
	Notes	2024	2023
(In Philippine Peso)			
Commission income	2	12,340,481	15,146,355
Cost of services	20	(6,362,253)	(7,298,162)
Gross income		5,978,228	7,848,193
Unrealized (loss)/gain on financial assets at fair value through profit or loss	10	(624,970)	2,834,547
Dividend income	10	3,109,510	2,379,511
Other revenue, net	21	15,995,584	15,297,449
		24,458,353	28,359,700
Operating expenses	23	(17,336,098)	(19,990,683)
Income before income tax		7,122,255	8,369,017
Income tax benefit	24	403,893	739,270
Net income		6,718,361	7,629,748
Other comprehensive income		-	-
Total comprehensive income		6,718,361	7,629,748
Earnings per share	25	16.07	18.25

See accompanying notes to financial statements.

**AAA SOUTHEAST EQUITIES, INC.**

**STATEMENTS OF CHANGES IN EQUITY**

(In Philippine Peso)

	Share capital (Note 18)	Treasury shares (Note 18)	Retained Earnings		Total
			Unappropriated (Note 19)	Appropriated (Note 19)	
Balance as of January 1, 2023	41,800,000	(300)	33,436,695	26,923,755	102,160,150
Total comprehensive income	-	-	7,629,748	-	7,629,748
Appropriation for the year	-	-	(762,975)	762,975	-
Balance as of December 31, 2023	41,800,000	(300)	40,303,468	27,686,729	109,789,898
Total comprehensive income	-	-	6,718,361	-	6,718,361
Appropriation for the year	-	-	(1,343,672)	1,343,672	-
Prior year adjustment - Appropriation	-	-	(762,975)	762,975	-
<b>Balance as of December 31, 2024</b>	<b>41,800,000</b>	<b>(300)</b>	<b>44,915,183</b>	<b>29,793,376</b>	<b>116,508,259</b>

See accompanying notes to financial statements.

**AAA SOUTHEAST EQUITIES, INC.**

**STATEMENTS OF CASH FLOWS**

		For the years ended December 31	
	Notes	2024	2023
		(In Philippine Peso)	
<b>Cash flows from operating activities</b>			
Income before income tax		7,122,255	8,369,017
Adjustments for:			
(Reversal)/Provision for allowance for credit losses	8,21	(845,094)	880,319
Unrealized loss/(gain) on financial assets at fair value through profit or loss	10	624,970	(2,834,547)
Fair value adjustment of FVPL	10	(21,566,446)	(115,500)
Depreciation	12,13	1,818,142	2,132,176
Provision for retirement benefits	17	134,820	131,775
Operating (loss)/income before working capital changes		(12,711,353)	8,563,241
(Increase)/Decrease in:			
Trade receivables	8	(10,089,107)	3,573,638
Other receivables	9,16	42,400	(80,253)
Other current assets	11	(24,044)	(647,155)
Increase/(Decrease) in:			
Trade payables	14	69,497,831	(71,652,443)
Other current liabilities	15	307,091	20,185
Other non-current liabilities		(198,915)	-
Cash generated by/(absorbed by) operating activities		46,823,904	(60,222,787)
Income tax paid		(2,869,235)	(3,325,319)
Net cash provided by/(used in) operating activities		43,954,669	(63,548,106)
<b>Cash flows from investing activity</b>			
Acquisition of property and equipment	12	(5,114,525)	(2,798,135)
Net cash used in investing activity		(5,114,525)	(2,798,135)
Net increase/(decrease) in cash and cash equivalents		38,840,144	(66,346,240)
Cash and cash equivalents, January 1	7	280,388,460	346,734,701
<b>Cash and cash equivalents, December 31</b>	7	<b>319,228,604</b>	<b>280,388,460</b>

See accompanying notes to financial statements.

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## AAA SOUTHEAST EQUITIES, INC.

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### NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

(Amounts in Philippine Peso, unless otherwise stated.)

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#### 1. Corporate Information

AAA Southeast Equities, Inc. (the Company) was registered with the Securities and Exchange Commission (SEC) on November 16, 1989 under SEC Registration No. 170457 to engage primarily in the business of stock and bond broker and dealer in securities and in all activities directly or indirectly connected therewith or incident thereto.

The major stockholders of the Company are J. Antonio A. Cabangon, Jr, D. Alfred A. Cabangon, D. Arnold A. Cabangon and William Matthew M. Cabangon who have a combined 99.49% interest in the total paid up capital of the Company.

The registered and principal office of the Company is located at Unit 1511 Tower One and Exchange Plaza, Ayala Avenue, Makati City.

#### 2. Summary of Material Accounting Policies

##### Statement of Compliance

The accompanying financial statements were prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS), Interpretation of the Philippine Interpretations Committee (PIC), Standing Interpretation Committee (SIC), and International Financial Reporting Standards Interpretations Committee (IFRSIC) which have been adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) and approved by the Board of Accountancy (BOA) and the (SEC).

##### Basis of Preparation of Financial Statements

The accompanying financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss which are measured at fair value. The preparation of the financial statements in accordance with PFRS requires the use of critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in Note 3.

##### Functional and Presentation Currency

These financial statements are presented in Philippine Pesos, the Company's functional currency and all values are rounded to the nearest peso, except when otherwise indicated.

##### Current Versus Non-Current Classification

The Company presents assets and liabilities in the statement of financial position on current/non-current classification.

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### Adoption of Amended PFRS Accounting Standards

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

PAS 1 (Amendments), *Presentation of Financial Statements* - Classification of Liabilities as Current or Non-current. The amendments provide guidance on whether a liability should be classified as either current or non-current. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Company's 2 financial statements.

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

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

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

Future Adoption of New or Revised and Amendments to Standards Effective Subsequent to 2024

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

- PFRS 17 *Insurance Contracts - Insurance Contracts* (effective from January 1, 2025). The new standard for insurance contracts, which covers recognition, measurement, presentation and disclosure, will replace PFRS 4, *Insurance Contracts*. On December 15, 2021, the ESRSC amended the effective date of PFRS 17 from January 1, 2023 to January 1, 2025. In line with this, the Insurance Commission (IC) issued Circular Letter No. 2020-62 on May 18, 2020 providing further deferral of the implementation of PFRS 17 for life insurance and non-life insurance industry by two years after the IASB effective date.

This new standard requires a current measurement model where estimates are remeasured in each reporting period. Moreover, contracts are measured using the building blocks of:

- discounted probability-weighted cash flows;
- an explicit risk adjustment; and,
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognized as revenue over the coverage period.

PFRS 17 further allows a choice between recognizing changes in discount rates either in the statement of income or directly in other comprehensive income. The choice is likely to reflect how insurers account for financial assets under PFRS 9, *Financial Instruments*.

In addition, the standard provides an optional simplified premium allocation approach for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. A modification of the general measurement model called the variable fee approach is also introduced by PFRS 17 for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

In preparation for the adoption of PFRS 17, the Company continues to perform end to end system tests, preparing policy and accounting data required for these tests and updating the accounting and actuarial policies and processes to comply with PFRS 17 requirements. Also, the Company is still assessing the quantitative impact of the initial application of the new standard to its financial statements.

- PFRS 17 (Amendments), *Insurance Contracts - Initial Application of PFRS 17 and PFRS 9 - Comparative Information* (effective from January 1, 2025)
- PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability* (effective from January 1, 2025)
- PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)

- PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of income (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- PFRS 19, *Subsidiaries without Public Accountability: Disclosures* (effective from January 1, 2027)
- PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

### **Material Accounting Policies**

#### **Cash and Cash Equivalents**

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

#### **Foreign Currency Translation**

Transactions in foreign currency are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated using the functional currency rate of exchange ruling at the reporting date. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. All foreign exchange differences are taken to profit or loss, except where it relates to equity securities where gains or losses are recognized directly in other comprehensive income, the gain or loss is then recognized net of the exchange component in other comprehensive income.

#### **Financial Instruments**

##### **Date of Recognition**

Financial instruments are recognized in the statements of financial position when the Company becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognized on the trade date, which is the date the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The Company has no financial liabilities at FVPL or derivatives for the years ended December 31, 2024 and 2023.

#### **Classification, Measurement and Reclassification of Financial Assets**

The classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification and measurement of financial assets are described below and in the succeeding pages.

#### Financial Assets at Amortized Cost

Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the company's business model whose objective is to hold financial assets in order to collect contractual cash flows ("held to collect"); and,
- the contractual terms of the instrument give rise, on specified dates, to cash flows that are SPPI on the principal amount outstanding.

All financial assets meeting these criteria are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less any impairment in value. Where the business model is to hold assets to collect contractual cash flows, the Company assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVPL.

The Company's financial assets at amortized cost are presented in the statement of financial position as Cash and Cash Equivalents, Loans and Other receivables, Investment securities at amortized cost and certain accounts under Other Assets account in the statement of financial position. For purposes of reporting cash flows, cash and cash equivalents include cash and other cash items, and investment securities at amortized cost with original maturities of three months or less from placement date.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for those that are subsequently identified as credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance). The interest earned is recognized in the statement of income as part of Interest Income.

#### Financial Assets at Fair Value Through Profit or Loss

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorized at FVPL. Further, irrespective of business model, financial assets whose contractual cash flows are not SPPI are accounted for at FVPL. Also, equity securities are classified as financial assets at FVPL, unless the Company designates an equity investment that is not held for trading as at FVOCI at initial recognition. The Company's financial assets at FVPL include equity securities which are held for trading purposes or designated as at FVPL. Financial assets at FVPL are measured at fair value with gains or losses recognized in profit or loss as part of Trading Gain – net under Other Operating Income in the statements of income. Related transaction costs are recognized directly as expense in profit or loss. The fair values of these financial assets are determined by reference to active market transactions or using valuation technique when no active market exists. Interest earned on these investments is recorded as Interest Income and dividend income is reported as part of Dividends both under Other Income account in the statements of income. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI. The Company can only reclassify financial assets if the objective of its business model for managing those financial assets changes.

Accordingly, the Company is required to reclassify financial assets:

- (i) from amortized cost to FVPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and,
- (ii) from FVPL to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the Company's business model will take effect only at the beginning of the next reporting period following the change in the business model.

#### Effective Interest Rate Method and Interest Income

Interest income is recognized using the effective interest rate (EIR) method for all financial instrument measured at amortized cost and financial instrument designated at FVPL. Interest income on interest bearing financial assets measured at FVOCI are also recorded by using the EIR method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of EIR. The Company recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

Hence, it recognizes the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive (negative) adjustment to the carrying amount of the asset in the balance sheet with an increase (reduction) in Interest income. The adjustment is subsequently amortized through interest and similar income in the statements of income. The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the net carrying amount of the financial assets (after deduction of the loss allowance). If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying a credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

#### Impairment of Financial Assets

The Company assesses its ECL on a forward-looking basis associated with its financial assets carried at amortized cost and other contingent accounts. No impairment loss is recognized on equity investments. Recognition of credit losses or impairment is no longer dependent on the Company's identification of a credit loss event. Instead, the Company considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets. The Company measures loss allowances at an amount equal to lifetime ECL, except for the following financial instruments for which they are measured as 12-month ECL:

- debt securities that are identified to have 'low credit risk' at the reporting date; and,
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

For these financial instruments, the allowance for impairment is based on 12-month ECL associated with the probability of default of a financial instrument in the next 12 months (referred to as 'Stage 1' financial instruments). Unless there has been a significant increase in credit risk subsequent to the initial recognition of the financial asset, a lifetime ECL (which are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial asset) will be recognized (referred to as 'Stage 2' financial instruments). 'Stage 2' financial instruments also include those loan accounts and facilities where the credit risk has improved and have been reclassified from 'Stage 3'. A lifetime ECL shall be recognized for 'Stage 3' financial instruments, which include financial instruments that are subsequently credit-impaired, as well as purchased or originated credit impaired (POCI) assets.

Measurement of ECL The key elements used in the calculation of ECL are as follows:

- Probability of Default (PD) – it is an estimate of likelihood of a borrower defaulting on its financial obligation over a given time horizon, either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.
- Loss Given Default (LGD) – it is an estimate of loss arising in case where a default occurs at a given time (either over the next 12 months or 12-month LGD), or over the remaining lifetime or lifetime LGD). It is based on the difference between the contractual cash flows of a financial instrument due from a counter party and those the Company would expect to receive, including the realization of any collateral. It is presented as a percentage loss per unit of exposure at the time of default.
- Exposure at Default (EAD) – it represents the gross carrying amount of the financial instruments subject to impairment calculation; hence, this is the amount that the Group expects to be owed at the time of default over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD). In case of a loan commitment, the Company shall include the undrawn balance (up to the current contractual limit) at the time of default should it occur.

The measurement of the ECL reflects:

- (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (ii) the time value of money; and,
- (iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

#### Derecognition of Financial Assets

The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

#### Other Financial Receivables

Other financial receivables include "Trade receivables" which are recorded when due and measured at the original invoice amount then subsequently carried at amortized cost less allowance from any uncollectible amount. The carrying value of insurance receivables is reviewed from impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, the impairment loss is recorded in the Statement of comprehensive income.

#### Impairment of Financial Assets at Amortized Cost

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in the statements of comprehensive income. The asset together with the associated allowances are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the statements of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

#### Fair Value Measurement

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

#### Other Financial Liabilities

Issued financial instruments or their components, which are not classified as financial liabilities at FVPL are classified as other financial liabilities, where 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 lender, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

After initial measurement, other 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. The amortization is included as part of interest expense in the statements of comprehensive income. Any effect of restatement of foreign currency-denominated liabilities is recognized in foreign exchange gains/(losses) account in the statements of comprehensive income.

As at December 31, 2024 and 2023, the Company's other financial liabilities include trade payables, payable to non-customers and other current liabilities, except taxes payable, accrued expenses and due to SSS/PHIC and HDMF.

#### Derecognition of Financial Liabilities

Financial liabilities are derecognized in the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

#### Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and must be legally enforceable for both entity and all counterparties to the financial instruments.

### Property and Equipment

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

Transportation equipment	5 years
Office equipment	5 years
Office furniture	5 years

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to operations as incurred.

Leasehold improvements are amortized over estimated useful life of the improvements or the term of the relate lease, whichever is shorter. When assets are sold, retired or otherwise disposed of, their cost and the related accumulated depreciation are removed from the accounts and any resulting gain or loss charged to current operations.

The residual values and estimated useful lives of property and equipment are reviewed, and adjusted if appropriate, at each reporting period.

### Derecognition of Property and Equipment

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of comprehensive income in the year the item is derecognized. This is not applicable to items that still have useful lives but are currently classified as idle. Depreciation continues for those items until fully depreciated or disposed.

### Investment Property

Investment property is held to earn rentals or for capital appreciation or both, rather than for: (a) use in the production or supply of goods or service or for administrative purposes; or (b) sale in the ordinary course of business. The Company adopted the cost model of investment property to be measured at cost less any accumulated depreciation and impairment losses.

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the statements of comprehensive income in the year of retirement or disposal.

### Trading Rights

The demutualization of the Philippine Stock Exchange (PSE) has resulted to the conversion of the "Membership Seat in Exchange" account into two asset accounts in the books of the Company – "Investment in PSE shares" and "Trading Rights" accounts. The cost of the "Membership Seat in Exchange" account was allocated between the Investment in PSE shares and Exchange Trading Rights based in their relative fair values.

The Company considered the Trading Rights as an intangible asset having an indefinite useful life, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflow to the Company. Trading Rights is carried at cost less impairment and is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Company has no intention to sell the Trading Rights in the near future.

#### Impairment of Non-financial Assets

At each reporting date, the Company assesses whether there is any indication that its non-financial assets may be impaired. When an indicator of impairment exists (or when annual impairment testing for an asset is required), the Company estimates the recoverable amount of the impaired assets. The recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is the present value of future cash flows expected to be derived from an asset while fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties less cost of disposal. Where the carrying amount of an asset exceeds its recoverable amount, the impaired asset is written down to its recoverable amount.

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 assessment of the time value of money and the risks specific to the asset.

An impairment loss is charged to profit or loss in the period when it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is charged directly to the revaluation increment of the said asset.

For non-financial assets, 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 net 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. If that is the case, the carrying amount of the asset is increased to its net recoverable amount.

The reversal can be made only to the extent that the resulting carrying value does not exceed the carrying value that would have been determined, net of depreciation and amortization, had no impairment loss been recognized. Such reversal is recognized in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining life.

#### Related Party Relationships and Transactions

Parties are considered to be related if one party has the ability to control or exercise significant influence over the party in making financial and operating decisions. This includes: (1) individual owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Company; (2) associates; (3) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

Transactions between related parties are accounted for at arms' length prices or on terms similar to those offered to non-related entities in an economically comparable market.

#### Equity

Share capital is determined using the par value of shares that have been issued.

Retained earnings include all current and prior period results as disclosed in the statements of comprehensive income.

### Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized;

- **Commission-** Revenue is recognized upon confirmation of trade deals computed on an agreed flat rate for every trade transaction.
- **Interest-** Revenue is recognized as the interest accrues (taking into account the effective yield on the interest)
- **Dividends-** Revenue is recognized when the shareholders' right to receive the payment is established.
- **Gain on sale of financial assets at FVPL** is recognized upon actual derecognition of the financial assets, and the ownership of the financial asset had been transferred to the buyer.
- **Other revenue-** Other revenue are recognized upon receipt or accrued when there is high probability that the revenue will be collected.

Revenue is measured by reference to the fair value of consideration received or receivable by the Company.

### Costs and Expenses

Cost and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decrease equity, other than those relating to distributions to equity participants. Cost and expense are recognized when the related revenue is earned or when the service is incurred.

### Leases

#### *Policy Applicable upon adoption of PFRS 16*

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses definition of a lease in PFRS 16. This policy is applied to contracts entered into on or after January 1, 2019.

#### *Short-term Leases and Leases of Low-Value Assets*

The Company has elected not to recognize right-of-use assets and liabilities for leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### Employee Benefits

#### *Short-term Employee Benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### *Retirement Benefits*

The Company has an unfunded, non-contributory defined benefit pension plan covering all qualified officers and employees. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The Company accrues retirement benefits in compliance with Republic Act (R.A.) No. 7641 "Philippine Retirement Law" which requires an entity to pay retirement benefits to employees who retire after reaching the mandatory retirement age of 65 years old or the optional retirement age of 60 years old with at least five (5) years of service to the Company.

#### *Termination Benefits*

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those and when the entity recognizes related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of other employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

#### Income Taxes

Current tax assets or liabilities comprise those claims from, or obligation to, taxation authorities relating to the current or prior reporting period, that are uncollected or unpaid at the reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the statements of comprehensive income.

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

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period 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 period.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the statement of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

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

#### Earnings Per Share

Earnings per share is computed by dividing net profit by the weighted average number of shares subscribed and issued and outstanding at the end of the year.

#### Provisions and Contingencies

Provisions are recognized when present obligation will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting period, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material.

Provisions are reviewed at each reporting period and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the financial statements, however, they are disclosed in those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

#### Events after Reporting Period

Events after reporting period that provide additional information about the Company's position at reporting period (adjusting events) are reflected in the financial statements. Post year-end non-adjusting events are disclosed in the notes to financial statements when material.

### **3. Significant Accounting Judgments and Estimates**

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

#### **Judgments**

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

#### Determination of Functional and Presentation Currency

The Company has determined that its functional currency is the Philippine Peso, which is the currency of the primary environment in which the Company operates.

#### Categories of Financial Instruments

The Company classifies a financial instrument, or its component parts, on initial recognition as a financial liability or an equity instrument based with the substance of the contractual arrangement and the definitions of financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classifications in the statements of financial position. The Company determines the classification at initial

recognition and re-evaluates this designation at every financial reporting date (Please see Note 5).

#### Lease commitments – Company as Lessee

The Company has entered a lease agreement as a lessee. The Company has determined based on evaluation of the terms and condition of the lease agreements, that the significant risks and rewards of ownership of the leased properties were retained by the Company (e.g., no transfer of ownership at the end of the lease term, lease term is not for the majority of the economic life of the asset and the amount of the present value of the minimum lease payments is not substantially the same as the fair value of the leased asset).

Rent expense under operating lease amounted to P93,458 in 2024 and P93,794 in 2023. (Please see Note 26)

#### License fees

The Company has entered into a contract with a software company to use its license for the trading software in use. The license remains in the ownership and control of the software company.

#### Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and disclosure of contingencies are discussed in Note 2 – Provisions and Contingencies.

#### Estimates

The estimates and assumptions used in the financial statements are based upon managements' evaluation of relevant facts and circumstances of the Company's financial statements. Actual results could differ from those estimates. The following are the relevant estimates performed by Management on its 2024 and 2023 financial statements:

#### Valuation of Financial Instruments

The Company carries certain financial instruments at fair value, which requires the extensive use of accounting estimates and judgment. Significant components of fair value measurement were determined using verifiable objective evidence from observable active markets and other valuation techniques including the use of mathematical models. However, the amount of changes in fair value would differ if the Company utilized different valuation methods and assumptions. Any change in fair value of these financial assets and liabilities would affect profit and loss and equity.

Management valuation methods and assumptions in determining the fair value of the Company's financial instruments are discussed in Note 5.

#### Impairment of Receivables

Allowance is made for specific and groups of accounts, where objective evidence of impairment exists. The Company evaluates these accounts based on available facts and circumstances, including, but not limited to, the length of the Company's relationship with the customers, the customers' current credit status based on third party credit reports and known market forces, average age of accounts, collection experience and historical loss experience.

Allowance for credit losses amounted to P511,875 in 2024 and P1,356,968 in 2023. (Note 8)

#### 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 estimated useful lives of property and equipment are reviewed periodically 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 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.

It is possible, however, 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. A reduction in estimated useful lives of property and equipment would increase recorded operating expenses and decrease non-current assets.

Property and equipment, net of accumulated depreciation, amounted to P16,321,914 in 2024 and P12,740,499 in 2023. (Note 12)

#### Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Net deferred tax liabilities amounted to P1,695,228 in 2024 and P4,160,570 in 2023. (Note 24)

#### Impairment of Non-Financial Assets

PFRS requires that an impairment review be performed when certain impairment indicators are present. The Company's policy on estimating the impairment of non-financial asset is discussed in detail in Note 2 – Impairment of non-financial assets. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment could have a material adverse effect on the results of operations. Based on Management assessment, there is no impairment on non-financial assets needed to be recognized.

#### Trading Rights

As at December 31, 2024 and 2023, the fair value less costs to sell of the exchange trading right amounted to P8,000,000 in both years representing the transacted price of the exchange trading right of the most recent sale approved by the PSE dated November 16, 2022. As at December 31, 2024 and 2023, the carrying value of the exchange trading right amounted to P1,188,000.

#### Retirement Benefits

The Company accrues minimum retirement liability in accordance with R.A. No. 7641. Management believes that the effect on the financial statements of the difference between the current method used by the Company and the required actuarially determined valuation method is not significant.

As at December 31, 2024 and 2023, accrued retirement cost of the Company amounted to P2,163,979 in 2024 and P2,029,159, respectively. The Company recognized retirement benefit expense of P134,820 in 2024 and P131,775 in 2023. (Note 17)

#### **4. Risk Management Objectives and Policies**

The Company's principal financial instruments comprise of financial assets at fair value through profit or loss, cash and cash equivalents, and trade and other receivables. The Company's financial liabilities are trade payables and other current liabilities.

Since the Company is exposed to a variety of risks such as credit risk, liquidity risk and market risk, the Board of Directors makes it a point to have adequate risk management guiding principles which institutionalize a focused approach in addressing its exposure to different business risk.

The Company's risk management policy is addressed as follows:

Credit Risks

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due.

It is inherent to the stock brokerage business that potential losses may arise due to the failure of its customer and counterparties to fulfill their trading obligation on settlement date or the possibility that the value of collateral held to secure obligations becoming inadequate due to adverse market conditions.

The Company has no significant concentration of credit risk. Its day to day transactions of buying and selling of equity securities in the Philippine Stock Exchange are made through a reputable stock broker whose qualifications were reviewed and approved by the BOD.

The Company manages credit risk by setting limits for individual customers and group of customers. The Company monitors credit exposures and continually assesses the credit worthiness of counterparties.

The Company's financial assets that have the maximum exposure to credit risk as presented in the financial statements are summarized as follows:

	Notes	2023	2023
Cash in banks and cash equivalents	7	319,225,604	280,385,460
Trade receivables at gross	8	15,437,929	5,348,822
Other receivables	9	7,956,950	7,999,350
Financial assets at FVPL	10	61,697,887	40,756,411
<b>Total</b>		<b>404,318,369</b>	<b>334,490,042</b>

The Company's financial assets which have the maximum credit risk rate exposure and showing the credit quality of such as at December 31, 2024 and 2023 are as follows:

		Neither past due nor impaired		Past due but not impaired	Impaired	Total
	Notes	High grade	Standard grade			
2024						
Financial assets at amortized costs:						
Cash in banks and cash equivalents	7	319,225,604	-	-	-	319,225,604
Trade receivables, net	8	14,926,054	-	-	-	14,926,054
Other receivables	9	7,956,950		-	-	7,956,950
Financial assets at FVPL	10	-	61,697,887	-	-	61,697,887
Total		342,108,607	61,697,887	-	-	403,806,495
2023						
Financial assets at amortized costs:						
Cash in banks and cash equivalents	7	280,385,460	-	-	-	280,385,460
Trade receivables, net	8	3,991,854	-	-	-	3,991,854
Other receivables	9	7,365,444	633,905	-	-	7,999,350
Financial assets at FVPL	10	-	40,756,411	-	-	40,756,411
Total		291,742,758	41,390,316	-	-	333,133,075

Cash in banks and cash equivalents are deposited and invested to highly reputable banks duly approved by the Board of Directors, hence, high grade.

High grade trade receivables are receivable from counterparties which have a remote likelihood of default.

Other receivables consist of due from major stockholders, though not secured by collateral; default is unlikely, hence high grade.

Standard grade of receivable consists of receivable from customers.

Standard grade of other receivable consists of due from related party and advances to employees with minimal instances of payment defaults.

Standard grade financial assets at FVPL consist of equity securities listed in PSE which has normal reactions to market conditions, hence standard grade.

Past due but not impaired accounts are secured by securities owned by customers.

#### Liquidity Risks

Liquidity risks or funding risks is the risks that the Company will encounter in raising funds to meet its commitments and obligations. Liquidity risks may result from difficulty in collections or inability to generate cash inflows as anticipated.

The Company's objectives in managing its profile are:

- to ensure that adequate funding is available at all times;
- to meet commitments as they arise without incurring necessary cost;
- to be able to access funding when needed at the least possible cost.

The following are the Company's contractual maturities of the financial liabilities as of December 31, 2024 and 2023.

	Notes	Within 6 months or less	Within one year	Total
<b>2024</b>				
Other financial liabilities				
Trade payables	14	305,789,589	-	305,789,589
Other current liabilities	15	1,134,336	-	1,134,336
Total		306,923,925	-	306,923,925
<b>2023</b>				
Other financial liabilities				
Trade payables	14	236,291,758	-	236,291,758
Other current liabilities	15	156,923	-	156,923
Total		236,448,681	-	236,448,681

As at December 31, 2024 and 2023, the Company has sufficient financial assets that can be used to manage its liquidity risk consisting of cash and cash equivalents, trade receivables, other receivables and financial assets at FVPL. Liquidity ratio for the year ended 2024 and 2023 are 1.32:1 and 1.42:1. Thus, the Company has no significant liquidity risks for the years ended December 31, 2024 and 2023.

#### Market Risks

Market risk is the loss to future earnings, to fair values or to future cash flows that may result from changes in the price of financial instrument. The value of financial instrument may change as a result of changes in interest rates, foreign currency exchange rates and equity prices.

#### Equity Price Risks

The Management monitors equity price risk for all financial instruments such as financial assets at FVPL in daily-published quotations and regularly reports the result to the Board of Directors.

The following table demonstrates the sensitivity to a reasonably possible change in market value of financial assets at FVPL, with all variables held constant of net results and equity:

	Effect on net results Change in 25%	Effect on equity	Effect on net results Change in -25%	Effect on equity
<b>2024</b>				
Financial assets at FVPL	15,424,472	11,568,354	(15,424,472)	(11,568,354)
<b>2023</b>				
Financial assets at FVPL	10,189,103	7,641,827	(10,189,103)	(7,641,827)

#### Foreign Currency Risks

The Company has no significant exposure to foreign currency risks as most transactions are denominated in Philippine Peso, its functional currency.

### Interest Rate Risks

Interest rate risk is the risk to future earnings or equity arising from the movement of interest rates. Changes in interest rates affect (1) the Company's earnings by changing its net interest income and the level of other interest rate-sensitive income and operating expenses; and (2) the underlying economic value of the Company's assets, liabilities and off-statement of financial position instruments by means of reducing the present value of future cash flows (and in some cases, the cash flows themselves). The Company exposure to changes in market interest rates is only through the cash and cash equivalents account, which is subject to variable interest rates.

The following table demonstrates sensitivity of the Company's profit before tax and equity to reasonable possible changes in interest rate of +10/-10 and +100/-100 basis points of the Company's deposits from various banks and it's held to maturity on December 31, 2024 and 2023. These changes are considered to be reasonably possible based on observation of current market conditions. All other variables are held constant.

2024	Change in basic points	Effect on Net results	Equity	Change in basic points	Effect on Net results	Equity
Financial assets						
Cash in banks	+10	314,887	251,909	-10	(314,887)	(251,909)
Short-term cash investment	+10	4,339	3,471	-10	(4,339)	(3,471)
		<b>319,226</b>	<b>255,380</b>		<b>(319,226)</b>	<b>(255,380)</b>
2023	Change in basic points	Effect on Net results	Equity	Change in basic points	Effect on Net results	Equity
Financial assets						
Cash in banks	+10	274,946	219,957	-10	(274,946)	(219,957)
Short-term cash investment	+10	5,439	4,351	-10	(5,439)	(4,351)
		<b>280,385</b>	<b>224,308</b>		<b>(280,385)</b>	<b>(224,308)</b>

## 5. Categories and Fair Value of Financial Assets and Liabilities

### Comparison of Carrying Value and Fair Value

The carrying amounts and fair value of the categories of financial assets and liabilities presented in the statements of financial position are shown below:

		2024		2023	
	Notes	Carrying values	Fair values	Carrying values	Fair values
Financial assets					
Financial assets at amortized costs:					
Cash and cash equivalents	7	319,228,604	319,228,604	280,388,460	280,388,460
Trade receivables, net	8	14,926,054	14,926,054	3,991,854	3,991,854
Other receivables	9	7,956,950	7,956,950	7,999,350	7,999,350
Financial assets at FVPL	10	61,697,887	61,697,887	40,756,411	40,756,411
		403,809,495	403,809,495	333,136,074	333,136,074
Financial liabilities					
Other financial liabilities					
Trade payables	14	305,789,589	305,789,589	236,291,758	236,291,758
Other current liabilities	15	1,134,336	1,134,336	156,923	156,923
		306,923,925	306,923,925	236,448,681	236,448,681

Because of their short period, Management considers the carrying amounts recognized in the statements of financial position to be reasonable estimates of the fair values of cash and cash equivalents, trade receivables and other receivables, trade payables and other current liabilities, (except accrued expenses, taxes and government payables)

The fair value of financial assets at FVPL is based on the quoted market price in the PSE as at December 31, 2024 and 2023 or in the last trading day of the respective years.

Fair Value Measurements Hierarchy

The table below presents the hierarchy of fair value measurements used by the Company:

	Level 1	Level 2	Level 3	Total
<b>December 31, 2024</b>				
Financial assets at FVPL	61,697,887	-	-	61,697,887
<b>December 31, 2023</b>				
Financial assets at FVPL	40,756,411	-	-	40,756,411

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either direct (i.e. as prices) or indirectly (i.e. from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable input).

There was no transfer of financial instruments between levels 1, 2 and 3 in 2024 and 2023.

**6. Capital Management Objectives, Policies and Procedures**

The Company's objective when managing capital is to maintain its ability to continue as a going concern entity and to maintain optimal capital structure so as to maximize stockholder value. In order to achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Company's strategy is to maintain a gearing ratio not exceeding 70%. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	2024	2023
Net debt	(8,383,453)	(36,818,796)
Net equity	116,508,259	109,789,898
Total capital	108,124,806	72,971,102
<b>Gearing ratio</b>	<b>-7.75%</b>	<b>-50.46%</b>

The Company manages its capital structure and makes adjustments to it as changes in economic conditions arise.

#### Minimum Capital Requirement

On December 30, 2003, the SEC passed the Amended Implementing Rules and Regulations (IRR) of the SRC effective February 28, 2004.

Significant changes include, among others, revisions in the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows: (a) to allow a net capital of P2,500,000 or 2.5% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities, (b) to allow the SEC to set a different net capital requirement for those authorized to use the risk-based capital adequacy model, and (c) to require unimpaired paid-up capital of P100,000,000 for broker dealers firms and will participate in a registered clearing agency; P10,000,000 plus a surety bond for existing broker dealers not engaged in market making transactions; and P2,500,000 for broker dealing only in proprietary shares and not holding securities. The Company posted a surety bond amounting P12,000,000 in compliance with the Amended IRR of the SRC Rule 28.1.

On May 28, 2009, the Securities and Exchange Commission ("SEC") approved Memorandum Circular No. 2009-0316 or Rules Governing Trading Rights and Trading Participants, Art. III, Sec. 8(c). The guidelines states that "Trading Participants shall have a minimum unimpaired paid-up capital, as defined by the SEC of Twenty Million Pesos (P20,000,000) effective December 31, 2009. Provided further that effective December 31, 2010 and onwards, the minimum unimpaired paid-up capital shall be Thirty Million Pesos (P30,000,000)."

On April 15, 2010, PSE issued Memorandum Circular No.2010-0158 or Deferment of the Rule on Minimum Unimpaired Paid-up Capital for Trading Participants previously set to take effect on December 31, 2010.

On October 22, 2010, SEC approved Memorandum Circular No. 2010-0494 or Deferment on the Minimum Unimpaired Paid-up Capital for Trading Participants (TPs). The Memo states that "TPs with Unimpaired Paid-up Capital ("UPC") falling below Thirty Million pesos (P30,000,000) shall post surety bond amounting to Ten Million (P10,000,000) for the period covering 1 January 2011 to 31 December 2011 until securities held and controlled by the TPs shall be recorded under the name of the individual clients in the books of the Transfer Agent." The deferral granted by the Commission is effective only for the period January 2011 until December 31, 2011. However, on November 8, 2010, the Commission has adopted SEC Resolution No. 489, series of 2010 stating the effectivity of the deferment from 01 January 2011 until 30 November 2011. Hence, all TPs must have complied with the Thirty Million UPC requirement by December 2011.

The Company is in compliance with the minimum unimpaired paid-up capital as at December 31, 2024 and 2023.

#### Risk-based Capital Adequacy

The Company being a registered broker in securities is subject to the stringent rules of the SEC and other regulatory agencies with respect to the maintenance of specific levels of RBCA ratios. RBCA is a ratio that compares the broker or dealer's total measured risk to its liquid capital. As a rule, the company must maintain an RBCA ratio of at least 120% and a net liquid capital (NLC) of at least P5.0 million or five percent (5%) of its aggregate indebtedness, whichever is higher. Also, the aggregate indebtedness (AI) of every stockbroker should not exceed two thousand percent (2,000%) of its NLC. In the event that the minimum RBCA ratio of 120% or the minimum NLC is breached, the Company shall immediately cease doing business as a broker and shall notify the PSE and SEC. Total risk capital requirement amounted to P37,686,008 in 2024 and P35,859,168 in 2023. As of December 31, 2024 and 2023, the Company is compliant with the RBCA Rule.

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

	2024	2023
Equity Eligible For Net Liquid Capital	108,912,333	104,503,071
Less: Ineligible assets	31,613,460	28,222,836
Total	77,298,874	76,280,235
Operational risk	6,332,903	11,070,802
Position risk	21,590,803	14,261,281
Counter-party risk	-	-
Large exposure risk	9,762,302	10,527,085
Total risk capital requirement	37,686,008	35,859,168
Aggregate indebtedness	301,553,996	234,122,267
5% of aggregate indebtedness	15,077,700	11,706,113
Required Net Liquid Capital (> of 5% of AI or P5,000,000)	15,077,700	11,706,113
Net Risk-based Capital Excess	62,221,174	64,574,122
Ratio of AI to Net Liquid Capital	390%	307%
RBCA Ratio (NLC / TRCR)	205%	213%

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

Ineligible Asset

This pertains to fixed assets and assets which cannot be readily converted into cash.

Operational Risk Requirement

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

Position Risk Requirement

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

Counterparty Risk Requirement

The amount necessary to accommodate a given level of risk of a counterparty defaulting on its financial obligation to a broker dealer.

Large Exposure Risk

It is a risk to which a broker dealer is exposed to a single equity security or single issuer group. This is the maximum permissible large exposure and calculated as a percentage of core equity.

**Aggregate Indebtedness**

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

The Company is in compliance with the minimum capital requirements and the RBCA ratios, Net Liquid Capital (NLC), Total Risk Capital Requirement, and Ratio of AI to NLC, and other ratios required under the RBCA rule.

**7. Cash and Cash Equivalents**

Cash and cash equivalents consists of:

	2024	2023
Cash on hand	3,000	3,000
Cash in banks	314,886,604	274,946,166
Short-term cash investments	4,339,000	5,439,294
Total	319,228,604	280,388,460

Cash in banks earns interest at the respective bank deposit rates ranging from .10% to 1.15% both in 2024 and 2023. Short-term cash investments are made for varying period of up to three months depending on the Company's immediate cash requirements and earn interest at the respective short-term cash investment rates. Total interest earned from bank deposits and short-term cash investments amounted to P13,592,559 in 2024 and P16,026,649 in 2023. (Note 21) Cash in banks includes Special Reserve Bank Account amounting to P310,409,775 in 2024 and P264,406,425 in 2023 which was created and maintained for the exclusive benefit of customers as prescribed under SRC Rule 49.2 (Customer Protection Reserves and Custody of Assets) and mentioned in Part I (Rule 49.C) of this rule. The Company is in compliance with this rule.

**8. Trade Receivables, Net**

This account consists of:

	2024	2023
Receivable from customers	15,437,929	5,348,822
Less: Allowance for credit losses	(511,875)	(1,356,968)
Total	14,926,054	3,991,854

All receivables from customers do not bear interest and are due after two days from the time of transaction, except for those on which allowance for credit losses has already been provided. No receivable is denominated in foreign currency in 2024 and 2023.

The security values of the debit balances of the customer's and non-customer's account follow:

	2024		2023	
<b>Receivable from customers</b>				
Ratio of market value of securities to debit balances	<b>Debit balances</b>	<b>Market value of securities</b>	<b>Debit balances</b>	<b>Market value of securities</b>
Fully secured accounts:				
250% or more	14,685,971	147,440,258	3,563,539	74,141,093
200% to 250%	165	375	59,711	375
150% to 200%	112,609	177,699	126,803	202,460
100% to 150%	48,973	67,932	86,622	38,000
	14,847,717	147,686,264	3,836,675	74,381,927
Partly secured accounts:				
Less than 100%	567,131	134,068	643,126	142,876
Unsecured	23,080	-	869,022	-
	590,212	134,068	1,512,147	142,876
Total	15,437,929	147,820,332	5,348,822	74,524,803
Less: Allowance for credit losses	511,875	-	1,356,968	-
Net receivable from customers	14,926,054	147,820,332	3,991,854	74,524,803
Receivable from clearing house	-	-	-	-
Total	14,926,054	147,820,332	3,991,854	74,524,803

Receivables from customers as at December 31, 2024 and 2023 amounting to P15,414,848 and P4,479,800, respectively, are secured by collateral comprising of equity securities of listed companies owned by customers with total fair values of P147,686,264 and P74,524,803, respectively. The collateral's fair value (market value) is based on the quoted market price at the PSE as at December 31, 2024 and 2023 or on the last trading days of the year.

In the event that the payment from customers are not received within 3 days, the Company is automatically authorized to sell out the customers' securities for their account without any liability whatsoever for any loss.

All accounts receivables from customers are subject to credit risks exposure. However, the Company does not identify concentration of credit risks with regards to receivable from customers, as the amounts recognized resemble a large number of receivables from various customers.

Allowance for credit losses is provided for when objective evidence is received that the Company will not be able to collect certain amounts due to it in accordance with original term of the receivables.

Receivable from clearing house pertains to the Company's receivable from Securities Clearing Corporation of the Philippines (SCCP). "Receivable from clearing house" arises when total selling transactions, i.e. shares of stock sold by customers exceeds total buying transactions within the last two trading days of the year.

The movement in allowance for credit losses follows:

	Note	2024	2023
Balance, January 1		1,356,968	476,649
(Reversal)/Provision for credit losses	21	(845,094)	880,319
Balance, December 31		511,875	1,356,968

The table below shows the aging of receivable from customers as of December 31, 2024 and 2023 respectively;

	2024		2023	
	Debit Balances	Collateral	Debit Balances	Collateral
Neither past due nor impaired				
0 to 2 days	47,835	47,835	1,134,690	1,134,690
3 to 13 days	193,722	193,722	338	338
	241,558	241,558	1,135,027	1,135,027
Past due but not impaired				
Beyond 14 days to 30 days	842,750	842,750	-	-
Beyond 31 days	14,353,621	14,353,621	4,213,795	4,213,795
	15,196,371	15,196,371	4,213,795	4,213,795
Total	15,437,929	15,437,929	5,348,822	5,348,822
Less: Allowance for credit losses	(511,875)	(511,875)	(1,356,968)	(1,356,968)
Total	14,926,054	14,926,054	3,991,854	3,991,854

#### 9. Other Receivables

This account consists of:

	Note	2024	2023
Due from related parties	16	7,323,045	7,365,444
Advances to employees		633,905	633,905
Balance, December 31		7,956,950	7,999,350

Due from related parties and advances to employees are non-interest bearing.

#### 10. Financial Assets at Fair Value through Profit or Loss (FVPL)

Details of financial assets at FVPL are as follows:

	2024	2023
Balance, January 1	40,756,411	37,806,364
Buying/Selling	21,566,446	115,500
Changes in fair value adjustments	(624,970)	2,834,547
Balance, December 31	61,697,887	40,756,411

Financial assets at FVPL represents the Company's investments in equity securities listed at the Philippine Stock Exchange (PSE) and are being held for trading purposes. The fair values of financial assets at FVPL are based on the quoted market price at PSE at the last trading day of each year.

The Company has 237,020 PSE shares both in 2024 and 2023 under financial assets at FVPL with fair value (market value) of amounting to P61,697,887 in 2024 and P40,756,411 in 2023.

Reconciliation of cost of FVPL

	2024	2023
Cost	24,533,270	2,966,824
Fair value adjustments	37,164,617	37,789,587
Total	61,697,887	40,756,411

Dividend income on financial assets at FVPL amounted to P3,109,510 in 2024 and P2,379,511 in 2023.

**11. Other Current Assets**

This account consists of the following:

	2024	2023
Creditable withholding tax	1,884,407	1,673,552
Prepaid tax	792,061	792,061
Prepaid rent	39,053	39,053
Input tax	-	186,811
Total	2,715,521	2,691,477

Creditable income tax pertains to the remaining balance of the income taxes withheld by the company's supplier of goods and services and prior year's excess creditable taxes after applying the total amount to the current income tax due. The balance of the creditable income tax shall be applied against income tax due, if any, in the next accounting period.

## 12. Property and Equipment, net

Property and equipment are summarized as follows:

	Leasehold improvements	Office furniture and equipment	Intangible asset (Software)	Total
<b>Cost</b>				
January 1, 2023	1,235,204	7,790,113	8,591,193	17,616,510
Acquisition/s			2,798,135	2,798,135
December 31, 2023	1,235,204	7,790,113	11,389,328	20,414,646
Acquisition/s		15,290	5,099,235	5,114,525
<b>December 31, 2024</b>	<b>1,235,204</b>	<b>7,805,403</b>	<b>16,488,563</b>	<b>25,529,170</b>
<b>Accumulated depreciation</b>				
January 1, 2023	-	5,346,807	480,194	5,827,001
Depreciation	-	877,545	969,599	1,847,144
December 31, 2023	-	6,224,352	1,449,793	7,674,145
Depreciation	-	143,501	1,389,609	1,533,110
<b>December 31, 2024</b>	<b>-</b>	<b>6,367,852</b>	<b>2,839,402</b>	<b>9,207,255</b>
<b>Net book value</b>				
<b>December 31, 2024</b>	<b>1,235,204</b>	<b>1,437,551</b>	<b>13,649,160</b>	<b>16,321,914</b>
December 31, 2023	1,235,204	1,565,762	9,939,535	12,740,499

Property and equipment include fully depreciated items which are still being used in 2024 and 2023 follows:

	Office equipment	Office furniture	Total
<b>2024</b>			
Cost			-
Accumulated depreciation	-	-	-
Carrying amount	-	-	-
<b>2023</b>			
Cost	419,146	6,305	425,451
Accumulated depreciation	419,146	6,305	425,451
Carrying amount	-	-	-

### 13. Investment Property, Net

The Company owns an investment property (Condominium unit) that is put up for lease to generate other sources of income. Investment property is summarized as follows:

<b>Cost</b>	<b>11,401,738</b>
<b><u>Accumulated depreciation</u></b>	
January 1, 2023	7,513,195
Depreciation	285,031
December 31, 2023	7,798,226
Depreciation	285,031
December 31, 2024	8,083,259
Carrying value	
<b>December 31, 2024</b>	<b>3,318,479</b>
December 31, 2023	3,603,510

The fair value of investment property is estimated to be at P27,005,000 both in 2024 and 2023 which is based on the latest market price within or nearby properties of the subject condominium unit.

The fair value of the property is arrived at using BIR Department Order No. 038-2021 regarding zonal values for real property for December 31, 2024 and 2023. This is a comparative approach that considers the sales of similar or substitute properties and related market data and establishes a value estimate by involving comparison of properties within or nearby properties of the subject building.

Rent income is nil for the years ended 2024 and 2023 since no tenant has been leasing the property. Direct operating expense arising from investment property that did not generate rental income amounted nil in 2024 and 2023.

### 14. Trade Payables

The payable to customers consists of the following:

	2024		2023	
Ratio of Market Value of securities to Debit Balance	Credit Balances	Market Value of Securities	Credit Balances	Market Value of Securities
Free				
with money balances	295,832,633	2,026,726,578	233,526,839	1,709,403,863
with zero balances	-	1,314,411,172	-	971,132,919
<b>Total</b>	<b>295,832,633</b>	<b>3,341,137,750</b>	<b>233,526,839</b>	<b>2,680,536,783</b>
Payable to clearing house	9,956,956	-	2,764,919	-
<b>Total</b>	<b>305,789,589</b>	<b>3,341,137,750</b>	<b>236,291,758</b>	<b>2,680,536,783</b>

Trade payables account includes payable to customers amounting to P295,832,633 in 2024 and P233,526,839 in 2023.

Payable to customers are usually due within two (2) days and 31 days from transaction date and do not bear any interest.

Payable to Clearing House pertains to the Company's payable to SCCP. This arises when total buying transactions exceeds total selling transactions within the last two trading days of the year.

#### 15. Other Current Liabilities

This account consists of:

	2024	2023
Accrued rent	585,203	585,203
Due to BIR	442,986	55,252
SCCP, PSE and PCD payables	72,150	156,739
Due to SSS, HDMF and Philhealth	23,916	19,970
Accrued utilities	9,897	9,897
Others	184	184
	<b>1,134,336</b>	<b>827,245</b>

Other current liabilities are expected to be settled within the next 12 months. Accounts payable non-trade includes utilities, and other payables to the suppliers of goods and services of the company.

#### 16. Related Party Transactions

In the normal course of business operation, the Company has engaged in transactions with related parties.

##### Due from Related Parties

The due from related parties account pertains to the balance of the advances granted to the major stockholders of the Company, as indicated in Note 1.

The advances are non-interest bearing and collection maybe enforced upon demand and shall be collected by cash. The advances are not secured by any collateral.

The movement of this account is shown below:

	Note	2024	2023
Balance, beginning		7,365,444	6,585,191
Additions		(42,400)	780,253
Balance, ending	9	<b>7,323,045</b>	<b>7,365,444</b>

##### Key Management Personnel Compensation

Key management personnel compensation amounted to nil for the years 2024 and 2023. This represents the compensation of the associated person. The Board of Directors, President and other officers of the Company voluntarily provide their services without any compensation.

## 17. Retirement Benefits Liability

The determination of the Company's obligation on retirement benefits is accrued based on the required amounts under R.A. No. 7641. Management believes that the effect on the financial statements of the difference between the retirement costs determined by the Company and by an independent actuary will not be significant.

The retirement benefits liability is as follows:

	2024	2023
Balance, January 1	2,029,159	1,897,384
Provision for retirement benefits for the year	134,820	131,775
Balance, December 31	2,163,979	2,029,159

## 18. Share Capital

The details of the Company's share capital are shown below, thus:

	2024	2023
Authorized - par value, P100 per share:		
480,000 shares	P 48,000,000	
Issued		
418,000 shares	41,800,000	41,800,000
	41,800,000	41,800,000
Less: Treasury shares, 3 shares	(300)	(300)
Issued and paid up, 417,997 shares	41,799,700	41,799,700

As at December 31, 2024, the outstanding shares of stocks of the Company are issued to twenty-one (21) shareholders and six (6) of them own more than 100 shares each.

Treasury shares amounting to P300 were reacquired by the Company in 2020.

## 19. Retained Earnings

SRC Rule 49.1 (B) "Reserved Fund", requires that every broker dealer shall annually appropriate certain percentage of its audited profit after tax and transfer the same to Appropriated Retained Earnings. Appropriation shall be 30%, 20% and 10% of profit after tax 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 above 50,000,000 respectively.

The Company appropriated P1,343,672 in 2024 and P762,975 in 2023. The Company is in compliance with SRC Rule 49.1 (B) for the year ended December 31, 2024 and 2023.

As of December 31, 2024, the Company made an additional adjustment on appropriated retained earnings due to prior year error on appropriation that uses 10% rate instead of 20% rate.

**20. Cost of Services**

The breakdown of costs of services follows:

	Note	2024	2023
Personnel cost - operations	22	2,939,342	2,780,043
PSE dues and fees		2,075,050	2,053,093
Commission expense		952,479	2,077,804
PCD dues and fees		395,383	387,222
Total		6,362,253	7,298,162

**21. Other Revenue, Net**

The breakdown of other income follows:

	Notes	2024	2023
Interest	7	13,592,559	16,026,649
Interest from customers		880,037	-
Reversal/(Provision) for allowance for credit losses	8	845,094	(880,319)
Miscellaneous income		677,894	151,120
Total		15,995,584	15,297,449

**22. Personnel Cost**

Details of personnel cost are broken down as follows:

2024			
	Cost of services	Operating expenses	Total
Salaries and wages	2,633,876	1,620,931	4,254,807
Bonus and other employee benefits	159,143	147,647	306,789
SSS, PHIC and HDMF contributions	146,323	117,221	263,544
Total	2,939,342	1,885,798	4,825,140
2023			
	Cost of services	Operating expenses	Total
Salaries and wages	2,508,140	1,578,611	4,086,751
Bonus and other employee benefits	165,996	68,022	234,018
SSS, PHIC and HDMF contributions	105,907	139,932	245,839
Total	2,780,043	1,786,565	4,566,608

### 23. Operating Expenses

This account consists of:

	Notes	2023	2022
IT expense		8,226,848	7,790,103
Personnel cost - administration	22	1,885,798	1,786,565
Depreciation	12,13	1,818,142	2,132,176
Repairs and maintenance		1,591,157	2,441,275
Condominium dues and fees		712,534	748,736
Transportation and travel		668,464	725,348
Professional fees		443,152	260,383
Representation and entertainment		431,114	269,372
Advertising and promotions		380,990	2,109,964
Communication		347,495	263,129
Utilities		239,943	209,240
Taxes and licenses	29	166,742	269,255
Provision for retirement benefits	17	134,820	131,775
Rent	26	93,458	93,794
Insurance		58,890	58,497
Bank charges		57,830	74,593
Unrealized loss on foreign exchange		13,631	-
Office supplies		11,819	14,045
Training and seminars		6,250	1,339
Retirement fee		-	412,600
Penalties		-	55,006
Miscellaneous		47,020	143,488
Total		17,336,098	19,990,683

IT expense pertains to the fees paid to IWAVE, Inc., a software company, to use its licensed software for trading services.

## 24. Income Tax

### Income Tax Benefit

This account consists of:

	2024	2023
Current:		
Regular corporate income tax	-	-
Final tax on interest income	2,718,512	3,205,330
Total	2,718,512	3,205,330
Deferred:		
Net operating loss carry over (NOLCO)	(2,335,944)	(2,921,673)
Provision for retirement benefits	(33,705)	(32,944)
Reversal/(Provision) for allowance for credit losses	211,273	(220,080)
Fair value adjustments of financial assets at FVPL	(156,242)	708,637
Total	(2,314,618)	(2,466,060)
	403,893	739,270

The reconciliation of income tax computed using the 25% normal tax rate in 2024 and 2023 on profit before income tax and income tax benefit follows:

	2024	2023
Income before income tax	1,780,564	2,092,254
Adjustment for income subjected to lower tax rates		
Interest income subject to final tax	(679,628)	(801,332)
Income tax effect on:		
Non-deductible expenses	80,335	43,228
Non-taxable income	(777,378)	(594,880)
Total	403,893	739,270

Validity of NOLCO follows:

Year Incurred	Validity	Amount	Applied this year	Applied previous year	Expired	Net operating loss (Unapplied)	Deferred Tax Asset
2024	2027	9,343,777				9,343,777	2,335,944
2023	2026	11,686,693	-	-	-	11,686,693	2,921,673
2022	2025	4,835,254	-	-	-	4,835,254	1,208,814
		25,865,725	-	-	-	25,865,725	6,466,432

As provided by BIR Revenue Regulations No. 25-2020 (Section 4) dated September 30, 2020, the business or enterprise which incurred net operating loss for taxable years 2020 and 2021 shall be allowed to carry over the same as a deduction from its gross income for the next five (5) consecutive taxable years immediately following the year of such loss. The net operating loss for said taxable years may be carried over as a deduction even after the expiration of RA No. 11494 provided the same are claimed within the next five (5) consecutive taxable years immediately following the year of such loss.

Expired DTA from NOLCO amounted to nil both in 2024 and 2023.

Under the National Internal Revenue Code (NIRC) of 1977, the income tax liability of Corporations shall be the higher between RCIT and the Minimum Corporate Income Tax (MCIT). MCIT is computed at 2% of the modified gross income. Any excess of the MCIT over the RCIT is deferred and can be used as a tax credit against future income tax liability for the next three years.

Validity of MCIT follows:

Year Incurred	Validity	Amount	Expired	Unapplied
2024	2027	150,723	-	150,723
2023	2026	119,990	-	119,990
2022	2025	189,820	-	189,820
		<b>460,533</b>	<b>-</b>	<b>460,533</b>

In 2024 and 2023, the Company opted to continue claiming itemized standard deduction.

#### CREATE Act

On March 26, 2021, the Republic Act (RA) 11534, known as “The Corporate Recovery or Tax Incentives for Enterprises Act” (Create Act), was passed into law. The salient provisions of the Create Act applicable to the Company are as follow:

1. Effective July 1, 2020, the corporate income tax rate is reduced from 30% to 20% for domestic corporations with net taxable income not exceeding P5,000,000 and with total assets not exceeding P100,000,000, excluding land on which the particular business entity’s office, plant, and equipment are situated during the taxable year for which the tax is imposed at 20%. All other domestic corporations and resident foreign corporations will be subject to 25% income tax;
2. Minimum corporate income tax (MCIT) rate reduced from 2% to 1% effective July 1, 2020, to June 30, 2023;
3. Percentage tax reduced from 3% to 1% effective July 1, 2020, to June 30, 2023; and
4. The imposition of improperly accumulated earnings is repealed.

#### Deferred Tax Assets/(Liability):

The component of deferred tax assets/(liability) follows:

	2024		
	Balance at the beginning of year	Charged to Equity	Charged to income
Allowance for credit losses	339,241	-	(211,273)
Net Operating Loss Carry Over (NOLCO)	4,130,487	-	2,335,944
Minimum Corporate Income Tax ( MCIT)	309,810	150,723	-
Retirement benefits obligation	507,289	-	33,705
<b>Total deferred tax assets</b>	<b>5,286,827</b>	<b>150,723</b>	<b>(177,568)</b>
Fairvalue adjustments of FA at FVPL	9,447,397	-	(156,242)
<b>Total deferred tax liabilities</b>	<b>9,447,397</b>	<b>-</b>	<b>(156,242)</b>
<b>Total deferred tax assets(liabilities), net</b>	<b>(4,160,570)</b>	<b>150,723</b>	<b>(21,326)</b>

	2023			
	Balance at the beginning of year	Charged to Equity	Charged to income	Balance at the end of year
Allowance for credit losses	119,161	-	220,080	339,241
Net Operating Loss Carry Over (NOLCO)	1,208,814	2,921,673	-	4,130,487
Minimum Corporate Income Tax ( MCIT)	189,820	119,990	-	309,810
Retirement benefits obligation	474,346	-	32,944	507,289
Total deferred tax assets	544,646	3,041,663	253,023	5,286,827
Fairvalue adjustments of FA at FVPL	8,738,760	-	708,637	9,447,397
Total deferred tax liabilities	12,126,462	-	708,637	9,447,397
Total deferred tax assets(liabilities), net	(11,581,816)	3,041,663	(455,613)	(4,160,570)

For prior years, the deferred tax assets were being reported as a separate line item under the non-current assets section of the Statement of Financial Position and the deferred tax liability was separately reported under the non-current liabilities. For the years ended December 31, 2024 and 2023, the Company concluded that it was appropriate to offset the deferred tax assets to deferred tax liabilities and presented in the Statement of Financial Position the net deferred tax liability.

These reclassifications had no effect on the reported net profit for the years ended December 31, 2024 and 2023 and had no effect also with balances of equity for any previous periods.

## 25. Earnings per Share

The computation of this account follows:

	2024	2023
Net profit	6,718,361	7,629,748
Weighted average number of shares	417,997	417,997
	16.07	18.25

## 26. Lease Commitments

The Company has entered into a lease agreement as a lessor and as a lessee, which are renewable every year. The lease agreement is for one year and renewable on an annual basis at the option of the lessee and an escalation clause of 10% shall be imposed upon renewal of the contract. The cancelable lease contract is for one year with an option to renew. Rent expense incurred amounted to P93,458 in 2024 and P93,794 in 2023.

## 27. Approval of Financial Statements

The financial statements of the Company for the year ended December 31, 2024 were authorized for issue by the Board of Directors on April 15, 2025.

**28. Supplemental Information Required by Bureau of Internal Revenue**

Revenue Regulation 15-2010

Revenue Regulation 15-2010 issued by the Bureau of Internal Revenue, requires, in addition to the disclosures mandated under the Philippine Financial Reporting Standards, and such other standards and/or conventions as may heretofore be adopted, the Notes to Financial Statements to include information on taxes, duties and license fees paid or accrued during the taxable year, as follows:

**VAT Output**

	2024	2023
Income subject to VAT	13,898,413	15,297,463
Tax rate	12%	12%
Output VAT for the year	1,667,810	1,835,696

**VAT Input**

	2024	2023
Services booked under other accounts	9,767,204	12,259,642
Tax rate	12%	12%
Input VAT for the year	1,172,064	1,471,157

**Withholding Taxes**

	2024	2023
Tax withheld by the company on:		
Compensation	213,828	189,706
Expanded	304,996	453,786
	518,824	643,492

**Taxes and Licenses**

	OR #	Date	2024	2023
SEC registration fee	LBP-0038490-34	11/26/2024	39,925	40,935
Licenses and permits	4719046	01/12/2024	54,853	77,531
Realty tax	various	various	64,391	55,175
Community tax certificate	123716	01/08/2024	6,873	10,500
Others	various	various	700	85,114
Total			166,742	269,255

As of the year ended December 31, 2024, the Company has no pending tax assessment and litigation.

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

**ANNUAL AUDITED FINANCIAL STATEMENT**

Information Required of Brokers and Dealers Pursuant to Rule 37 (a)-6 to the Revised Securities Act.

Report for the Period Beginning January 1, 2024 to December 31, 2024

**IDENTIFICATION OF BROKER OR DEALER**

Name of Broker/Dealer:	AAA SOUTHEAST EQUITIES, INC.		
Address of Principal Place of Business:	Unit 1511 Tower One and Exchange Plaza Ayala Avenue, Makati City		
Name and Phone Number of persons to Contact in Regards to this Report:			
Name:	Fe Esperanza S Tarantan	Tel. No.	898-3093
		Fax. No.	812-1831

**IDENTIFICATION OF ACCOUNTANT**

Name of Independent Certified Public Accountants whose opinion is contained in this report:

Name:	TEODORO SANTAMARIA AND CO.	Tel No.	8812-4202
Address:	Suite 2108 Cityland 10 Tower 1, 156 H.V. Dela Costa Street, Salcedo Village Makati City		
CPA Certificate Number:	07468	Valid until:	June 5, 2026
SEC Accreditation Number:	07468-SEC	Valid until:	2025
PTR Number:	10487187	Date Issued:	January 17, 2025

**AAA SOUTHEAST EQUITIES, INC.**

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**STATEMENT OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS  
DECEMBER 31, 2024**

For the years up to 2024, AAA Southeast Equities, Inc. did not enter into any subordinating agreement and no changes were presented as required under Rules 49.1.2 and 52.1-5 of the Securities Regulation Code.

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Schedule 1

**AAA SOUTHEAST EQUITIES, INC.**  
**RISK-BASED CAPITAL ADEQUACY WORKSHEET**  
**December 31, 2024**

<b>Assets</b>	<b>427,353,408</b>
<b>Liabilities</b>	<b>310,845,151</b>
<b>Equity as per books</b>	<b>116,508,259</b>
<b>Adjustments to Equity per books</b>	
<u>Add / (Deduct):</u>	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / ( Loss ) in proprietary accounts	
Deferred Income Tax	(7,595,926)
Revaluation Reserves	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
<b>Total Adjustments to Equity per books</b>	<b>(7,595,926)</b>
<b>Equity Eligible For Net Liquid Capital</b>	<b>108,912,333</b>
<b>Contingencies and Guarantees</b>	
Deduct: Contingent Liability	
Guarantees or indemnities	
<b>Ineligible Assets</b>	
a. Trading Right and all Other Intangible Assets (net)	14,837,160
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	5,991,233
d. All Other Current Assets	8,788,064
e. Securities Not Readily Marketable	
f. Negative Exposure (SCCP)	112,597
g. Notes Receivable (non-trade related)	
h. Interest and Dividends Receivables outstanding for more than 30 days	
i. Ineligible Insurance claims	
j. Ineligible Deposits	
k. Short Security Differences	
l. Long Security Differences not resolved prior to sale	
m. Other Assets including Equity Investment in PSE	1,884,407
<b>Total ineligible assets</b>	<b>31,613,460</b>
<b>Net Liquid Capital (NLC)</b>	<b>77,298,874</b>
<b>Less:</b>	
Operational Risk Req't (Schedule ORR-1)	<b>6,332,903</b>
Position Risk Req't (Schedule PRR-1)	<b>21,590,803</b>
Counterparty Risk (Schedule CRR-1 and detailed schedules)	-
<b>Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)</b>	
LERR to a single client (LERR-1)	
LERR to a single debt (LERR-2)	
LERR to a single issuer and group of companies (LERR-3)	<b>9,762,302</b>
<b>Total Risk Capital Requirement ( TRCR )</b>	<b>37,686,008</b>
<b>Net RBCA Margin (NLC-TRCR)</b>	<b>39,612,866</b>
<b>Liabilities</b>	<b>310,845,151</b>
<b>Add: Deposit for Future Stock Subscription (No application with SEC)</b>	
<b>Less: Exclusions from Aggregate Indebtedness</b>	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	
Others	9,291,154
<b>Total adjustments to AI</b>	<b>(9,291,154)</b>
<b>Aggregate Indebtedness</b>	<b>301,553,996</b>
<b>5% of Aggregate Indebtedness</b>	<b>15,077,700</b>
<b>Required Net Liquid Capital (&gt; of 5% of AI or P5M)</b>	<b>15,077,700</b>
<b>Net Risk-based Capital Excess / ( Deficiency )</b>	<b>62,221,174</b>
<b>Ratio of AI to Net Liquid Capital</b>	<b>390%</b>
<b>RBCA Ratio (NLC / TRCR)</b>	<b>205%</b>

**AAA SOUTHEAST EQUITIES, INC.**

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**INFORMATION RELATING TO THE POSSESSION OR CONTROL  
REQUIREMENTS UNDER SRC RULE 49.2 ANNEX 49.2-A  
DECEMBER 31, 2024**

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Customers' fully paid securities and excess margin securities not in the broker's or dealer's possession or control 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 ANNEX 49.2-A:

Market Valuation	N/A
Number of items	N/A

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

Market Valuation	N/A
Number of items	N/A

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AAA SOUTHEAST EQUITIES, INC.

INFORMATION RELATING TO THE POSSESSION OR CONTROL  
REQUIREMENTS UNDER ANNEX G OF SRC RULE 49.2 ANNEX 49.2-B  
DECEMBER 31, 2024

		CREDITS	DEBITS
Free credit balances and other credit peso balances in customer's security account	P	299,760,305	
Credit balances in the accounts of non-customers			
Debit balances in customer's cash or margin accounts excluding unsecured accounts and accounts doubtful of collection			14,829,293
Payable to clearing house		-	-
TOTALS	P	299,760,305	14,829,293
Excess of credit balances over debit balances		284,931,012	
Required Reserve			299,177,562
"Special Reserved Bank Account			310,409,775

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**AAA SOUTHEAST EQUITIES, INC.**

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**A REPORT DESCRIBING ANY MATERIAL INADEQUACIES FOUND TO  
EXISTS OR FOUND TO HAVE EXISTED SINCE THE DATE OF THE  
PREVIOUS AUDIT  
DECEMBER 31, 2024**

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During the current year audit, no material inadequacies were found to exist or found to have existed since the date of the previous audit.

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**AAA SOUTHEAST EQUITIES, INC.**

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**RESULTS OF QUARTERLY SECURITIES COUNT CONDUCTED PURSUANT  
TO SRC RULE 52.1-10, AS AMENDED, AS OF THE DATE OF THE  
STATEMENTS OF FINANCIAL CONDITION IN THE ANNUAL AUDITED  
FINANCIAL REPORT  
DECEMBER 31, 2024**

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

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**AAA SOUTHEAST EQUITIES, INC.**  
**SECURITIES POSITION REPORT**  
**As of December 31, 2024**

SECURITY	NAME OF STOCK	MARKET PRICE	NO. OF SHARES	MARKET VALUE	DEALER ACCOUNT		WITH CLEARING HOUSE		IN PCD AND VAULT	
					NO. OF SHARES	MARKET VALUE	NO. OF SHARES	MARKET VALUE	NO. OF SHARES	MARKET VALUE
AAA	ASIA AMALGATED HOLDINGS CORP	1.61	11,000	17,710.00	-	-	-	-	11,000.00	17,710.00
AB	ATOK-BIG WEDGE CO., INC	5.44	105,340	573,049.60	-	-	-	-	105,340.00	573,049.60
ABA	ABACORE CAPITAL HOLDINGS, INC	0.53	11,229,000	5,951,370.00	-	-	(21,000.00)	(11,130.00)	1,250,000.00	5,962,500.00
ABG	ASIABEST GROUP INTERNATIONAL INC	26.20	41,600	1,089,920.00	-	-	-	-	41,600.00	1,089,920.00
ABS	ABS-CBN CORPORATION	4.20	228,617	960,191.40	-	-	-	-	228,617.00	960,191.40
ABSP	ABS-CBN HOLDINGS PDRS	3.80	31,400	119,320.00	-	-	-	-	31,400.00	119,320.00
AC	AYALA CORPORATION	599.00	73,769	44,187,631.00	-	-	120.00	71,880.00	73,649.00	44,115,751.00
ACE	ACESITE (PHILS) HOTEL CORPORATION	1.78	12,000	21,360.00	-	-	-	-	12,000.00	21,360.00
ACEN	ACEN CORPORATION	4.00	14,848,505	59,394,020.00	8.00	32.00	24,200.00	96,800.00	14,824,313.00	59,297,352.00
ACENA	ACEN - SERIES A PREFERRED SHARES	1,050.00	110	115,500.00	90.00	94,500.00	-	-	200.00	210,000.00
ACENB	ACEN - SERIES B PREFERRED SHARES	1,056.00	3,942	4,162,752.00	18.00	19,008.00	-	-	3,960.00	4,181,760.00
ACTAR	AYALA CORP. CLASS "A" PREFERRED	2,550.00	1,424	3,631,200.00	3.00	7,650.00	-	-	1,427.00	3,638,850.00
ACPB3	AYALA CORP. PREFERRED CLASS B SERIES 3	2,052.00	8,260	16,949,520.00	-	-	-	-	8,260.00	16,949,520.00
ACR	ALSONS CONSOLIDATED RESOURCES INC	0.46	279,000	128,340.00	-	-	-	-	279,000.00	128,340.00
AEV	ABOTTIZ EQUITY VENTURES, INC	34.35	860,580	29,560,923.00	-	-	300.00	10,305.00	860,280.00	29,550,618.00
AGI	ALLIANCE GLOBAL GROUP, INC	9.00	332,700	2,994,300.00	-	-	-	-	332,700.00	2,994,300.00
ALCO	ARTHALAND CORPORATION	0.37	2,004,649	731,696.89	-	-	-	-	2,004,649.00	731,696.89
ALCPF	ARTHALAND CORPORATION PREFERRED SERIES F	490.00	1,340	656,600.00	5,270.00	2,582,300.00	-	-	6,610.00	3,238,900.00
ALHI	ANCHOR LAND HOLDINGS INC.	4.80	28,400	136,320.00	-	-	214,000.00	5,606,800.00	1,554,480.00	136,320.00
ALI	AYALA LAND INC	26.20	1,768,480	46,334,176.00	-	-	-	-	169,226.00	-
ALIP	AYALA LAND PREFERRED	-	169,226	-	-	-	-	-	53,975,830.00	7,178,785.39
ALLDY	ALLDAY MARTS, INC.	0.13	53,975,830	7,178,785.39	-	-	-	-	734,400.00	1,248,480.00
ALLHC	AYALALAND LOGISTICS HOLDINGS CORP	1.70	714,400	1,248,480.00	-	-	-	-	3,154,000.00	3,784,800.00
ALTER	ALTERNERGY HOLDINGS CORPORATION	1.20	3,118,000	3,741,600.00	-	-	(36,000.00)	(43,200.00)	4,942,360.00	2,520,603.60
ANI	AGRINURTURE, INC.	0.51	4,942,360	2,520,603.60	-	-	-	-	45,942.00	628,486.56
ANS	A. SORIANO CORPORATION	13.68	45,942	628,486.56	-	-	-	-	256,100.00	9,654,970.00
AP	ABOTTIZ POWER CORPORATION	37.70	256,100	9,654,970.00	-	-	-	-	1,937,000.00	358,345.00
APC	APC GROUP INC	0.19	1,937,000	388,345.00	-	-	-	-	693,916,600.00	2,775,666.40
APL	APOLLO GLOBAL CAPITAL INC	0.00	694,514,100	2,778,056.40	402,500.00	1,610.00	1,000,000.00	4,000.00	212,564.00	95,653.80
APO	ANGLO PHIL HOLDINGS CORPORATION	0.45	212,564	95,653.80	-	-	-	-	230,146.00	1,914,814.72
APVI	ALTUS PROPERTY VENTURES, INC.	8.32	230,146	1,914,814.72	-	-	-	-	3,512,750.00	12,118,987.50
APX	APEX MINING COMPANY, INC	3.45	3,512,750	12,118,987.50	-	-	-	-	2,953,636,000.00	13,586,725.60
AR	ABRA MINING AND INDUSTRIAL CORP	0.00	2,953,636,000	13,586,725.60	-	-	-	-	450,730.00	229,872.30
ARA	ARANETA PROPERTIES, INC.	0.51	450,730	229,872.30	-	-	(2,300.00)	(87,285.00)	1,022,183.00	38,791,844.85
AREIT	AREIT, INC	37.95	1,019,883	38,791,844.85	-	-	-	-	2,333,000.00	2,402,990.00
ASLAG	RASLAG CORPORATION	1.03	2,333,000	2,402,990.00	-	-	-	-	329,666.00	1,443,937.08
AT	ATLAS CONS. MINING AND DEVT. CORP.	4.38	329,666	1,443,937.08	-	-	-	-	28,232.00	479,944.00
ATI	ASIAN TERMINALS, INC	17.00	28,232	479,944.00	-	-	-	-	2,392,000.00	1,243,840.00
ATN	ATN HOLDINGS INC	0.52	2,322,000	1,207,440.00	70,000.00	36,400.00	-	-	1,590,000.00	826,800.00
ATNB	ATN HOLDINGS-B	0.52	1,590,000	826,800.00	-	-	-	-	5,630.00	346,245.00
AUB	ASIA UNITED BANK CORP	61.50	5,630	346,245.00	-	-	-	-	396,500.00	1,026,935.00
AXLM	AXELUM RESOURCES CORP.	2.59	396,500	1,026,935.00	-	-	-	-	1,830,000.00	658,800.00
BALAI	BALAI NI FRUITAS INC	0.36	1,830,000	658,800.00	-	-	-	-	149,422.00	594,705.34
BC	BENGUET CORPORATION	3.97	199,422	791,705.34	-	-	-	-	50,100.00	197,394.00
BCB	BENGUET CORPORATION B	3.94	100	394.00	-	-	-	-	1,100.00	-
BCC	BACNOTAN CEMENT	-	1,100	-	-	-	-	-	500.00	4,900.00
BCOR	BERJAYA PHILIPPINES INC	9.80	500	4,900.00	-	-	-	-	111,702.00	16,085,088.00
BDO	BANCO DE ORO UNIBANK	144.00	110,388	15,895,872.00	4.00	576.00	(1,310.00)	(188,640.00)	1,569,466.00	2,605,313.56
BEL	BELLE CORPORATION	1.66	1,569,466	2,605,313.56	-	-	-	-	67,320,000.00	4,981,680.00
BHI	BOULEVARD HOLDINGS, INC.	0.07	67,320,000	4,981,680.00	-	-	-	-	453,000.00	448,470.00
BKR	BRIGHT KINDLE RES AND INVESTMENTS	0.99	453,000	448,470.00	-	-	-	-	-	-

BLOOM	BLOOMBERRY RESORTS CORPORATION	4.38	6,698,500	30,679,130.00		-	46,000.00	210,680.00	6,652,500.00	30,468,450.00
BNCOM	BANK OF COMMERCE	6.75	1,307,400	8,824,950.00		-		-	1,307,400.00	8,824,950.00
BPI	BANK OF THE PHILIPPINE ISLANDS	122.00	68,040	8,300,880.00	331.00	-	40,382.00	-	68,371.00	8,341,262.00
BRN	A. BROWN COMPANY	0.56	754,748	422,658.88		-		-	754,748.00	422,658.88
BRNPB	A BROWN COMPANY, INC. SERIES B PREF	92.00	1,250	115,000.00		-		-	1,250.00	115,000.00
BRNPC	A BROWN COMPANY, INC. SERIES C PREF	102.20	3,700	378,140.00	10,800.00	-	1,103,760.00	-	14,500.00	1,481,900.00
BSC	BASIC ENERGY CORPORATION	0.14	23,980,031	3,357,204.34		-		-	23,980,031.00	3,357,204.34
C	CHELSEA LGX AND INFRA HLDGS. CORP.	1.31	3,483,457	4,563,328.67		-		-	3,483,457.00	4,563,328.67
CAL	CALATA CORPORATION	2.04	60,592	123,607.68		-		-	60,592.00	123,607.68
CAT	CENTRAL AZUCARERA DE TARLAC	11.20	18,700	209,440.00		-		-	18,700.00	209,440.00
CBC	CHINA BANKING CORPORATION	63.50	34,260	2,175,510.00	3.00	-	(1,600.00)	(101,600.00)	33,860.00	2,277,110.00
CDC	CITYLAND DEVELOPMENT CORPORATION	0.68	83,295	56,640.60		-		-	83,298.00	56,642.64
CEB	CEBU AIR, INC.	28.25	359,379	10,152,456.75		-		-	368,379.00	10,406,706.75
CEBPC	CEBU AIR, INC. CONVERTIBLE PREF SHS	34.50	11,112	383,364.00		-		-	11,112.00	383,364.00
CEI	CROWN EQUITIES, INC.	0.06	3,431,000	192,136.00		-		-	3,431,000.00	192,136.00
CEU	CENTRO ESCOLAR UNIVERSITY	13.80	6,400	88,320.00		-		-	6,400.00	88,320.00
CHP	CEMEX HOLDINGS PHILIPPINES, INC.	1.78	1,250,208	2,225,370.24		-		-	1,250,208.00	2,225,370.24
CIC	Concepcion Industrial Corporation	13.38	3,380	45,224.40		-		-	3,380.00	45,224.40
CLI	CEBU LANDMASTERS, INC.	2.65	1,415,174	3,750,211.10		-		-	1,415,174.00	3,750,211.10
CLIAI	CEBU LANDMASTERS, INC. PREF. SER. A	1,000.00	190	190,000.00	2,590.00	-	2,590,000.00	-	190,000.00	190,000.00
CLIA2	CEBU LANDMASTERS, INC. PREF. SER. A	1,000.00	12,165	12,165,000.00		-		-	14,755.00	14,755,000.00
CNPF	CENTURY PACIFIC FOOD, INC.	41.95	52,900	2,219,155.00		-		-	52,900.00	2,219,155.00
CNVRG	CONVERGE INFO AND COMM. TECH. SOL. INC.	16.14	2,270,925	36,652,729.50		-	625.00	10,087.50	2,270,300.00	36,642,642.00
COAL	COAL ASIA HOLDINGS INC	0.15	2,679,000	412,566.00		-		-	2,679,000.00	412,566.00
COL	COL FINANCIAL GROUP, INC.	1.65	107,500	177,375.00		-		-	107,500.00	177,375.00
COSCO	COSCO CAPITAL, INC.	5.38	167,735	902,414.30		-		-	167,735.00	902,414.30
CPG	CENTURY PROPERTIES GROUP, INC.	0.42	31,196,132	13,102,375.44		-		-	31,196,132.00	13,102,375.44
CPGPB	CENTURY PROP. GROUP, INC. PREF. B	101.00	29,770	3,006,770.00		-		-	29,770.00	3,006,770.00
CPM	CENTURY PEAK HOLDINGS CORPORATION	2.50	214,000	535,000.00		-		-	214,000.00	535,000.00
CREC	CITICORE RENEWABLE ENERGY CORP.	3.21	853,300	2,739,093.00		-		-	853,300.00	2,739,093.00
CREIT	CITICORE ENERGY REIT CORP.	3.05	9,022,720	27,519,296.00		-		-	9,022,720.00	27,519,296.00
CROWN	CROWN ASIA CHEMICALS CORPORATION	1.71	446,000	762,660.00		-		-	446,000.00	762,660.00
CSB	CITYSTATE SAVINGS BANK, INC.	12.52	131,684,560	1,648,690,691.20	196,100.00	-	2,455,172.00	-	1,880,660.00	1,651,145,863.20
CTS	CTS GLOBAL EQUITY GROUP, INC.	0.65	195,000	126,750.00		-		-	195,000.00	126,750.00
CYBR	CYBER BAY CORPORATION	0.33	4,271,000	1,409,430.00		-		-	4,271,000.00	1,409,430.00
DD	DOUBLE DRAGON CORPORATION	10.20	533,100	5,437,620.00		-	(700.00)	(7,140.00)	533,800.00	5,444,760.00
DDMPR	DDMP REIT, INC.	1.03	12,515,567	12,891,034.01		-	19,000.00	19,570.00	12,496,567.00	12,871,464.01
DDPR	DOUBLE DRAGON PROP. PERPETUAL PREF	97.20	354,410	34,448,652.00		-		-	354,410.00	34,448,652.00
DELM	DEL MONTE PACIFIC LIMITED	3.90	125,201	488,283.90		-		-	125,201.00	488,283.90
DFNN	DFNN, INC.	2.85	197,700	563,445.00		-		-	197,700.00	563,445.00
DGTL	DIGITAL TELECOM PHILS	1.45	7,110	10,309.50		-		-	7,110.00	10,309.50
DHI	DOMINION HOLDINGS, INC.	1.60	217,795	348,472.00		-		-	217,795.00	348,472.00
DITO	DITO CME HOLDINGS CORPORATION	1.64	26,866,057	44,060,333.48		-	(380,000.00)	(623,200.00)	27,246,057.00	44,683,533.48
DIZ	DIZON COPPER-SILVER MINES, INC.	2.03	13,025	26,440.75		-		-	13,025.00	26,440.75
DMC	DMCI HOLDINGS, INC.	10.82	1,633,900	17,678,798.00		-	(36,800.00)	(398,176.00)	1,670,700.00	18,076,974.00
DMW	DM WENCESLAO AND ASSOCIATES INC	5.52	46,900	258,888.00		-		-	46,900.00	258,888.00
DNL	D AND L INDUSTRIES, INC.	6.09	737,600	4,491,984.00		-		-	737,600.00	4,491,984.00
DWC	DISCOVERY WORLD CORPORATION	1.12	1,240,662	1,389,541.44		-		-	1,240,662.00	1,389,541.44
EAGLE	EAGLE CEMENT CORPORATION	17.00	1,000	17,000.00		-		-	1,000.00	17,000.00
ECP	EASYPAC COMMUNICATIONS PHILS, INC.	2.21	19,000	41,990.00		-		-	19,000.00	41,990.00
ECVC	EAST COAST VULCAN MINING CORP	0.31	2,194,000	680,140.00		-		-	2,194,000.00	680,140.00
EEL	EEL CORPORATION	3.60	708,300	2,549,880.00		-		-	708,300.00	2,549,880.00
EG	IP E-GAME VENTURES, INC.	0.01	25,000,000	235,000.00		-		-	25,000,000.00	235,000.00
EIBA	EXPORT AND INDUSTRY BANK, INC.	0.23	130,000	29,250.00		-		-	130,000.00	29,250.00
ELI	EMPIRE EAST LAND HOLDINGS, INC.	0.12	1,570,224	188,426.88		-		-	1,570,224.00	188,426.88
EMI	EMPERADOR INC.	18.06	30,500	550,830.00		-		-	30,500.00	550,830.00
ENEX	ENEX ENERGY CORP	5.00	992,958	4,964,790.00		-	400.00	2,000.00	992,558.00	4,962,790.00

EURO	EUROMED LABORATORIES PHIL., INC.	0.82	450,000	369,000.00	-	-	-	450,000.00	369,000.00
EVER	EVER-GOTESCO RESOURCES AND HLDGS.	0.26	4,534,000	1,156,170.00	-	-	-	4,534,000.00	1,156,170.00
EW	EAST WEST BANKING CORPORATION	9.85	315,160	3,104,326.00	-	-	-	315,160.00	3,104,326.00
FAF	FIRST ABACUS FINCL. HLDGS CORP	0.65	1,000	650.00	-	-	-	1,000.00	650.00
FB	SAN MIGUEL FOOD AND BEVERAGE, INC.	52.75	20,045	1,057,373.75	-	-	-	20,045.00	1,057,373.75
FCG	FIGARO CULINARY GROUP, INC.	0.86	5,250,000	4,515,000.00	-	-	99,000.00	5,151,000.00	4,429,860.00
FDC	FINVEST DEVELOPMENT CORPORATION	4.94	165,526	817,698.44	-	-	-	165,526.00	817,698.44
FERRO	FERRONUX HOLDINGS, INC.	5.35	101,700	544,095.00	-	-	-	101,700.00	544,095.00
FEU	FAR EASTERN UNIVERSITY, INCORPORATED	735.00	60	44,100.00	-	-	-	60.00	44,100.00
FFI	FILIPINO FUND, INC.	5.87	5,459	32,044.33	-	-	-	5,459.00	32,044.33
FCEN	FIRST GEN CORPORATION	16.12	421,900	6,801,028.00	-	-	2,200.00	419,700.00	6,765,564.00
FILRT	FILINVEST REIT, CORP	2.95	5,335,901	15,740,907.95	-	-	-	5,335,901.00	15,740,907.95
FLI	FILINVEST LAND, INC.	0.73	2,469,520	1,802,749.60	-	-	46,000.00	2,423,520.00	1,769,169.60
FMETE	FIRSTMETRO EXCHANGE TRADED FUND	105.60	62,650	6,615,840.00	-	-	-	62,650.00	6,615,840.00
FNI	GLOBAL FERRONICKEL HOLDINGS, INC.	1.04	1,621,245	1,686,094.80	-	-	(64,000.00)	1,685,245.00	1,752,654.80
FOOD	ALLIANCE SELECT FOOD INTL, INC.	0.38	1,093,000	415,340.00	-	-	-	1,093,000.00	415,340.00
FPH	FIRST PHILIPPINE HOLDINGS CORP	59.00	4,004	236,236.00	-	-	-	4,004.00	236,236.00
FPI	FORUM PACIFIC, INC.	0.25	1,037,000	255,102.00	-	-	-	1,037,000.00	255,102.00
FRUIT	FRUITAS HOLDINGS, INC.	0.64	6,228,000	3,985,920.00	-	-	56,000.00	6,172,000.00	3,950,080.00
GEO	GEOGRACE RESOURCES PHILS., INC.	0.09	1,348,138	118,636.14	-	-	-	1,348,138.00	118,636.14
GERI	GLOBAL-ESTATE RESORTS, INC.	0.64	14,052	8,993.28	-	-	-	14,052.00	8,993.28
GLO	GLOBE TELECOM, INC.	2,184.00	13,096	28,601,664.00	-	-	50.00	13,046.00	28,492,464.00
GMA7	GMA NETWORK, INC.	6.11	1,607,200	9,819,992.00	-	-	(4,000.00)	1,611,200.00	9,844,432.00
GMAP	GMA HOLDINGS, INC. (PDR)	6.26	12,900	80,754.00	-	-	-	12,900.00	80,754.00
GREEN	GREENEY HOLDINGS INCORPORATED	0.19	13,624,701	2,588,693.19	-	-	-	13,640,101.00	2,591,619.19
GSMI	GINEBRA SAN MIGUEL, INC.	275.00	44,820	12,325,500.00	-	-	(330.00)	45,150.00	12,416,250.00
GT CAP	GT CAPITAL HOLDINGS, INC.	658.00	24,612	16,194,696.00	-	-	(20.00)	24,632.00	16,207,856.00
GTPPB	GT CAPITAL HLDGS PREF SHS SERIES B	990.00	10	9,900.00	-	-	-	10.00	9,900.00
HI	HOUSE OF INVESTMENTS, INC.	3.38	38,000	128,440.00	-	-	-	38,000.00	128,440.00
HLCM	HOLCIM PHILIPPINES, INC.	3.87	1,738	6,726.06	-	-	-	1,738.00	6,726.06
HOME	ALLHOME CORP	0.64	4,807,900	3,077,056.00	-	-	-	4,807,900.00	3,077,056.00
HOUSE	8990 HOLDINGS INC	9.09	525,200	4,774,068.00	-	-	-	525,200.00	4,774,068.00
HTI	HAUS TALK, INC.	1.05	58,197,000	61,106,850.00	-	-	30,000.00	61,136,850.00	65,905,350.00
HVN	GOLDEN MV HOLDINGS, INC.	2,250.00	45	101,250.00	-	-	-	45.00	101,250.00
I	I-REMIT, INC.	0.23	135,000	31,455.00	-	-	-	135,000.00	31,455.00
ICT	INTERNATIONAL CONTAINER SERVICES IN	386.00	32,915	12,705,190.00	-	-	400.00	32,515.00	12,550,790.00
IDC	ITALPINAS DEVELOPMENT CORPORATION	1.30	5,309,748	6,902,672.40	-	-	-	5,309,748.00	6,902,672.40
IMI	INTEGRATED MICRO-ELECTRONICS, INC.	1.49	807,600	1,203,324.00	-	-	-	807,600.00	1,203,324.00
IMP	IMPERIAL RESOURCES, INC.	0.63	279,000	175,770.00	-	-	-	279,000.00	175,770.00
INFRA	PHILIPPINE INFRADEV HOLDINGS INC.	0.30	1,768,000	530,400.00	-	-	-	1,768,000.00	530,400.00
ION	IONICS, INC.	0.84	1,242,150	1,043,406.00	-	-	-	1,242,150.00	1,043,406.00
IPM	IPM HOLDINGS, INC.	3.00	100	300.00	-	-	-	100.00	300.00
IPO	IPEOPLE, INC.	6.79	17,500	118,825.00	-	-	(300.00)	17,800.00	120,862.00
IS	ISLAND INFORMATION AND TECH, INC.	0.14	3,990,000	574,560.00	-	-	-	3,990,000.00	574,560.00
JFC	JOLIBEE FOODS CORPORATION	269.00	98,599	26,523,131.00	-	-	(640.00)	99,239.00	26,695,291.00
JFCPB	JOLIBEE FOODS CORP. SERIES B PREF.	984.00	7,840	7,714,560.00	-	-	-	7,840.00	7,714,560.00
JGS	JG SUMMIT HOLDINGS, INC.	20.55	1,084,522	22,286,927.10	-	-	(1,010.00)	1,085,532.00	22,307,682.60
JOH	JOLLIVILLE HOLDINGS CORPORATION	6.79	3,000	20,370.00	-	-	-	3,000.00	20,370.00
KEEPR	THE KEEPER'S HOLDINGS, INC.	2.23	2,877,192	6,416,138.16	-	-	(81,000.00)	2,958,192.00	6,596,768.16
KEP	KEPPEL PHILIPPINES PROPERTIES, INC.	2.79	39,148	109,222.92	-	-	-	39,148.00	109,222.92
KPM	SEATRUM PHILIPPINES MARINE INC	3.00	542	1,626.00	-	-	-	542.00	1,626.00
KPPI	KEPWEALTH PROPERTY PHILS., INC.	1.26	68,700	86,562.00	-	-	-	68,700.00	86,562.00
LAND	CITY AND LAND DEVELOPERS, INC.	0.68	1,241,350	844,118.00	5.00	3.40	-	1,241,355.00	844,121.40
LBC	LBC EXPRESS HOLDINGS, INC.	11.82	100	1,182.00	-	-	-	100.00	1,182.00
LC	LEPANTO CONSOLIDATED MINING CO.	0.07	3,340,561	223,817.59	-	-	-	2,270,561.00	152,127.59
LCB	LEPANTO CONSOLIDATED MINING CO. B	0.07	2,393,541	160,367.25	-	-	-	3,463,541.00	232,057.25
LFM	LIBERTY FLOUR MILLS, INC.	17.92	420	7,526.40	-	-	-	420.00	7,526.40

LIB	LIBERTY TELECOMS	1.56	8,000	12,480.00		-	-	8,000.00	12,480.00
LODE	LODESTAR INVESTMENT HOLDING CORP.	0.28	1,057,000	295,960.00		-	-	1,057,000.00	295,960.00
LOTO	PACIFIC ONLINE SYSTEMS CORPORATION	2.65	266,000	704,900.00		-	-	266,000.00	704,900.00
LPC	LPM PROPERTIES CORPORATION	0.05	1,800,490	82,822.54		-	-	1,800,490.00	82,822.54
LPZ	LOPEZ HOLDINGS CORPORATION	2.70	191,440	516,888.00		-	-	191,440.00	516,888.00
LRC	LRC		10,000,000	-		-	-	10,000,000.00	-
LSC	LORENZO SHIPPING CORPORATION	0.86	720,000	619,200.00		-	-	720,000.00	619,200.00
LITG	LT GROUP, INC.	10.30	3,478,501	36,524,260.50		-	3,900.00	3,474,601.00	36,483,310.50
MAB	MANILA MINING CORPORATION	0.00	235,515,595	706,546.79		-	-	235,515,595.00	706,246.79
MAB	MANILA MINING CORPORATION B	0.00	67,451,888	202,355.66		-	-	67,451,888.00	202,655.66
MAC	MACROASIA CORPORATION	5.44	1,297,730	7,059,651.20		-	-	1,297,730.00	7,059,651.20
MACAY	MACAY HOLDINGS, INC.	7.52	24,000	180,480.00		-	-	24,000.00	180,480.00
MAH	METRO ALLIANCE HLDGS. AND EQUITIES	0.83	533,000	442,390.00		-	-	532,000.00	441,710.00
MAHB	METRO ALLIANCE HLDGS. AND EQ. - B	0.68	3,000	2,040.00		-	-	4,000.00	2,720.00
MARC	MARCVENTURES HOLDINGS, INC.	0.75	4,175,910	3,131,932.50		-	(15,000.00)	4,190,910.00	3,143,182.50
MAXS	MAX GROUP, INC.	2.67	1,038,700	2,773,329.00		-	-	1,038,700.00	2,773,329.00
MB	MANILA BULLETIN PUBLISHING CORP.	0.19	45,007	8,461.32		-	-	45,007.00	8,461.32
MBC	MANILA BROADCASTING COMPANY	6.40	200	1,280.00		-	-	200.00	1,280.00
MBT	METROPOLITAN BANK AND TRUST COMPAN	72.00	125,587	9,042,264.00	472.00	33,984.00	1,030.00	125,029.00	9,002,088.00
MED	MEDCO HOLDINGS, INC.	0.12	50,000	6,000.00		-	-	50,000.00	6,000.00
MEDIC	MEDILINES DISTRIBUTORS INCORPORATED	0.31	506,000	156,860.00		-	-	506,000.00	156,860.00
MEG	MEGAWORLD CORPORATION	2.05	7,667,702	15,718,789.10		-	(30,000.00)	7,667,702.00	15,780,289.10
MER	MANILA ELECTRIC COMPANY	488.00	18,419	8,988,472.00		-	(50.00)	18,469.00	9,012,872.00
MFC	MANULIFE FINANCIAL CORPORATION	1,760.00	66	116,160.00		-	-	66.00	116,160.00
MG	MILLENNIUM GLOBAL HOLDINGS, INC.	0.09	6,376,697	599,409.52		-	-	6,376,697.00	599,409.52
MGH	METRO GLOBAL HOLDINGS CORPORATION		9,500	-		-	-	9,500.00	-
MHC	MABUHAY HOLDINGS CORPORATION	0.16	1,301,000	209,461.00		-	-	1,301,000.00	209,461.00
MIC	MANILA JOCKEY CLUB, INC.	1.27	416,077	528,417.79		-	-	416,077.00	528,417.79
MJC	MJC INVESTMENTS CORPORATION	1.00	3,700	3,700.00		-	-	3,700.00	3,700.00
MM	MERRYMAST CONSUMER CORPORATION	0.60	9,332,091	5,599,254.60		-	-	9,332,091.00	5,563,254.60
MON	MONDRAGON INTL.	0.14	111,430	15,600.20		-	-	111,430.00	15,600.20
MONDE	MONDE NISSIN CORPORATION	8.60	967,600	8,321,360.00		-	-	967,600.00	8,145,920.00
MRC	MRC ALLIED, INC.	0.84	4,730,538	3,973,651.92		-	-	4,730,538.00	4,250,851.92
MREIT	MREIT, INC.	13.34	2,366,600	31,570,444.00		-	-	2,366,600.00	31,521,086.00
MRSGI	METRO RETAIL STORES GROUP, INC.	1.20	1,173,000	1,407,600.00		-	-	1,173,000.00	1,407,600.00
MWC	MANILA WATER COMPANY, INC.	27.00	1,005,800	27,156,600.00		-	(5,000.00)	1,010,800.00	27,291,600.00
MWIDE	MEGAWIDE CONSTRUCTION CORPORATION	2.43	2,522,775	6,130,343.25		-	(29,000.00)	2,551,775.00	6,200,813.25
MWPS	MEGAWIDE CONS. CORP. SERIES 5 PREF.	100.80	7,180	723,744.00		-	-	7,180.00	723,744.00
NI	NIHAO MINERAL RESOURCES INTL., INC.	0.39	360,000	138,600.00		-	-	360,000.00	138,600.00
NIKL	NICKEL ASIA CORPORATION	3.49	1,851,060	6,460,199.40		-	-	1,851,060.00	6,407,849.40
NOW	NOW CORPORATION	0.59	7,828,501	4,618,815.59		-	-	7,828,501.00	4,618,815.59
NRCP	NATIONAL REINSURANCE CORP OF THE PH	0.69	1,845,600	1,273,464.00		-	-	1,845,600.00	1,273,464.00
NXGEN	NEXTGENESIS CORPORATION		1,850	-		-	-	1,850.00	-
OGP	OCEANAGOLD (PHILIPPINES), INC.	14.02	1,768,900	24,799,978.00	425,700.00	5,968,314.00	11,200.00	2,183,400.00	30,611,268.00
OM	OMICO CORPORATION	0.13	2,047,667	272,339.71		-	-	2,047,667.00	272,339.71
OPM	ORIENTAL PET. AND MINERALS CORP.	0.01	234,249,212	1,733,444.17		-	-	214,095,212.00	1,731,944.17
OPMB	ORIENTAL PET. AND MINERALS CORP. B	0.01	32,433,329	243,249.97		-	-	32,633,329.00	244,749.97
ORE	ORIENTAL PENINSULA RES. GROUP, INC.	0.44	430,000	189,200.00		-	-	430,000.00	189,200.00
OY	THE PHILODRILL CORPORATION	0.01	155,302,300	1,164,767.25		-	-	155,302,300.00	1,164,767.25
PA	PACIFICA HOLDINGS, INC.	1.60	102,750	164,400.00		-	-	102,750.00	164,400.00
PAL	PAL HOLDINGS, INC.	4.95	19,800	98,010.00		-	-	19,800.00	98,010.00
PAX	PAXYS, INC.	1.70	18,000	30,600.00		-	-	18,000.00	30,600.00
PBB	PHILIPPINE BUSINESS BANK	9.70	7,019	68,084.30		-	-	7,019.00	68,084.30
PCEV	PLDT COMM & ENERGY	2.80	3,100	8,680.00		-	-	3,100.00	8,680.00
PCEV-C	PLDT COMM & ENERGY -C		150	-		-	-	150.00	-
PCOR	PETRON CORPORATION	2.43	1,448,017	3,518,681.31		-	1,815.00	1,446,202.00	3,514,270.86
PCP	PICOP RESOURCES, INC.	0.41	40,000	16,400.00		-	-	40,000.00	16,400.00

PERC	PETROENERGY RESOURCES CORPORATION	3.45	187,028	645,246.60		-	-	(1,300.00)	-	-	187,028.00	645,246.60
PGOLD	PUREGOLD PRICE CLUB, INC.	30.85	232,470	7,171,699.50		-	-	(20,000.00)	-	-	232,470.00	7,211,804.50
PHA	PREMIERE HORIZON ALLIANCE CORP.	0.17	16,317.137	2,839,181.84		-	-	(3,480.00)	-	-	16,317.137	2,842,661.84
PHES	PHILIPPINE ESTATES CORPORATION	0.26	1,588,000	404,940.00		-	-	-	-	-	1,588,000.00	404,940.00
PHN	PHINMA CORPORATION	19.00	36,800	699,200.00		-	-	-	-	-	36,800.00	699,200.00
PHR	PH RESORTS GROUP HOLDINGS, INC.	0.54	11,532,900	6,227,766.00		-	-	-	-	-	11,532,900.00	6,227,766.00
PIZZA	SHAKEYS PIZZA ASIA VENTURES, INC.	7.59	14,400	115,056.00		-	-	-	-	-	14,400.00	115,056.00
PLC	PREMIUM LEISURE CORPORATION	0.71	20,000	14,200.00		-	-	(60,600.00)	-	-	20,000.00	14,200.00
PLUS	DIGIPLUS INTERACTIVE CORP	27.15	2,887,455	78,394,403.25		-	-	(1,645,290.00)	-	-	2,948,055.00	80,039,693.25
PMPIC	PANASONIC MNFNG PHILS CORPORATION	5.48	1,900	10,412.00		-	-	-	-	-	1,900.00	10,412.00
PMT	PRIMETOWN PROPERTY GROUP, INC.	0.37	800	296.00		-	-	-	-	-	800.00	296.00
PNB	PHILIPPINE NATIONAL BANK	27.79	125,461	3,475,269.70	411.00	-	11,384.70	-	-	-	125,872.00	3,486,654.40
PNC	PHIL NATIONAL CONSTRUCTION CORP	2.95	3,000	8,850.00		-	-	-	-	-	3,000.00	8,850.00
PNX	PHOENIX PETROLEUM PHILIPPINES, INC.	4.17	220,937	921,307.29		-	-	-	-	-	220,937.00	921,307.29
PNX3B	PHOENIX PETROLEUM PHILS INC SER. B	24.95	12,140	302,893.00		-	-	-	-	-	12,140.00	302,893.00
PNX4	PHOENIX PETROLEUM PHILS INC SER. 4	177.90	1,710	304,209.00		-	-	-	-	-	1,710.00	304,209.00
PPC	PHYCE CORPORATION	10.68	46,050	491,814.00		-	-	-	-	-	46,050.00	491,814.00
PPI	PHIL TOWN PROPERTIES INC.		43,482	-		-	-	-	-	-	43,482.00	-
PREIT	PREMIERE ISLAND POWER REIT CORPORAT	2.21	302,000	667,420.00		-	-	-	-	-	302,000.00	667,420.00
PRF3B	PETRON CORP. PER PREF SHS SERIES 3B	1,030.00	7,780	8,013,400.00		-	-	-	-	-	7,780.00	8,013,400.00
PRF4A	PETRON CORP. PER PREF SHS SERIES 4A	1,005.00	200	201,000.00		-	-	-	-	-	200.00	201,000.00
PRF4B	PETRON CORP. PER PREF SHS SERIES 4B	1,020.00	300	306,000.00		-	-	-	-	-	300.00	306,000.00
PRF4C	PETRON CORP. PER PREF SHS SERIES 4C	1,043.00	1,740	1,814,820.00		-	-	-	-	-	1,740.00	1,814,820.00
PRF4D	PETRON CORPORATION SERIES 4D PREFER	1,050.00	250	262,500.00	1,750.00	-	1,837,500.00	-	-	-	2,000.00	2,100,000.00
PRF4E	PETRON CORPORATION SERIES 4E PREFER	1,050.00	36,000	37,800,000.00	1,000.00	-	1,050,000.00	-	-	-	37,000.00	38,850,000.00
PRIM	PRIME MEDIA HOLDINGS, INC.	2.13	949,000	2,021,370.00		-	-	-	-	-	949,000.00	2,021,370.00
PRMX	PRIMEX CORPORATION	1.81	513,000	928,530.00		-	-	93,000.00	-	-	420,000.00	760,200.00
PSB	PHILIPPINE SAVINGS BANK	58.20	2,102	122,336.40		-	-	-	-	-	2,102.00	122,336.40
PSE	THE PHILIPPINE STOCK EXCHANGE, INC.	164.00	2,520	413,280.00	237,020.00	-	38,871,280.00	-	-	-	239,440.00	39,268,160.00
PTT	PT AND T CORPORATION	0.33	1,703,660	562,207.80		-	-	-	-	-	1,703,660.00	562,207.80
PX	PHILEX MINING CORPORATION	2.78	1,624,577	4,532,569.83		-	-	(79,000.00)	-	-	1,703,577.00	4,752,979.83
PXP	PXP ENERGY CORPORATION	2.87	406,807	1,167,536.09		-	-	-	-	-	406,807.00	1,167,536.09
RCB	RIZAL COMMERCIAL BANKING CORP.	23.85	13,900	331,515.00		-	-	-	-	-	13,900.00	331,515.00
RCI	ROXAS AND COMPANY INC	2.72	263,000	715,360.00		-	-	-	-	-	263,000.00	715,360.00
RCR	RL COMMERCIAL REIT, INC.	5.85	5,455,100	31,912,335.00		-	-	600.00	-	-	5,454,500.00	31,908,825.00
REDC	REPOWER ENERGY DEVT CORPORATION	5.10	53,000	270,300.00		-	-	-	-	-	53,000.00	270,300.00
REG	REPUBLIC GLASS HOLDINGS CORPORATION	2.75	9,500	26,125.00		-	-	-	-	-	9,500.00	26,125.00
RFM	RFM CORPORATION	3.87	468,364	1,812,568.68		-	-	-	-	-	468,364.00	1,812,568.68
RLC	ROBINSONS LAND CORP	13.30	1,407,014	18,713,286.20		-	-	1,000.00	-	-	1,406,014.00	18,699,986.20
RPC	PHILIPPINE REALTY AND HOLDINGS CORP	0.12	1,092,969	131,156.28		-	-	-	-	-	1,092,969.00	131,156.28
ROCK	ROCKWELL LAND CORPORATION	1.51	42,703	64,481.53	2.00	-	3.02	-	-	-	42,705.00	64,484.55
RPH	REYNOLDS PHILIPPINES	0.15	18,855	2,828.25		-	-	-	-	-	18,855.00	2,828.25
RRHI	ROBINSONS RETAIL HOLDINGS	36.00	553,220	19,915,920.00		-	-	(300.00)	-	-	553,520.00	19,926,720.00
RWM	TRAVELLERS INTL HOTEL GROUP, INC.	5.42	1,800	9,756.00		-	-	-	-	-	1,800.00	9,756.00
SBS	SBS PHILIPPINES CORPORATION	4.95	21,900	108,405.00		-	-	-	-	-	21,900.00	108,405.00
SCC	SEMIKARA MINING AND POWER CORP	34.90	1,716,244	59,896,915.60		-	-	(900.00)	-	-	1,717,144.00	59,928,325.60
SECB	SECURITY BANK CORPORATION	87.00	399,099	34,721,613.00		-	-	(790.00)	-	-	399,889.00	34,790,343.00
SEVN	PHILIPPINE SEVEN CORPORATION	67.80	74,330	5,039,574.00		-	-	-	-	-	74,330.00	5,039,574.00
SFI	SWIFT FOODS, INC.	0.06	3,949,348	229,062.18		-	-	-	-	-	3,949,348.00	229,062.18
SFP	SWIFT FOODS, INC. PREFERRED	1.68	12,340	20,731.20		-	-	-	-	-	12,340.00	20,731.20
SGI	SOLID GROUP, INC.	1.03	62,000	63,860.00		-	-	-	-	-	62,000.00	63,860.00
SGP	SYNERGY GRID AND DEVT PHILS, INC.	9.86	1,710,180	16,759,764.00		-	-	21,600.00	-	-	1,688,580.00	16,548,084.00
SHLP	PHILIPINAS SHELL PETROLEUM CORP	7.50	99,400	745,500.00		-	-	-	-	-	99,400.00	745,500.00
SHNG	SHANG PROPERTIES, INC.	3.94	114,165	449,810.10		-	-	-	-	-	114,165.00	449,810.10
SIF	SUN LIFE FINANCIAL INC.	3,028.00	26	78,728.00		-	-	-	-	-	26.00	78,728.00
SII	STA. LUCIA LAND, INC.	2.90	208,000	603,200.00		-	-	-	-	-	208,000.00	603,200.00
SM	SM INVESTMENTS CORPORATION	899.00	27,155	24,412,345.00		-	-	-	-	-	27,155.00	24,412,345.00

