



# SECURITIES AND EXCHANGE COMMISSION

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## Company Information

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**SEC Registration No.:** CS201520287

**Company Name:** VC SECURITIES CORPORATION

**Industry Classification:** J68120

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10528202583424681

**Document Type:** Financial Statement

**Document Code:** FS

**Period Covered:** January 31, 2025

**Submission Type:** Annual

**Remarks:** None

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



VC Securities (Inquiries) &lt;info@vcsecurities.biz&gt;

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Transaction Code: **AFS-0-7CFDFEKG0MWTSV132MWQRSVTN03QMRYS2V**Submission Date/Time: **May 28, 2025 07:33 PM**Company TIN: **009-148-639**

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**COVER SHEET**  
for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

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Company Name

V	C		S	E	C	U	R	I	T	I	E	S		C	O	R	P	O	R	A	T	I	O	N		

Principal Office (No./Street/Barangay/City/Town/Province)

6	F		W	I	L	S	O	N		C	O	R	P	O	R	A	T	E		C	E	N	T	E	R		
2	2	5		W	I	L	S	O	N		S	T		G	R	E	E	N		H	I	L	L	S			
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Form Type

A	A	F	S
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Department requiring the report

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Secondary License Type, If applicable

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**COMPANY INFORMATION**

Company's Email Address

info@vcsecurities.biz

Company's Telephone Number's

8633-9987

Mobile Number

No. of Stockholders

9

Annual Meeting (Month/Day)

4<sup>th</sup> Saturday of January

Fiscal Year(Month/Day)

0 1 / 3 1

**CONTACT PERSON INFORMATION**

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Wilhelmino G. Agregado

Email Address

[info@vcsecurities.biz](mailto:info@vcsecurities.biz)

Telephone Number/s

8856-3649

Mobile Number

Contact Person's Address

6/F Wilson Corporate Center, 225 Wilson Street, Greenhills, San Juan City

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

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

**VC SECURITIES CORPORATION**  
**FINANCIAL STATEMENTS**  
**JANUARY 31, 2025**

**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 of the Revised Securities Act.

Report of the Period Beginning February 1, 2024 to January 1, 2025

**IDENTIFICATION OF BROKER OR DEALER**

Name of Broker/Dealer:	VC SECURITIES CORPORATION
Address of Principal Place of Business:	6th Flr. Wilson Corporate Center, 225 Wilson St., Greenhills, San Juan City Metro Manila, Philippines 1990
Name and Phone Number of persons to Contact in Regards to this Report:	
Name: Julie L. Ang	Tel. No. 8633-9987

**IDENTIFICATION OF ACCOUNTANT**

Name of Independent Certified Public Accountants whose opinion is contained in this report:		
Name: TEODORO SANTAMARIA AND CO.	Fax No. 8812-4202	
Address: Suite 2108 Cityland 10 Tower 1, 156 H.V. Dela Costa Street, Salcedo Village Makati City		
CPA Certificate Number: 7468	Valid until June 5, 2026	
SEC Accreditation No. 7468-SEC	Valid until: 2025	
PTR Number: 10487187	Date Issued: January 17, 2025	



**VC SECURITIES CORPORATION**

www.vcsecurities.biz

**STATEMENT OF MANAGEMENT RESPONSIBILITY  
FOR THE FINANCIAL STATEMENTS**

**SECURITIES AND EXCHANGE COMMISSION**

Philippine International Convention Center  
Pasay City


The Management of VC Securities (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the fiscal year ended January 31, 2025 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 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 auditors 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, has expressed its opinion on the fairness of presentation upon completion of such audit.



**WILLIAM S. CO**  
Chairman of the Board



**WILHELMINO G. AGREGADO**  
President



**VIVIEN CATHERINE L. CO**  
Treasurer

Signed this 13th day of May, 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  
Tel : (632) 8812 - 4202  
(632) 8553 - 4845  
Email: tscocpas@gmail.com

**Trust Service Commitment**

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

**The Board of Directors and Stockholders**

**VC Securities Corporation**

6<sup>th</sup> Floor Wilson Corporate Center  
225 Wilson Street, Greenhills  
San Juan City, Metro Manila

We have audited the financial statements of **VC Securities Corporation** as at and for the fiscal year ended January 31, 2025 on which we have rendered the attached report dated May 13, 2025.

In compliance with Revised SRC Rule 68 we are stating that the above Company has a total number of nine (9) shareholders, seven (7) 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/PRC Registration No. 5593 (Firm)

Valid until September 26, 2027

BOA/PRC Registration 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

May 13, 2025

Makati City, Philippines



**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**

**Report of Independent Auditors**

**The Board of Directors and Stockholders**

**VC Securities Corporation**

6<sup>th</sup> Floor Wilson Corporate Center

225 Wilson Street, Greenhills

San Juan City, Metro Manila

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

**Opinion**

We have audited the accompanying financial statements of **VC Securities Corporation**, which comprise the statement of financial position as at **January 31, 2025 and 2024**, and the related statement of comprehensive income, statement of changes in equity, and statement of cash flows for the fiscal years then ended, and a summary of material 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 January 31, 2025 and 2024, and its financial performance and its cash flows for the fiscal years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

**Basis for Opinion**

We conducted our audit 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 audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 27 of the Notes to Financial Statements is presented for the purpose 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 audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in the attached Schedules 1 to 8 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 material respects in relation to the basic financial statements taken as a whole.

**TEODORO SANTAMARIA AND CO.**



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

Partner

CPA License No. 007468

Valid until June 5, 2026

BOA/PRC Registration No. 5593 (Firm)

Valid until September 26, 2027

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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

May 13, 2025

Makati City, Philippines

**VC SECURITIES CORPORATION**

**STATEMENT OF FINANCIAL POSITION**

	Notes	January 31		Market Value of Securities			
		2025	2024	January 31, 2025		January 31, 2024	
				Long	Short	Long	Short
(In Philippine Peso)							
<u>Assets</u>							
<b>Current assets</b>							
Cash and cash equivalents	7	439,251,677	343,195,498				
Trade receivables	8	15,838,142	5,295,026	341,281,476			
Financial assets at fair value							
through profit or loss	9	155,642,237	166,554,110	155,642,237		166,554,110	
Other current assets	10	7,120,910	25,686,254				
Total current assets		617,852,966	540,730,888				
<b>Non-current assets</b>							
Property and equipment, net	12	4,044,092	5,461,494				
Refundable deposit	13	20,022	20,022				
Deferred tax asset	24	10,216,470	5,749,467				
Total non-current assets		14,280,584	11,230,983				
<b>Total assets</b>		<b>632,133,550</b>	<b>551,961,871</b>				
Securities							
In box, with Philippine Depository and Trust Corp., transfer offices and clearing house				2,695,273,188		2,814,251,072	
- forward -							

	Notes	Market Value of Securities					
		January 31		January 31, 2025		January 31, 2024	
		2025	2024	Long	Short	Long	Short
- brought forward -		(In Philippine Peso)					
<b>Liabilities and Equity</b>							
<b>Current liabilities</b>							
Trade payables	14	263,147,247	204,574,683	2,198,349,476		2,647,696,962	
Loans payable-current portion	16,25	-	-				
Other current liabilities	15	5,779,115	6,633,432				
Total current liabilities		268,926,363	211,208,115				
<b>Non-current liability</b>							
Loans payable	16,25	98,500,000	83,500,000				
Deposit for future subscription	17	120,000,000	120,000,000				
Total non-current liabilities		218,500,000	203,500,000				
Total liabilities		487,426,363	414,708,115				
<b>Equity</b>							
Share capital	17	110,000,000	110,000,000				
Retained earnings							
Unappropriated	18	30,835,747	24,127,658				
Appropriated	18	3,871,440	3,126,097				
Total equity		144,707,187	137,253,756				
<b>Total liabilities and equity</b>		<b>632,133,550</b>	<b>551,961,871</b>	<b>2,695,273,188</b>	<b>2,695,273,188</b>	<b>2,814,251,072</b>	<b>2,814,251,072</b>

See accompanying notes to financial statements.

**VC SECURITIES CORPORATION**

**STATEMENT OF COMPREHENSIVE INCOME**

		<b>For the years ended January 31</b>	
	Notes	<b>2025</b>	<b>2024</b>
		<b>(In Philippine Peso)</b>	
Revenues			
Commission income	19	<b>6,213,254</b>	7,367,729
Other revenues	19	<b>5,996,199</b>	12,217,931
Total revenues		<b>12,209,454</b>	19,585,660
Cost of services	20	<b>(2,982,180)</b>	(2,568,160)
Gross income		<b>9,227,273</b>	17,017,500
Operating expenses	22	<b>(10,650,194)</b>	(11,678,019)
Operating (losses)/ income		<b>(1,422,921)</b>	5,339,481
Other income/(losses)	21	<b>6,230,571</b>	(6,395,810)
Profit/ (loss) before income tax		<b>4,807,650</b>	(1,056,328)
Income tax benefit	24	<b>2,645,782</b>	4,296,374
Net profit		<b>7,453,432</b>	3,240,045
Other comprehensive income		-	-
Total comprehensive income		<b>7,453,432</b>	3,240,045
Earnings per share	23	<b>0.068</b>	0.029

See accompanying notes to financial statements.



**VC SECURITIES CORPORATION**

**STATEMENT OF CHANGES IN EQUITY**

(In Philippine Peso)

	<b>Share capital</b> (Note 17)	<b>Retained earnings</b>		<b>Total</b>
		<b>Unappropriated</b> (Note 18)	<b>Appropriated</b>	
Balances as of January 31, 2023	110,000,000	20,960,752	2,802,092	133,762,845
Total comprehensive income	-	3,240,045	-	3,240,045
Prior year adjustment	-	250,866	-	250,866
Appropriation	-	(324,005)	324,005	-
Balances as of January 31, 2024	110,000,000	24,127,658	3,126,097	137,253,756
Total comprehensive income	-	7,453,432	-	7,453,432
Appropriation	-	(745,343)	745,343	-
<b>Balances as of January 31, 2025</b>	<b>110,000,000</b>	<b>30,835,747</b>	<b>3,871,440</b>	<b>144,707,187</b>

See accompanying notes to financial statements.

**VC SECURITIES CORPORATION**

**STATEMENT OF CASH FLOWS**

		<b>For the years ended January 31</b>	
	Notes	<b>2025</b>	<b>2024</b>
		(In Philippine Peso)	
<b>Cash flows from operating activities</b>			
Profit/(loss) before income tax		<b>4,807,650</b>	(1,056,328)
Adjustments for:			
Interest income	7,11,19	<b>(9,106,101)</b>	(2,145,884)
Prior year adjustment		-	250,866
Depreciation	12,22	<b>1,439,627</b>	2,480,750
Unrealized loss on financial assets at fair value through profit or loss	9, 21	<b>2,997,448</b>	8,843,793
Operating income before working capital changes		<b>138,623</b>	8,373,197
(Increase)/Decrease in -			
Trade receivables	8	<b>(10,543,116)</b>	(5,295,026)
Financial assets at fair value through profit or loss	9	<b>7,914,426</b>	(60,165,663)
Other current assets	10	<b>18,565,344</b>	(17,783,375)
Increase/(Decrease) in -			
Trade payables	14	<b>58,572,564</b>	21,038,377
Other current liabilities	15	<b>(854,317)</b>	3,256,937
Cash generated from/ (used in) operations		<b>73,793,524</b>	(50,575,553)
Interest received	7,11,19	<b>9,106,101</b>	2,145,884
Income tax paid		<b>(1,821,220)</b>	(448,542)
Net cash provided by/ (used in) operating activities		<b>81,078,405</b>	(48,878,211)
<b>Cash flows from investing activities</b>			
Maturity of financial assets at FVOCI	11	-	-
Acquisition of property and equipment	12	<b>(22,226)</b>	(356,829)
Net cash used in investing activities		<b>(22,226)</b>	(356,829)
<b>Cash flow from financing activities</b>			
Proceeds/ (payments) of loan, net	16,25	<b>15,000,000</b>	68,000,000
Deposit for future subscription	17	-	120,000,000
Net cash provided by financing activities		<b>15,000,000</b>	188,000,000
<b>Net increase in cash and cash equivalents</b>		<b>96,056,179</b>	138,764,960
Cash and cash equivalents, February 1		<b>343,195,498</b>	204,430,537
<b>Cash and cash equivalents, January 31</b>	7	<b>439,251,677</b>	343,195,498

See accompanying notes to financial statements.

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## VC SECURITIES CORPORATION

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### NOTES TO FINANCIAL STATEMENTS

January 31, 2025 and 2024

(Amounts in Philippine Peso, unless otherwise stated)

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#### 1. **Corporate Information**

VC Securities Corporation (The Company) was registered with the Securities and Exchange Commission (SEC) on March 22, 2016 under S.E.C. Reg. No. CS201520287, primarily to engage in the business of broker and/or dealer of securities of any kind and of every description, including shares of mutual funds and exchange traded funds, whether of domestic or foreign origin, as well as interests in such securities, and to engage in all activities that may be useful, directly or indirectly, in connection with such business, and in all other activities related thereto, including online stock brokerage services through innovative internet technology and the purchase, acquisition, sale, exchange or distribution of such securities or interests in securities and otherwise effecting transactions in such securities, the giving of financial advice, the gathering and distribution of financial and investment information and statistics and acting as a financial, commercial or business representative.

The Company is 100% owned by Filipino citizens.

The registered and principal office address of the Company is 6<sup>th</sup> Floor Wilson Corporate Center, 225 Wilson St., Greenhills, San Juan City, Metro Manila Philippines 1502.

#### 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 requires 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 FSRSC 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 PERS 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 of 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 January 31, 2025 and 2024.

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 solely payments of principal and interest (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, Trade 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. 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. 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

From January 1, 2018, the Company assesses its expected credit loss (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 January 31, 2025 and 2024, 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:

Office furniture, fixtures and equipment	2 years
Computer software	2 years
Transportation equipment	4 years
Leasehold improvement	3 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.

#### 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. However, the same is not recognized in the books since the Trading Right is not in the name of the Company. (Note 3)

#### 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

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.

*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, is covered under Republic Act (RA) No. 7641, The Philippine Retirement Law, which provides for its qualified employees a defined benefit (DB) minimum guarantee. The DB minimum guarantee is equivalent to a certain percentage of the monthly salary payable to an employee at normal retirement age with the required credited years of service based on the provisions of RA No. 7641.

*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/(Loss) Per Share

Earnings/(Loss) 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.

#### **Judgements**

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 on the amounts recognized in the financial statements:

#### **Functional 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 financial assets, 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 classification in the statement 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).

#### **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.

#### **Trading Rights**

The Company considers the Trading Rights as an off-balance sheet item since the Trading Rights certificate is in the name of Vivien L. Co, a stockholder of the Company, who allows the Company to use the same without consideration.

#### **Valuation of Financial Instruments**

The Company carries certain financial at fair instruments 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.

#### **Estimates**

The estimates and assumptions used in the financial statements are based upon management's 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 2025 and 2024 financial statements:

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 P4,044,092 in 2025 and P5,461,494 in 2024. (Note 12)

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.

No allowance for credit losses is set-up by the Company, as management believes that all accounts are fully collectible, based on the collection experience and business relationship of the Company to its customers.

Retirement Liability

No retirement liability has been provided as the Company has less than ten (10) employees and no employee is qualified under the provisions of R.A. No. 7641.

Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at each statement of financial position date 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 income tax asset to be utilized.

Deferred tax assets amounted to P10,216,470 in 2025 and P5,749,467 in 2024. (Please see Note 24)

**4. Risk Management Objectives and Policies**

The Company's principal financial instruments comprise of advances to officers and trade payables. The Company has also various financial assets such as cash and cash equivalents while its financial liabilities are other current liabilities.

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

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

Credit Risks

Credit risks refer 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 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 which have the maximum credit risk rate exposure are as follows:

	Notes	2025	2024
Cash in bank and cash equivalents	7	439,246,677	343,190,498
Trade receivables	8	15,838,142	5,295,026
Financial assets at FVPL	9	155,642,237	166,554,110
Refundable deposit	13	20,022	20,022
<b>Total</b>		<b>610,747,078</b>	<b>515,059,656</b>

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

The table below shows the credit quality of financial assets as at January 31, 2025 and 2024.

2025	Notes	Neither past due nor impaired		Past due but not impaired	Gross impaired	Total
		High grade	Standard grade			
Current assets:						
Cash in bank and cash equivalents	7	439,246,677	-	-	-	439,246,677
Trade receivable	8	15,838,142	-	-	-	15,838,142
Financial assets at FVPL	9	-	155,642,237	-	-	155,642,237
Non-current asset:						
Refundable deposits	13	-	20,022	-	-	20,022
		455,084,819	155,662,258	-	-	610,747,078

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2024	Notes	Neither past due nor impaired		Past due but not impaired	Gross impaired	Total
		High grade	Standard grade			
Current assets:						
Cash in bank and cash equivalents	7	343,190,498	-	-	-	343,190,498
Trade receivable	8	5,295,026	-	-	-	5,295,026
Financial assets at FVPL	9	-	166,554,110	-	-	166,554,110
Non-current asset:						
Refundable deposits	13	-	20,022	-	-	20,022
		348,485,524	166,574,132	-	-	515,059,656

Cash in banks and cash equivalents are limited to reputable banks duly approved by the Board of Directors, hence, high grade. Cash on hand is not included.

High grade receivables consist of receivables from customers, clearing house and non- customers which have a remote likelihood of default.

High grade advances to officers and employees consist of receivable which are subject to salary deductions and have remote likelihood of default.

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

Standard grade refundable deposit consists of receivable from other parties with minimal instances of payment default.

#### Liquidity Risks

Liquidity risks or funding risks are 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 objective in managing its profile is:

- to ensure that adequate funding is available at all times;
- to meet commitments as they arise without incurring unnecessary cost;
- to be able to access funding when needed at the least possible cost;
- to regularly monitor and evaluate its projected cash flow.
- e.

The Company's financial liabilities that have contractual maturities as follows:

	Notes	2025			Total
		On demand	1 to 6 months	more than 12 months	
Trade payables	14	263,147,247	-	-	263,147,247
Other current liabilities	15	-	5,360,775	-	5,360,775
Loans payable	16, 25	-	-	98,500,000	98,500,000
		263,147,247	5,360,775	98,500,000	367,008,022

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	Notes	2024			Total
		On demand	1 to 6 months	more than 12 months	
Trade payables	14	204,574,683	-	-	204,574,683
Other current liabilities	15	-	6,146,920	-	6,146,920
Loans payable	16, 25	-	-	83,500,000	83,500,000
		204,574,683	6,146,920	83,500,000	294,221,603

As at January 31, 2025 and 2024, the Company has financial assets that can be used to manage its liquidity risk consisting of cash and cash equivalents, receivable from customers, clearing house and advances to officers and employees. Liquidity ratio for the years ended 2025 and 2024 are and 1.62, respectively. Thus, the Company has low liquidity risk.

#### Interest Rate Risk

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's exposure to changes in market interest rates is only through the cash and cash equivalents account, which is subject to variable interest rates.

#### Equity Prices Risk

The following table demonstrates sensitivity of the Company's profit before tax and equity to reasonable possible changes in interest rate of +10/-10 basis points of the Company's deposits from various banks on January 31, 2025 and 2024. These changes are considered to be reasonably possible based on observation of current market conditions. All other variables are held constant.

	Change in +10 basis points		Change in -10 basis points	
	Effect on net results	Effect on Equity	Effect on net results	Effect on Equity
Cash and cash equivalents				
<b>2025</b>	439,247	<b>351,397</b>	<b>(439,247)</b>	<b>(351,397)</b>
<b>2024</b>	343,190	<b>274,552</b>	<b>(343,190)</b>	<b>(274,552)</b>

#### Foreign Currency Risk

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

#### Other Market Price Risk

The Company's management monitors market price risk for its financial assets at FVPL. The management monitors the market price in daily-published quotations and regularly reports the results to the Board of Directors.

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The following table demonstrates the sensitivity to reasonably possible changes in market value of financial assets at FVPL, with all variable held constant, of net results and equity.

**2025**

	Change in	Effect on net results	Effect on Equity	Change in	Effect on net results	Effect on Equity
Financial assets at FVPL	100%	155,642,237	116,731,677	-100%	(155,642,237)	(116,731,677)

**2024**

	Change in	Effect on net results	Effect on Equity	Change in	Effect on net results	Effect on Equity
Financial assets at FVPL	100%	166,554,110	124,915,583	-100%	(166,554,110)	(124,915,583)

**5. Categories and Fair Values of Financial Assets and Liabilities**

Comparison of Carrying Amounts and Fair Values

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

	Notes	2025		2024	
		Carrying values	Fair values	Carrying values	Fair values
Financial assets					
Current assets:					
Cash	7	439,251,677	439,251,677	343,195,498	343,195,498
Receivable from customers	8	15,838,142	15,838,142		
Receivable from clearing house	8	-	-	5,295,026	5,295,026
Financial assets at FVPL	9	155,642,237	155,642,237	166,554,110	166,554,110
Non-current asset:					
Refundable deposit	13	20,022	20,022	20,022	20,022
		610,752,078	610,752,078	515,064,656	515,064,656
Financial liabilities					
Current liabilities					
Trade payables	14	263,147,247	263,147,247	204,574,683	204,574,683
Other current liabilities	15	5,360,775	5,360,775	6,146,920	6,146,920
Non-current liability					
Loans payable	16	98,500,000	98,500,000	83,500,000	83,500,000
		367,008,022	367,008,022	294,221,603	294,221,603

Because of their short-term nature, Management considers the carrying amounts recognized in the statements of financial positions to be reasonable estimates of the fair values of cash and cash equivalents, receivable from clearing house and SCCP, advances to officers and employees, trade payables, and other current liabilities.

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>January 31, 2025</b>				
Financial asset at FVPL	155,642,237	-	-	155,642,237
	155,642,237	-	-	155,642,237
<b>January 31, 2024</b>				
Financial asset at FVPL	166,554,110	-	-	166,554,110
	166,554,110	-	-	166,554,110

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 directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable input)

As at January 31, 2025, there were no transfer of financial instruments between levels 1, 2 and 3.

**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 shareholder 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 75%. 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.

	2025	2024
Net debt	48,174,685	71,512,617
Net equity	144,707,187	137,253,756
Total capital	192,881,872	208,766,373
Gearing ratio	24.98%	34.25%

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



#### Externally Imposed Capital Requirements

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.

#### Minimum Capital Requirement

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 Securities and Exchange Commission 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 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 all the capital requirements imposed by the PSE, SEC and with other applicable rules of the SRC for the minimum capital requirements for the years ended January 31, 2025 and 2024.

#### Risk-based Capital Adequacy Rule

On November 11, 2004, the SEC approved Memorandum Circular No. 16, which provides the guidelines on the adoption in the Philippines of the Risk Based Capital Adequacy (RBCA) Framework for all registered brokers dealers in accordance with SRC. These guidelines cover the following: (a) position or market risk, (b) credit risks such as counter party, settlement, large exposure, and margin financing risks, and (c) operational risk. Among others, the RBCA rules provide for specific guidelines on the treatment of new subordinated loan agreements and investment in PSE shares. The Circular provides for a transition period from net capital to RBCA until November 30, 2005. During the transition period, the broker dealer is required to comply with the continuing reportorial requirements if the SRC and its IRR, including the RBCA rules.

Starting December 1, 2005, every broker dealer is expected to comply with all the requirements of the RBCA rules. The first filing of the RBCA report, postposition, shall reflect the computed RBCA ratio as of December 31, 2005.

The Company, once registered as a 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 P72,278,758 in 2025 and P81,952,012 in 2024.

As at January 31, 2025 and 2024, the Company is in compliance with 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.

The RBCA ratio of the Company as of January 31, 2025 and 2024 is as follows:

	2025	2024
Equity eligible for net liquid capital	134,490,717	131,504,289
Less: Ineligible assets	6,697,069	6,203,792
<b>Total</b>	<b>127,793,648</b>	<b>125,300,497</b>
Position risks	40,630,101	45,758,693
Operational risks	7,632,406	7,681,795
Large exposure risks	24,016,251	28,511,524
<b>Total Risk Capital Requirement</b>	<b>72,278,758</b>	<b>81,952,012</b>
<b>AI</b>	<b>487,426,363</b>	<b>414,708,115</b>
5% of AI	24,371,318	20,735,406
<b>Required NLC</b>	<b>5,000,000</b>	<b>5,000,000</b>
<b>Net Risk-Based Capital Excess</b>	<b>103,422,330</b>	<b>104,565,091</b>
<b>Ratio of AI to NLC</b>	<b>381%</b>	<b>331%</b>
<b>RBCA Ratio</b>	<b>177%</b>	<b>153%</b>

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.

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.

**7. Cash and Cash Equivalents**

Cash and cash equivalents consist of:

	2025	2024
Cash on hand	5,000	5,000
Cash in banks	248,767,983	162,756,999
Cash in bank - reserve bank account	62,837,264	55,285,699
Cash equivalents- short-term cash investment	127,641,430	125,147,800
Total	439,251,677	343,195,498

Cash in banks earn interest based on daily bank deposit rates ranging from 0.25% to 0.50% in 2025 and 2024. Cash equivalents pertain to short term cash investments that are made up of varying periods of up to three months depending on the Company's immediate cash requirements and earn interest with rates ranging from 3.15% to 4.19% in 2025 and 2024 per annum. Cash and cash equivalents earned interest amounting to P9,106,101 in 2025 and P2,145,884 in 2024. (Note 21)

Cash in bank includes Special Reserve Bank Account 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 by having special reserve bank accounts comprise of cash in bank-reserve bank account aggregate amounting to P62,837,264 in 2025 and P55,285,699 in 2024.

**8. Trade Receivables**

This account consists of:

	2025	2024
Receivable from customers	15,838,142	-
Less: Allowance for credit losses	-	-
Receivable from customers, net	15,838,142	-
Due from clearing house	-	5,295,026
<b>Total</b>	<b>15,838,142</b>	<b>5,295,026</b>

All receivables from customers do not bear any 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 2025 and 2024.

Due from Clearing House arises when total selling transactions within the last two days of the year exceeds total buying transactions (i.e. shares of stock purchased by the customers). The account pertains to the Company's receivable from Securities Clearing Corporation of the Philippines (SCCP).

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The security values of the debit balance of customers' account follow:

	2025		2024	
Ratio of Market value of securities to Debit Balance	Debit Balance	Market Value of Securities	Debit Balance	Market Value of Securities
Fully secured accounts:				
250% or more	-	-	-	-
200% to 250%	-	-	-	-
150% to 200%	-	-	-	-
100% to 150%	-	-	-	-
	-	-	-	-
Partly secured accounts:				
Less than 100%	-	-	-	-
Unsecured	-	-	-	-
	-	-	-	-
Receivables from non- customers				
Fully secured accounts:				
250% or more	15,838,142	341,281,476	-	-
	15,838,142	341,281,476	-	-
Partly secured accounts:				
Less than 100%	-	-	-	-
Due from customer	-	-	-	-
Due from clearing house	-	-	5,295,026	-
Total	15,838,142	341,281,476	5,295,026	-

Receivables from Clearing House amounted to nil in 2025 and P5,295,026 in 2024.

**9. Financial Assets at Fair Value through Profit or Loss**

The movement of financial assets at FVPL follows:

	Note	2025	2024
Balance, beginning		166,554,110	115,232,240
Purchases		246,877,649	225,687,486
Sales		(254,792,075)	(165,521,823)
Changes in fair values	21	(2,997,448)	(8,843,793)
Balance, ending		155,642,237	166,554,110

Financial assets at FVPL represent the Company's investment in equity securities being traded at the Philippine Stock Exchange and is carried at fair value. Fair values are based on the quoted market price at the PSE as at January 31, 2025 and 2024 or on the last trading day of each year.

Sale of financial assets at FVPL resulted to a loss of P7,772,684 in 2025 and P3,830,586 in 2024. (Note 19)

Reconciliation of the carrying amount of financial assets at FVPL follows:

	2025	2024
Cost	171,501,683	179,415,612
Fair value adjustment	(15,859,447)	(12,861,502)
Fair value, January 31	155,642,237	166,554,110

#### 10. **Other Current Assets**

This account consists of the following:

	2025	2024
Dealers account fund	6,604,815	24,963,543
Creditable withholding tax	251,432	234,414
Other prepayments	127,422	123,242
Prepaid taxes and licences	110,896	110,869
Other receivables	16,179	32,275
Advances to supplier	10,166	221,912
Total	7,120,910	25,686,254

Dealers account fund is a fund set aside for dealers account.

Other receivables pertain to purchase of stock rights to be refunded.

Commission receivables pertains to IPO selling commission.

Deferred input tax is the excess of input tax over output tax from purchases of goods and services other than capital goods. This shall be credited against output VAT in the next accounting period.

#### 11. **Financial Assets at Fair Value through Other Comprehensive Income**

As at January 31, 2025 and 2024, the financial assets at fair value through other comprehensive income amounted to nil.

Interest income from financial assets at FVOCI amounted to nil in 2025 and 2024. (Note 19)

**12. Property and Equipment, net**

Property and equipment are summarized as follows:

	Computer software	Office furniture and fixtures	Office equipments	Leasehold improvements	Transportation equipments	Total
<b>Cost</b>						
January 31, 2023	631,401	462,794	1,689,604	745,540	6,688,924	10,218,264
Acquisition	10,714	12,393	166,258	167,464	-	356,829
January 31, 2024	642,115	475,187	1,855,863	913,005	6,688,924	10,575,093
Acquisition	-	7,589	-	14,636	-	22,226
<b>January 31, 2025</b>	<b>642,115</b>	<b>482,776</b>	<b>1,855,863</b>	<b>927,640</b>	<b>6,688,924</b>	<b>10,597,319</b>
<b>Accumulated depreciation</b>						
January 31, 2023	599,259	302,756	939,611	166,284	624,939	2,632,848
Depreciation	10,714	72,747	575,364	250,323	1,571,602	2,480,750
January 31, 2024	609,973	375,503	1,514,974	416,607	2,196,541	5,113,598
Depreciation	12,679	29,587	93,579	132,904	1,170,879	1,439,627
<b>January 31, 2025</b>	<b>622,652</b>	<b>405,090</b>	<b>1,608,553</b>	<b>549,511</b>	<b>3,367,420</b>	<b>6,553,225</b>
<b>Net book value</b>						
<b>January 31, 2025</b>	<b>19,463</b>	<b>77,686</b>	<b>247,309</b>	<b>378,130</b>	<b>3,321,504</b>	<b>4,044,092</b>
January 31, 2024	32,141	99,684	340,888	496,398	4,492,383	5,461,494

**13. Refundable Deposit**

Refundable deposit pertains to the utility deposit to MERALCO and PT&T amounting to P20,022 both in 2025 and 2024.

**14. Trade Payables**

Trade payables account includes payable to customers, payable to clearing house, payable to non-customers and central depository fees payable as follows:

	2025	2024
Due to customers	<b>40,640,499</b>	37,825,932
Due to non-customers	<b>194,837,957</b>	166,748,751
Due to clearing house	<b>27,668,792</b>	-
	<b>263,147,247</b>	204,574,683



Trade payables are usually due within 2 days and 31 days from transaction date and do not bear any interest.

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

The security values of the credit balance of customers and non-customers' account follows:

	2025		2024	
Ratio of market value of securities to debit balance	Credit balances	Market value of securities	Credit balances	Market value of securities
Free	40,640,499	482,190,745	37,825,932	613,233,152
Without money balances				
Due to clearing house	27,668,792	-	-	-
Due non-customers	194,837,957	1,716,158,731	166,748,751	2,034,463,810
Net	263,147,247	2,198,349,476	204,574,683	2,647,696,962

Trade payables are usually due within 2 days and 31 days from transaction date and do not bear interest.

#### 15. Other Current Liabilities

This account consists of the following:

	2025	2024
Accounts payable	5,360,775	6,146,920
Accrued expenses	325,821	348,027
Due to BIR	47,775	32,405
Clearing House Payable	21,645	38,610
STT payable	8,867	31,039
SSS, Philhealth and HDMF payable	7,920	10,768
PCD fees payable (Central deposit)	-	19,349
Payable to non-customer (Others)	6,313	6,313
	5,779,115	6,633,432

Accounts payables pertain to obligation for the purchase of computer software, leasehold improvement, office equipment and payable to Meralco.

Accrued expenses pertains to salaries, 13<sup>th</sup> month pay of the employees and professional fees.

Due to BIR pertains to expanded withholding taxes payable to BIR.

**16. Loans Payable**

Loans payable is broken down as follows:

	2025	2024
Current portion	-	-
Non- current	98,500,000	83,500,000
	<b>98,500,000</b>	<b>83,500,000</b>

Movement of this account is as follows:

	2025	2024
Beginning balance	83,500,000	15,500,000
Payments	(50,000,000)	(15,500,000)
Availments	65,000,000	83,500,000
	<b>98,500,000</b>	<b>83,500,000</b>

Loans payable were availed from a stockholder at an arms-length transaction. The term of the loan is 10 years with effective interest based on the Bangko Sentral ng Pilipinas (BSP) lending rate plus 150 basis point per annum.

For Year One (1) the interest payable has been waived. For Year Two (2) and succeeding years thereafter, interest is payable on the unpaid principal at the rate to be determined every January 1 of every year based on the BSP Lending Rate plus 150 basis point, paid annually.

The interest for the period of February 1, 2024 to January 31, 2025 has been waived.

Finance cost accrued amounted to nil in 2025 and 2024.

**17. Share Capital**

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

	2025	2024
Authorized - Par value, P1 per share:		
110,000,000 shares	<u>P 110,000,000</u>	
Subscribed - 110,000,000	110,000,000	110,000,000
	<b>110,000,000</b>	<b>110,000,000</b>

The subscribed and fully paid shares of the Company are owned by nine (9) shareholders and seven (7) shareholders each own 100 or more shares.

On May 23, 2023, the Stockholders and Board of Directors of the Company held a meeting to increase the authorized capital from P110,000,000 consisting of 110,000,000 shares at par value of P1 to P300,000,000 consisting of 300,000,000 shares at par value of P1. As of January 31, 2024, the Company has yet to file with the SEC its application for increase in authorized capital stock. Therefore, the deposit for future subscription amounting to P120,000,000 paid in cash was lodged under the liability account.

## 18. Retained Earnings

### Appropriation

In compliance with SRC Rule 49.1 (B) Reserve Fund, the Company is required annually to appropriate a certain minimum percentage of its audited profit after tax and transfer the same to the appropriated retained earnings account. Appropriation shall be 30%, 20%, 10% of profit after tax for broker dealers with unimpaired paid-up capital between P10,000,000 to 30,000,000, between P30,000,000 to 50,000,000 and above P50,000,000, respectively.

Adjustment to retained earnings amounting to P250,866 pertains to prior year overstatement of payable to Clearing House and understatement of clearing house fee expense.

Appropriation amounted to P745,343 in 2025 and P324,005 in 2024. The Company is in compliance with SRC Rule 49.1(B).

## 19. Other Revenues

This is composed of:

	Note	2025	2024
Dividends		13,762,746	16,042,735
(Loss)/gain on sale of financial assets at FVPL	9	(7,772,684)	(3,830,586)
Other income		6,138	5,783
Total		5,996,199	12,217,931

Commission income amounted to P6,213,254 in 2025 and P7,367,729 in 2024.

## 20. Cost of Services

The breakdown of cost of services follows:

	2025	2024
PCD, SIPF and CTGF Fees	1,466,472	1,290,363
Commission expense	598,452	456,569
Personnel cost	410,478	364,143
Other incentives	360,000	319,000
PSE Fees	136,778	138,085
Honorarium	10,000	-
Total	2,982,180	2,568,160

Personnel cost consists of the following:

	2025	2024
Salaries and wages	357,131	318,235
13th month pay	28,272	24,829
SSS, Med. & ECC Expenses	18,295	16,588
Philhealth Contirbutions	4,479	3,292
Pag-ibig contribution (HDMF)	2,300	1,200
<b>Total</b>	<b>410,478</b>	<b>364,143</b>

**21. Other Income/(Loss)**

This is composed of:

	Notes	2025	2024
Interest income	7, 11	9,106,101	2,145,884
Unrealized foreign exchange gain		121,917	302,099
Unrealized (loss)/gain on financial asset at FVPL	9	(2,997,448)	(8,843,793)
<b>Total</b>		<b>6,230,571</b>	<b>(6,395,810)</b>

## 22. Operating Expenses

This account is composed of the following:

	Notes	2025	2024
Dues and subscription		<b>2,021,279</b>	1,576,519
Personnel cost		<b>1,726,375</b>	1,863,427
Depreciation	12	<b>1,439,627</b>	2,480,750
Directors fees	25	<b>1,248,070</b>	2,175,731
Rent		<b>1,084,494</b>	1,018,465
Professional fees	25	<b>867,552</b>	642,428
Sponsorship/ Donation		<b>420,000</b>	314,286
Representation and entertainment		<b>377,234</b>	467,656
Light and water		<b>284,611</b>	249,599
Repairs and maintenance		<b>239,189</b>	24,472
Gas and oil		<b>169,042</b>	236,896
Taxes and licences	28	<b>143,789</b>	139,200
Communication		<b>86,124</b>	84,241
Publicity and promotions		<b>77,761</b>	7,228
ISO certification expense		<b>53,000</b>	-
Meetings and conferences		<b>47,059</b>	60,904
Audit		<b>45,000</b>	45,000
Insurance		<b>38,092</b>	20,048
Transportation and travel		<b>31,683</b>	21,165
Office supplies		<b>31,119</b>	100,059
Training and seminars		<b>10,125</b>	804
Bank charges		<b>2,438</b>	2,604
Miscellaneous		<b>206,531</b>	146,537
		<b>10,650,194</b>	11,678,019

Personnel cost consists of the following:

	2025	2024
Salaries and wages	<b>1,465,724</b>	1,579,244
13th month pay	<b>119,190</b>	123,712
SSS, Med. & ECC Expenses	<b>94,243</b>	107,243
Philhealth Contributions	<b>23,874</b>	21,866
Other benefits	<b>14,145</b>	25,362
Pag-ibig contribution (HDMF)	<b>9,200</b>	6,000
Total	<b>1,726,375</b>	1,863,427

**23. Earnings Per Share**

	2025	2024
Net income	7,453,432	3,240,045
Weighted average number of shares issued and outstanding	110,000,000	110,000,000
Earnings per share	0.068	0.029

**24. Income Taxes**

Income Tax Benefit

Income tax benefit consists of the following:

	2025	2024
Current:		
Regular income tax	-	-
Final tax on interest income	(1,821,220)	(429,177)
Deferred:		
Unrealized loss/(gain) on fair value of FA at FVPL	749,362	2,210,948
NOLCO	3,717,641	2,514,602
Income tax benefit	2,645,782	4,296,374

A reconciliation of income tax between profit before income tax computed at the applicable statutory rates and income tax expense as reported in the statements of comprehensive income is as follows:

	2025	2024
Tax on (profit)/ loss before income tax	(1,201,912)	264,082
Tax effect on:		
Non-taxable income	3,471,165	4,086,208
Non-deductible expense	(78,775)	(161,211)
Adjustment for income subject to lower tax rates	455,305	107,294
Income tax benefit	2,645,782	4,296,374

Validity of NOLCO follows:

Year Incurred	Validity	Amount	Applied this year	Applied previous year	Expired	Balance	Deferred tax assets
2025	2028	14,870,565	-	-	-	14,870,565	3,717,641
2024	2027	10,058,409	-	-	-	10,058,409	2,514,602
2020	2025	595,069	-	595,069	-	-	-
		25,524,042	-	595,069	-	24,928,973	6,232,243

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.

Under the National Internal Revenue Code (NIRC) of 1997, the income tax liability of Corporations shall be the higher between Regular Corporate Income Tax (RCIT) and the Minimum Corporate Income Tax (MCIT). MCIT is computed at 1% 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.

#### 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.



Validity of MCIT follows:

Year Incurred	Validity	Amount	Applied this year	Applied previous year	Expired	Balance
2024	2027	19,365	-	-	-	19,365
2021	2024	146,695	-	146,695	-	-
		166,060	-	146,695	-	19,365

#### Deferred Tax Assets

Deferred tax assets consist of:

2025			
	Balance at the beginning of year	Charged to income/ applied	Balance at the end of year
Deferred tax asset:			
DTA - NOLCO	2,514,602	3,717,641	6,232,243
DTA - MCIT	19,365	-	19,365
Fair value adjustments of financial assets at FVPL	3,215,500	749,362	3,964,862
<b>Total deferred tax asset</b>	<b>5,749,467</b>	<b>4,467,003</b>	<b>10,216,470</b>

2024			
	Balance at the beginning of year	Charged to income/ applied	Balance at the end of year
Deferred tax asset:			
DTA - NOLCO	-	2,514,602	2,514,602
DTA - MCIT	-	19,365	19,365
Fair value adjustments of financial assets at FVPL	1,004,552	2,210,948	3,215,500
<b>Total deferred tax asset</b>	<b>1,004,552</b>	<b>4,744,915</b>	<b>5,749,467</b>

## 25. Related Party Transactions

The Company's related party transactions involved the shareholders and the Company's key management personnel.

Following are the Company's related party transactions:

Loans payable

Loans payable amounted to P98,500,000 in 2025 and P83,500,000 in 2024. These were availed in July 2021 and January 2022 from a stockholder of the Company. The loan is covered by a loan agreement with a term of ten (10) years and interest rate based on BSP Lending Rate plus 150 basis points annually. Other terms of the loan agreement are detailed in Note 16.

Key Management Personnel Compensation

Key management personnel include the President, Vice President and Treasurer.

	2025	2024
Director's fees	1,248,070	2,175,731
Professional fees	872,564	642,428
	<b>2,120,634</b>	<b>2,818,158</b>

**26. Approval of Financial Statements**

The accompanying financial statements for the year ended January 31, 2025 was authorized for issuance by the Board of Directors on May 13, 2025.

**27. Supplementary Information under Revenue Regulations**

Revenue Regulations No. 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:

Value Added Taxes (VAT)

	2025	2024
Income subject to VAT	6,219,408	7,373,455
Tax rate	12%	12%
Output VAT for the year	746,329	884,815
Beginning balance	19,838	412,548
Goods other than for resale or manufacture	74,213	68,811
Services booked under cost of goods sold	396,056	383,766
Applied input tax during the year	490,107	865,126
VAT paid during the year	450,121	845,288
Balance, end Output VAT/(Input VAT)	<b>39,985</b>	<b>19,838</b>

VC SECURITIES CORPORATION  
Notes to Financial Statements

Withholding taxes

	2025	2024
Tax withheld by the company on:		
Compensation	18,188	19,397
Expanded	262,624	338,725
	<b>280,812</b>	358,122

Taxes and licenses

	Date	O.R Number	2025	2024
Municipal taxes and licenses	various	various	99,131	88,105
SEC license fee and others	various	various	40,000	37,500
Documentary stamp tax	various	various	75	-
BIR registration fee	various	various	-	-
Others	various	various	4,583	13,595
			<b>143,789</b>	139,200

As of the year ended January 31, 2025, the Company has no pending tax assessment and litigation.

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**VC SECURITIES CORPORATION**

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**STATEMENT OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS  
JANUARY 31, 2025**

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There are no subordinated liabilities to claims of general creditors and no changes presented as required under Rule 52.1-5 of the Securities Regulation Code.

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Schedule 1

**VC SECURITIES CORPORATION**  
**RISK-BASED CAPITAL ADEQUACY WORKSHEET**  
January 31, 2025

<b>Assets</b>	<b>632,133,550</b>
<b>Liabilities</b>	<b>487,426,363</b>
<b>Equity as per books</b>	<b>144,707,187</b>
<b>Adjustments to Equity per books</b>	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / ( Loss ) in proprietary accounts	
Deferred Income Tax	(10,216,470)
Revaluation Reserves	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
<b>Total Adjustments to Equity per books</b>	<b>(10,216,470)</b>
<b>Equity Eligible For Net Liquid Capital</b>	<b>134,490,717</b>
<b>Contingencies and Guarantees</b>	
Deduct: <u>Contingent Liability</u>	
<u>Guarantees or indemnities</u>	
<b>Ineligible Assets</b>	
a. Trading Right and all Other Intangible Assets (net)	
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	4,044,092
d. All Other Current Assets	516,095
e. Securities Not Readily Marketable	
f. Negative Exposure (SCCP)	2,136,882
g. Notes Receivable (non-trade related)	
h. Interest and Dividends Receivables outstanding for more than 30 days	
i. <u>Ineligible Insurance claims</u>	
j. <u>Ineligible Deposits</u>	
k. Short Security Differences	
l. Long Security Differences not resolved prior to sale	
m. Other Assets including Equity Investment in PSE	
<b>Total ineligible assets</b>	<b>6,697,069</b>
<b>Net Liquid Capital (NLC)</b>	<b>127,793,648</b>
<b>Less:</b>	
<u>Operational Risk Reqt (Schedule ORR-1)</u>	<b>7,632,406</b>
<u>Position Risk Reqt (Schedule PRR-1)</u>	<b>40,630,101</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>24,016,251</b>
<b>Total Risk Capital Requirement ( TRCR )</b>	<b>72,278,758</b>
<b>Net RBCA Margin (NLC-TRCR)</b>	<b>55,514,890</b>
<b>Liabilities</b>	<b>487,426,363</b>
<b>Add: Deposit for Future Stock Subscription (No application with SEC)</b>	
Less: Exclusions from Aggregate Indebtedness	
<u>Subordinated Liabilites</u>	
<u>Loans secured by securities</u>	
<u>Loans secured by fixed assets</u>	
<u>Others</u>	
<b>Total adjustments to AI</b>	
<b>Aggregate Indebtedness</b>	<b>487,426,363</b>
<b>5% of Aggregate Indebtedness</b>	<b>24,371,318</b>
<b>Required Net Liquid Capital ( &gt; of 5% of AI or P5M)</b>	<b>5,000,000</b>
<b>Net Risk-based Capital Excess / ( Deficiency )</b>	<b>103,422,330</b>
<b>Ratio of AI to Net Liquid Capital</b>	<b>381%</b>
<b>RBCA Ratio (NLC / TRCR)</b>	<b>177%</b>

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**VC SECURITIES CORPORATION**

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**INFORMATION RELATING TO THE POSSESSION OR CONTROL  
REQUIREMENTS UNDER SRC RULE 49.2 ANNEX 49.2-A  
JANUARY 31, 2025**

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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
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Number of items	N/A
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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
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Number of items	N/A
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**VC SECURITIES CORPORATION**

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
UNDER ANNEX G OF SRC RULE 49.2 ANNEX 49.2-B  
JANUARY 31, 2025**

	CREDITS	DEBITS
Free-credit balances and other credit peso balances in customers' security account	40,640,519	
Credit balance in non-customer	6,716,264	
Dividend due to customers	-	-
Due to/from clearing house		-
Debit balances in non-customers cash or margin accounts excluding unsecured accounts doubtful collection		-
<b>TOTALS</b>	<b>47,356,783</b>	<b>-</b>
Excess of credit balances over debit balances		47,356,783
Required Reserve		<b>47,356,783</b>
"Special Reserved Bank Account"	62,837,264	62,837,264
<b>Additional deposit required</b>		<b>-</b>

**VC SECURITIES CORPORATION**

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**A REPORT DESCRIBING ANY MATERIAL INADEQUACIES FOUND TO  
EXIST OR FOUND TO HAVE EXISTED SINCE THE DATE OF THE  
PREVIOUS AUDIT  
JANUARY 31, 2025**

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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 inception.

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**VC SECURITIES CORPORATION**

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**RESULTS OF MONTHLY 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  
STATEMENTS REPORT  
JANUARY 31, 2025**

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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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Schedule 6

**VC SECURITIES, INC**  
**SECURITIES POSITION REPORT**  
**As of January 31, 2025**

			CUSTOMERS ACCOUNT		DEALER'S/INVESTMENT		WITH CLEARING		IN BOX		TRANSFER OFFICE		IN PCD	
Market Price	PSE	CODE	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
0.5200	0.5200	ABA	600,000.00	312,000.00	-	-	-	-	-	-	-	-	600,000.00	312,000.00
4.7900	4.7900	ABS	55,500.00	265,845.00	-	-	-	-	-	-	-	-	55,500.00	265,845.00
544.0000	544.0000	AC	20,712.00	11,267,328.00	4,200.00	2,284,800.00	-	-	-	-	-	-	24,912.00	13,552,128.00
3.1000	3.1000	ACEN	3,424,594.00	10,616,241.40	520,000.00	1,612,000.00	-	-	-	-	-	-	3,944,594.00	12,228,241.40
1060.0000	1,060.0000	ACENA	500.00	530,000.00	-	-	-	-	-	-	-	-	500.00	530,000.00
1090.0000	1,090.0000	ACENB	600.00	654,000.00	-	-	-	-	-	-	-	-	600.00	654,000.00
2552.0000	2,552.0000	ACPAR	1,670.00	4,261,840.00	-	-	-	-	-	-	-	-	1,670.00	4,261,840.00
0.4850	0.4850	ACR	198,000.00	96,030.00	-	-	-	-	-	-	-	-	198,000.00	96,030.00
32.2000	32.2000	AEV	677,400.00	21,812,280.00	800.00	25,760.00	-	-	-	-	-	-	678,200.00	21,838,040.00
6.0000	6.0000	AGI	320,100.00	1,920,600.00	-	-	-	-	-	-	-	-	320,100.00	1,920,600.00
485.4000	485.4000	ALCPD	500.00	242,700.00	-	-	-	-	-	-	-	-	500.00	242,700.00
501.5000	501.5000	ALCPF	1,000.00	501,500.00	-	-	-	-	-	-	-	-	1,000.00	501,500.00
22.3000	22.3000	ALI	726,600.00	16,203,180.00	50,000.00	1,115,000.00	-	-	-	-	-	-	776,600.00	17,318,180.00
0.1200	0.1200	ALLDY	4,414,000.00	529,680.00	-	-	-	-	-	-	-	-	4,414,000.00	529,680.00
1.5800	1.5800	ALLHC	3,743,174.00	5,914,214.92	113,000.00	178,540.00	-	-	-	-	-	-	3,856,174.00	6,092,754.92
1.1100	1.1100	ALTER	320,000.00	355,200.00	-	-	-	-	-	-	-	-	320,000.00	355,200.00
39.9000	39.9000	AP	11,000.00	438,900.00	-	-	-	-	-	-	-	-	11,000.00	438,900.00
0.1710	0.1710	APC	600,000.00	102,600.00	-	-	-	-	-	-	-	-	600,000.00	102,600.00
0.0060	0.0060	APL	7,510,000.00	45,060.00	-	-	-	-	-	-	-	-	7,510,000.00	45,060.00
0.3800	0.3800	APO	250,000.00	95,000.00	-	-	-	-	-	-	-	-	250,000.00	95,000.00
8.7000	8.7000	APVI	21,200.00	184,440.00	-	-	-	-	-	-	-	-	21,200.00	184,440.00
42.0000	42.0000	AREIT	742,500.00	31,185,000.00	-	-	-	-	-	-	-	-	742,500.00	31,185,000.00
1.0000	1.0000	ASLAG	1,161,000.00	1,161,000.00	-	-	-	-	-	-	-	-	1,161,000.00	1,161,000.00
3.9500	3.9500	AT	169,200.00	668,340.00	-	-	-	-	-	-	-	-	169,200.00	668,340.00
17.2000	17.2000	ATI	3,000.00	51,600.00	-	-	-	-	-	-	-	-	3,000.00	51,600.00
0.5400	0.5400	ATN	150,000.00	81,000.00	-	-	-	-	-	-	-	-	150,000.00	81,000.00
69.6000	69.6000	AUB	15,750.00	1,096,200.00	-	-	-	-	-	-	-	-	15,750.00	1,096,200.00
2.0500	2.0500	AXLM	2,200.00	4,510.00	-	-	-	-	-	-	-	-	2,200.00	4,510.00
3.4500	3.4500	BC	-	-	4,000.00	13,800.00	-	-	-	-	-	-	4,000.00	13,800.00
3.5100	3.5100	BCB	-	-	40,000.00	140,400.00	-	-	-	-	-	-	40,000.00	140,400.00
137.6000	137.6000	BDO	9,786.00	1,346,553.60	1,000.00	137,600.00	-	-	-	-	-	-	10,786.00	1,484,153.60
1.6100	1.6100	BEL	323,000.00	520,030.00	-	-	-	-	-	-	-	-	323,000.00	520,030.00
0.0870	0.0870	BHI	370,000.00	32,190.00	-	-	-	-	-	-	-	-	370,000.00	32,190.00
1.1400	1.1400	BKR	90,000.00	102,600.00	-	-	-	-	-	-	-	-	90,000.00	102,600.00
3.4300	3.4300	BLOOM	5,598,800.00	19,203,884.00	620,000.00	2,126,600.00	-	-	-	-	-	-	6,218,800.00	21,330,484.00
7.1500	7.1500	BNCOM	26,000.00	185,900.00	-	-	-	-	-	-	-	-	26,000.00	185,900.00
116.2000	116.2000	BPI	1,927.00	223,917.40	-	-	-	-	-	-	-	-	1,927.00	223,917.40
97.0000	97.0000	BRNP	500.00	48,500.00	-	-	-	-	-	-	-	-	500.00	48,500.00
0.1220	0.1220	BSC	2,710,000.00	330,620.00	-	-	-	-	-	-	-	-	2,710,000.00	330,620.00
1.2500	1.2500	C	340,000.00	425,000.00	-	-	-	-	-	-	-	-	340,000.00	425,000.00
29.0000	29.0000	CEB	20,500.00	594,500.00	-	-	-	-	-	-	-	-	20,500.00	594,500.00
0.0530	0.0530	CEI	1,650,000.00	87,450.00	-	-	-	-	-	-	-	-	1,650,000.00	87,450.00
13.4800	13.4800	CEU	27,720.00	373,665.60	-	-	-	-	-	-	-	-	27,720.00	373,665.60
1.4800	1.4800	CHP	2,312,000.00	3,421,760.00	100,000.00	148,000.00	-	-	-	-	-	-	2,412,000.00	3,569,760.00
1013.0000	1,013.0000	CLIA2	150.00	151,950.00	-	-	-	-	-	-	-	-	150.00	151,950.00
16.0000	16.0000	CNVRG	3,079,500.00	49,272,000.00	13,000.00	208,000.00	-	-	-	-	-	-	3,092,500.00	49,480,000.00
5.3500	5.3500	COSCO	12,854,789.00	68,773,121.15	-	-	-	-	-	-	-	-	12,854,789.00	68,773,121.15
0.4200	0.4200	CPG	913,378.00	383,618.76	-	-	-	-	-	-	-	-	913,378.00	383,618.76

3.5200	3.5200	CREC	21,000.00	73,920.00	-	-	-	-	-	-	-	-	21,000.00	73,920.00
3.1900	3.1900	CREIT	247,000.00	787,930.00	-	-	-	-	-	-	-	-	247,000.00	787,930.00
0.3300	0.3300	CYBR	600,000.00	198,000.00	-	-	-	-	-	-	-	-	600,000.00	198,000.00
9.7000	9.7000	DD	33,100.00	321,070.00	-	-	-	-	-	-	-	-	33,100.00	321,070.00
1.0600	1.0600	DDMPR	4,785,000.00	5,072,100.00	-	-	-	-	-	-	-	-	4,785,000.00	5,072,100.00
3.8500	3.8500	DELM	311,400.00	1,198,890.00	-	-	-	-	-	-	-	-	311,400.00	1,198,890.00
2.2700	2.2700	DFNN	10,000.00	22,700.00	-	-	-	-	-	-	-	-	10,000.00	22,700.00
1.6000	1.6000	DITO	34,300.00	54,880.00	-	-	-	-	-	-	-	-	34,300.00	54,880.00
10.9000	10.9000	DMC	34,491,050.00	375,952,445.00	4,434,000.00	48,330,600.00	-	-	-	-	-	-	38,925,050.00	424,283,045.00
5.3000	5.3000	DMW	110,100.00	583,530.00	-	-	-	-	-	-	-	-	110,100.00	583,530.00
5.9500	5.9500	DNA	180,000.00	1,071,000.00	-	-	-	-	-	-	-	-	180,000.00	1,071,000.00
5.9900	5.9900	DNL	2,127,600.00	12,744,324.00	228,400.00	1,368,116.00	-	-	-	-	-	-	2,356,000.00	14,112,440.00
1.0800	1.0800	DWC	10,000.00	10,800.00	8,000.00	8,640.00	-	-	-	-	-	-	18,000.00	19,440.00
0.3000	0.3000	ECVC	120,000.00	36,000.00	-	-	-	-	-	-	-	-	120,000.00	36,000.00
3.1700	3.1700	EEL	352,900.00	1,118,693.00	-	-	-	-	-	-	-	-	352,900.00	1,118,693.00
93.2500	93.2500	EIPA	10,000.00	932,500.00	-	-	-	-	-	-	-	-	10,000.00	932,500.00
98.5000	98.5000	EIPB	5,000.00	492,500.00	-	-	-	-	-	-	-	-	5,000.00	492,500.00
0.1200	0.1200	ELI	10,810.00	1,297.20	-	-	-	-	-	-	-	-	10,810.00	1,297.20
0.8100	0.8100	FCG	3,000,000.00	2,430,000.00	-	-	-	-	-	-	-	-	3,000,000.00	2,430,000.00
5.3500	5.3500	FERRO	51,000.00	272,850.00	-	-	-	-	-	-	-	-	51,000.00	272,850.00
16.9600	16.9600	FGEN	1,800.00	30,528.00	-	-	-	-	-	-	-	-	1,800.00	30,528.00
3.1300	3.1300	FILRT	1,252,400.00	3,920,012.00	-	-	-	-	-	-	-	-	1,252,400.00	3,920,012.00
0.7100	0.7100	FLI	200,000.00	142,000.00	100,000.00	71,000.00	-	-	-	-	-	-	300,000.00	213,000.00
1.0000	1.0000	FNI	153,074,000.00	153,074,000.00	2,948,000.00	2,948,000.00	-	-	-	-	-	-	156,022,000.00	156,022,000.00
58.5000	58.5000	FPH	2,000.00	117,000.00	-	-	-	-	-	-	-	-	2,000.00	117,000.00
0.6100	0.6100	FRUIT	6,000.00	3,660.00	-	-	-	-	-	-	-	-	6,000.00	3,660.00
0.0850	0.0850	GEO	600,000.00	51,000.00	-	-	-	-	-	-	-	-	600,000.00	51,000.00
0.5900	0.5900	GERI	50,000.00	29,500.00	-	-	-	-	-	-	-	-	50,000.00	29,500.00
2210.0000	2,210.0000	GLO	7,797.00	17,231,370.00	9,620.00	21,260,200.00	-	-	-	-	-	-	17,417.00	38,491,570.00
6.1500	6.1500	GMA7	103,800.00	638,370.00	-	-	-	-	-	-	-	-	103,800.00	638,370.00
0.1910	0.1910	GREEN	330,700.00	63,163.70	-	-	-	-	-	-	-	-	330,700.00	63,163.70
495.0000	495.0000	GTAP	1,705.00	843,975.00	-	-	-	-	-	-	-	-	1,705.00	843,975.00
3.4800	3.4800	HI	24,000.00	83,520.00	-	-	-	-	-	-	-	-	24,000.00	83,520.00
0.5600	0.5600	HOME	45,700.00	25,592.00	-	-	-	-	-	-	-	-	45,700.00	25,592.00
1.1100	1.1100	HTI	59,000.00	65,490.00	-	-	-	-	-	-	-	-	59,000.00	65,490.00
350.0000	350.0000	ICT	320.00	112,000.00	-	-	-	-	-	-	-	-	320.00	112,000.00
0.9900	0.9900	IDC	185,774.00	183,916.26	-	-	-	-	-	-	-	-	185,774.00	183,916.26
1.4400	1.4400	IMI	3,546,170.00	5,106,484.80	110,000.00	158,400.00	-	-	-	-	-	-	3,656,170.00	5,264,884.80
0.5800	0.5800	IMP	3,000.00	1,740.00	-	-	-	-	-	-	-	-	3,000.00	1,740.00
0.8800	0.8800	ION	221,000.00	194,480.00	-	-	-	-	-	-	-	-	221,000.00	194,480.00
6.5600	6.5600	IPO	10,000.00	65,600.00	-	-	-	-	-	-	-	-	10,000.00	65,600.00
222.0000	222.0000	JFC	495,603.00	110,023,866.00	18,000.00	3,996,000.00	-	-	-	-	-	-	513,603.00	114,019,866.00
970.0000	970.0000	JFCPB	5,600.00	5,432,000.00	-	-	-	-	-	-	-	-	5,600.00	5,432,000.00
16.1600	16.1600	JGS	4,197,600.00	67,833,216.00	50,000.00	808,000.00	-	-	-	-	-	-	4,247,600.00	68,641,216.00
2.4100	2.4100	KEEPR	23,400.00	56,394.00	-	-	-	-	-	-	-	-	23,400.00	56,394.00
1.2800	1.2800	KPPI	113,000.00	144,640.00	-	-	-	-	-	-	-	-	113,000.00	144,640.00
0.0720	0.0720	LC	1,636,362.00	117,818.06	-	-	-	-	-	-	-	-	1,636,362.00	117,818.06
2.7000	2.7000	LPZ	-	-	20,000.00	54,000.00	-	-	-	-	-	-	20,000.00	54,000.00
10.6600	10.6600	LTG	210,700.00	2,246,062.00	-	-	-	-	-	-	-	-	210,700.00	2,246,062.00
0.0031	0.0031	MA	20,000,000.00	62,000.00	-	-	-	-	-	-	-	-	20,000,000.00	62,000.00
0.0030	0.0030	MAB	11,000,000.00	33,000.00	-	-	-	-	-	-	-	-	11,000,000.00	33,000.00
5.1700	5.1700	MAC	45,000.00	232,650.00	-	-	-	-	-	-	-	-	45,000.00	232,650.00
2.4000	2.4000	MAXS	100.00	240.00	-	-	-	-	-	-	-	-	100.00	240.00
69.3000	69.3000	MBT	77,720.00	5,385,996.00	22,000.00	1,524,600.00	-	-	-	-	-	-	99,720.00	6,910,596.00
0.3100	0.3100	MEDIC	915,000.00	283,650.00	-	-	-	-	-	-	-	-	915,000.00	283,650.00
1.7700	1.7700	MEG	706,000.00	1,249,620.00	-	-	-	-	-	-	-	-	706,000.00	1,249,620.00
448.0000	448.0000	MER	4,810.00	2,154,880.00	-	-	-	-	-	-	-	-	4,810.00	2,154,880.00

1711.0000	1,711.0000	MFC	1,382.00	2,364,602.00	-	-	-	-	-	-	-	1,382.00	2,364,602.00
0.5900	0.5900	MM	17,500.00	10,325.00	-	-	-	-	-	-	-	17,500.00	10,325.00
6.6500	6.6500	MONDE	6,118,100.00	40,685,365.00	-	-	-	-	-	-	-	6,118,100.00	40,685,365.00
0.7600	0.7600	MRC	1,932,400.00	1,468,624.00	600,000.00	456,000.00	-	-	-	-	-	2,532,400.00	1,924,624.00
13.5000	13.5000	MREIT	57,100.00	770,850.00	-	-	-	-	-	-	-	57,100.00	770,850.00
27.1000	27.1000	MWC	22,200.00	601,620.00	280,000.00	7,588,000.00	-	-	-	-	-	302,200.00	8,189,620.00
2.3800	2.3800	MWIDE	385,000.00	916,300.00	-	-	-	-	-	-	-	385,000.00	916,300.00
97.5500	97.5500	MWP4	3,000.00	292,650.00	-	-	-	-	-	-	-	3,000.00	292,650.00
101.3000	101.3000	MWP5	24,000.00	2,431,200.00	-	-	-	-	-	-	-	24,000.00	2,431,200.00
2.1700	2.1700	NIKL	36,914,720.00	80,104,942.40	3,412,800.00	7,405,776.00	-	-	-	-	-	40,327,520.00	87,510,718.40
0.5900	0.5900	NRCP	50,000.00	29,500.00	-	-	-	-	-	-	-	50,000.00	29,500.00
15.6000	15.6000	OGP	2,398,100.00	37,410,360.00	-	-	-	-	-	-	-	2,398,100.00	37,410,360.00
0.0070	0.0070	OPMB	5,924.00	41.47	-	-	-	-	-	-	-	5,924.00	41.47
0.4300	0.4300	ORE	50,000.00	21,500.00	-	-	-	-	-	-	-	50,000.00	21,500.00
0.0073	0.0073	OV	26,700,000.00	194,910.00	-	-	-	-	-	-	-	26,700,000.00	194,910.00
4.5100	4.5100	PAL	3,571.00	16,105.21	-	-	-	-	-	-	-	3,571.00	16,105.21
15.5000	15.5000	PBC	222,800.00	3,453,400.00	-	-	-	-	-	-	-	222,800.00	3,453,400.00
2.3600	2.3600	PCOR	178,600.00	421,496.00	-	-	-	-	-	-	-	178,600.00	421,496.00
3.5100	3.5100	PERC	132,100.00	463,671.00	-	-	-	-	-	-	-	132,100.00	463,671.00
24.7000	24.7000	PGOLD	1,054,200.00	26,038,740.00	-	-	-	-	-	-	-	1,054,200.00	26,038,740.00
0.1710	0.1710	PHA	3,892,000.00	665,532.00	-	-	-	-	-	-	-	3,892,000.00	665,532.00
0.4200	0.4200	PHR	18,036,000.00	7,575,120.00	1,692,000.00	710,640.00	-	-	-	-	-	19,728,000.00	8,285,760.00
26.9000	26.9000	PLUS	14,532,800.00	390,932,320.00	-	-	-	-	-	-	-	14,532,800.00	390,932,320.00
28.5000	28.5000	PNB	33,440.00	953,040.00	-	-	-	-	-	-	-	33,440.00	953,040.00
24.9500	24.9500	PNX3B	2,000.00	49,900.00	-	-	-	-	-	-	-	2,000.00	49,900.00
2.2300	2.2300	PREIT	5,000.00	11,150.00	-	-	-	-	-	-	-	5,000.00	11,150.00
1044.0000	1,044.0000	PRF3B	250.00	261,000.00	-	-	-	-	-	-	-	250.00	261,000.00
1050.0000	1,050.0000	PRF4D	200.00	210,000.00	-	-	-	-	-	-	-	200.00	210,000.00
1011.0000	1,011.0000	PRF4E	380.00	384,180.00	-	-	-	-	-	-	-	380.00	384,180.00
1.9500	1.9500	PRIM	39,000.00	76,050.00	-	-	-	-	-	-	-	39,000.00	76,050.00
183.3000	183.3000	PSE	33,208.00	6,087,026.40	-	-	-	-	-	-	-	33,208.00	6,087,026.40
3.2700	3.2700	PX	1,953,989.00	6,389,544.03	80,000.00	261,600.00	-	-	-	-	-	2,033,989.00	6,651,144.03
2.4500	2.4500	PXP	73,891.00	181,032.95	-	-	-	-	-	-	-	73,891.00	181,032.95
25.7500	25.7500	RCB	186,500.00	4,802,375.00	-	-	-	-	-	-	-	186,500.00	4,802,375.00
5.9400	5.9400	RCR	664,400.00	3,946,536.00	-	-	-	-	-	-	-	664,400.00	3,946,536.00
3.9600	3.9600	RFM	30,000.00	118,800.00	-	-	-	-	-	-	-	30,000.00	118,800.00
12.6000	12.6000	RLC	369,300.00	4,653,180.00	-	-	-	-	-	-	-	369,300.00	4,653,180.00
0.1150	0.1150	RLT	100,000.00	11,500.00	-	-	-	-	-	-	-	100,000.00	11,500.00
1.5700	1.5700	ROCK	21,313.00	33,461.41	-	-	-	-	-	-	-	21,313.00	33,461.41
1.4500	1.4500	ROX	-	-	26,000.00	37,700.00	-	-	-	-	-	26,000.00	37,700.00
34.2000	34.2000	RRHI	340.00	11,628.00	-	-	-	-	-	-	-	340.00	11,628.00
34.6000	34.6000	SCC	20,498,900.00	709,261,940.00	1,439,900.00	49,820,540.00	-	-	-	-	-	21,938,800.00	759,082,480.00
72.4500	72.4500	SECB	582,350.00	42,191,257.50	-	-	-	-	-	-	-	582,350.00	42,191,257.50
65.6500	65.6500	SEVN	146,380.00	9,609,847.00	10,010.00	657,156.50	-	-	-	-	-	156,390.00	10,267,003.50
0.0520	0.0520	SFI	4,977.00	258.80	-	-	-	-	-	-	-	4,977.00	258.80
10.5800	10.5800	SGP	184,000.00	1,946,720.00	-	-	-	-	-	-	-	184,000.00	1,946,720.00
6.6700	6.6700	SHLPH	36,940.00	246,389.80	-	-	-	-	-	-	-	36,940.00	246,389.80
3.9000	3.9000	SHNG	13,000.00	50,700.00	-	-	-	-	-	-	-	13,000.00	50,700.00
780.0000	780.0000	SM	400.00	312,000.00	-	-	-	-	-	-	-	400.00	312,000.00
65.2000	65.2000	SMC	239,863.00	15,639,067.60	-	-	-	-	-	-	-	239,863.00	15,639,067.60
73.8000	73.8000	SMC2I	21,500.00	1,586,700.00	-	-	-	-	-	-	-	21,500.00	1,586,700.00
71.1000	71.1000	SMC2K	2,000.00	142,200.00	-	-	-	-	-	-	-	2,000.00	142,200.00
78.7000	78.7000	SMC2L	57,500.00	4,525,250.00	-	-	-	-	-	-	-	57,500.00	4,525,250.00
78.5000	78.5000	SMC2N	16,800.00	1,318,800.00	-	-	-	-	-	-	-	16,800.00	1,318,800.00
23.1500	23.1500	SMPH	355,500.00	8,229,825.00	-	-	-	-	-	-	-	355,500.00	8,229,825.00
8.9700	8.9700	SPC	930,900.00	8,350,173.00	-	-	-	-	-	-	-	930,900.00	8,350,173.00
1.1500	1.1500	SPNEC	1,769,787.00	2,035,255.05	-	-	-	-	-	-	-	1,769,787.00	2,035,255.05

1.5300	1.5300	STR	60,000.00	91,800.00	-	-	-	-	-	-	-	-	60,000.00	91,800.00
0.8200	0.8200	SUN	46,000.00	37,720.00	-	-	-	-	-	-	-	-	46,000.00	37,720.00
0.3000	0.3000	T	100,000.00	30,000.00	-	-	-	-	-	-	-	-	100,000.00	30,000.00
0.1310	0.1310	TBGI	385,000.00	50,435.00	-	-	-	-	-	-	-	-	385,000.00	50,435.00
0.6400	0.6400	TCB2A	562,200.00	21,000,193.92	5,000.00	186,768.00	-	-	-	-	-	-	562,200.00	21,186,961.92
0.6500	0.6500	TCB2B	25,400.00	963,606.15	-	-	-	-	-	-	-	-	25,400.00	963,606.15
46.0000	46.0000	TCB2C	37,700.00	1,734,200.00	-	-	-	-	-	-	-	-	37,700.00	1,734,200.00
47.0000	47.0000	TCB2D	8,000.00	376,000.00	-	-	-	-	-	-	-	-	8,000.00	376,000.00
1.2500	1.2500	TECH	19,800.00	24,750.00	-	-	-	-	-	-	-	-	19,800.00	24,750.00
1340.0000	1,340.0000	TEL	26,215.00	35,128,100.00	-	-	-	-	-	-	-	-	26,215.00	35,128,100.00
62.1000	62.1000	TFHI	40,018.00	2,485,117.80	-	-	-	-	-	-	-	-	40,018.00	2,485,117.80
0.5900	0.5900	TUGS	1,083,800.00	639,442.00	-	-	-	-	-	-	-	-	1,083,800.00	639,442.00
34.4500	34.4500	UBP	46,739.00	1,610,158.55	-	-	-	-	-	-	-	-	46,739.00	1,610,158.55
0.0030	0.0030	UPM	163,500,000.00	490,500.00	-	-	-	-	-	-	-	-	163,500,000.00	490,500.00
60.8000	60.8000	URC	96,070.00	5,841,056.00	-	-	-	-	-	-	-	-	96,070.00	5,841,056.00
0.6200	0.6200	VITA	280,000.00	173,600.00	-	-	-	-	-	-	-	-	280,000.00	173,600.00
1.8900	1.8900	VREIT	220,000.00	415,800.00	-	-	-	-	-	-	-	-	220,000.00	415,800.00
1.3200	1.3200	WEB	7,000.00	9,240.00	-	-	-	-	-	-	-	-	7,000.00	9,240.00
8.4000	8.4000	WLCON	124,000.00	1,041,600.00	-	-	-	-	-	-	-	-	124,000.00	1,041,600.00
0.3800	0.3800	WPI	200,600.00	76,228.00	-	-	-	-	-	-	-	-	200,600.00	76,228.00
0.1700	0.1700	X	10,000.00	1,700.00	-	-	-	-	-	-	-	-	10,000.00	1,700.00
2.3800	2.3800	XG	66,000.00	157,080.00	-	-	-	-	-	-	-	-	66,000.00	157,080.00
0.0650	0.0650	ZHI	1,050,000.00	68,250.00	-	-	-	-	-	-	-	-	1,050,000.00	68,250.00
			610,234,618.00	2,539,630,951.90	16,959,730.00	155,642,236.50	-	-	-	-	-	-	627,194,348.00	2,695,273,188.40

## VC SECURITIES CORPORATION

### SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS Under Revised SRCRule 68

		2025		2024	
Liquidity Ratios					
1. Current Ratio	Current Assets	617,852,966	2.30	540,730,888	2.56
	Current Liabilities	268,926,363		211,208,115	
2. Liquidity Ratio	Liquid Assets	439,251,677	1.63	343,195,498	1.62
	Current Liabilities	268,926,363		211,208,115	
3. Working Capital to Total Asset	Working Capital	348,926,603	0.55	329,522,773	0.60
	Total Assets	632,133,550		551,961,871	
4. Debt to Total Assets Ratio	Total Debt	487,426,363	0.77	203,500,000	0.37
	Total Assets	632,133,550		551,961,871	
Capital Structure Analysis					
5. Debt-to-Equity Ratio	Total Debt	487,426,363	3.37	203,500,000	1.48
	Total Equity	144,707,187		137,253,756	
6. Asset-to-Equity Ratio	Total Assets	632,133,550	4.37	551,961,871	4.02
	Total Equity	144,707,187		137,253,756	
7. Gearing Ratio	Net Debt	48,174,685	0.25	(139,695,498)	57.21
	Total Capital	192,881,872		(2,441,742)	
8. Interest Coverage Ratio	EBIT	4,807,650	N/A	(1,056,328)	N/A
	Interest expense	-		-	
Profitability Ratio					
9. Gross Profit Margin	Gross Profit	9,227,273	1.49	17,017,500	2.31
	Commission Revenue	6,213,254		7,367,729	
10. (Loss)/Profit Margin	Net Income	7,453,432	1.20	3,240,045	0.44
	Commission Revenue	6,213,254		7,367,729	
11. Return on Assets (ROA)	Net Income	7,453,432	0.01	3,240,045	0.01
	Average Assets	592,047,710		444,068,758	
12. Return on Equity (ROE)	Net Income	7,453,432	0.05	3,240,045	0.02
	Average Equity	140,980,472		135,508,301	