

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

ANNUAL AUDITED FINANCIAL STATEMENT

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

Report for the Period Beginning January 1, 2025 to December 31, 2025

IDENTIFICATION OF BROKER OR DEALER

Name of Broker/Dealer:	A&A SECURITIES, INC.		
Address of Principal Place of Business:	Unit 2608 Jollibee Plaza #F Ortigas Center, Barangay San Antonio, Pasig City		
Name and Phone Number of persons to Contact in Regards to this Report:			
Name:	Zhainee Rose S. Go	Tel. No.	891-10-08 to 10
		Fax No.	891-10-15

IDENTIFICATION OF ACCOUNTANT

Name of Independent Certified Public Accountants whose opinion is contained in this report:			
Name:	TEODORO SANTAMARIA AND CO.	Tel. No.	8812-4202
Address:	Suite 2108 Cityland 10 Tower 1, 156 H.V. Dela Costa Street, Salcedo Village Makati City		
CPA Certificate Number:	7468	Valid until:	June 5, 2029
SEC Accreditation No.	5593 - SEC	Valid until:	2025
PTR Number:	107687480	Date Issued:	January 06, 2026



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

SECURITIES AND EXCHANGE COMMISSION

Philippine International Convention Center
Pasay City


The management of A & A Securities, Inc. (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

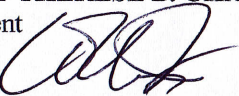
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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


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

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

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


CINDY THERESE B. CHAN
President


LUCIO R. RODRIGUEZ, JR.
Treasurer


LUCIO A. RODRIGUEZ
Director

Signed this 4th day of APRIL.



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

A & A Securities, Inc.

Unit 2608 Jollibee Plaza,
#10 F Ortigas Center,
Barangay San Antonio, Pasig City

We have audited the financial statements of **A & A Securities, Inc.** for the year ended December 31, 2025, on which we have rendered the attached report dated April 14, 2026.

In compliance with Revised SRC Rule 68, we are stating that the above Company has eleven (11) stockholders, nine (9) of whom owning 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, 2029

BOA Accreditation No. 5593 (Firm)

Valid until September 26, 2027

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

Valid until September 26, 2027

SEC Accreditation No. 5593-SEC (Firm)

Valid until 2025 Financial Statements of SEC
covered institutions

SEC Accreditation No. 07468-SEC (Individual)

Valid until 2025 Financial Statements of SEC
covered institutions

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

Valid until April 07, 2029

BIR A.N. 08-008055-000-2022 (Firm)

Valid until March 11, 2028

T.I.N. 106-713-002

PTR No. 10768480 / Makati City

January 06, 2026

April 14, 2026

Makati City, Philippines



TEODORO SANTAMARIA AND Co.
CERTIFIED PUBLIC ACCOUNTANTS

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Trust Service Commitment

Report of Independent Auditors

The Board of Directors and Stockholders

A & A Securities, Inc.

Unit 2608 Jollibee Plaza,

#10 F Ortigas Center,

Barangay San Antonio, Pasig City

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **A & A Securities, Inc.** (“the Company”), which comprise the statements of financial position as at **December 31, 2025 and 2024**, and the related statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years then ended, and a summary of 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 December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS, 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:

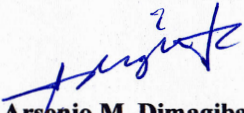
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Other Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information disclosed in Note 28 of the Notes to financial statements is presented for the purpose of filing with the Bureau of Internal Revenue under Revenue Regulation No. 15-2010 and the supplementary information provided in Schedules 1 to 8 as at December 31, 2025 and for the year then ended as required by the Securities and Exchange Commission under the Revised Securities Regulation Code (SRC) Rule 68 are presented as additional analysis and are not a required part of the basic financial statements. Such supplementary 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 supplementary 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, 2029

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PTR No. 10768480 / Makati City

January 06, 2026

April 14, 2026

Makati City, Philippines

A & A SECURITIES, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2025

A & A SECURITIES, INC.

STATEMENTS OF FINANCIAL POSITION

	Notes	December 31		Market value of securities			
		2025	2024	December 31, 2025		December 31, 2024	
		(In Philippine Peso)		Long	Short	Long	Short
Assets							
Current assets							
Cash and cash equivalents	7	621,115,263	562,846,026				
Receivable from customers and clearing house	8	124,847,164	261,221,266	121,549,153		83,962,101	
Other receivables	9	254,227	157,225				
Financial assets at FVPL	10	24,648,000	19,680,000	24,648,000		19,680,000	
Prepayments	11	179,884	90,692				
Total current assets		771,044,537	843,995,208				
Non-current assets							
Investment property, net	12	8,681,802	8,681,802				
Property and equipment, net	13	19,897,774	21,489,840				
Exchange trading rights	3	528,000	528,000				
Prepaid retirement	24	492,100	1,107,600				
Deferred income tax asset	25	3,491,406	2,260,510				
Total non-current assets		33,091,082	34,067,750				
Total assets		804,135,619	878,062,958				
Securities in Vault and Philippine Central Depository, Inc. -forward-						7,143,146,348	6,993,294,027

-brought forward-

	Notes	Market value of securities					
		December 31		December 31, 2025		December 31, 2024	
		2025	2024	Long	Short	Long	Short
		(In Philippine Peso)					
Liabilities and equity							
Current liabilities							
Payable to customers and clearing house	14	708,755,024	784,775,821	6,996,949,195		6,889,651,926	
Income tax payable		-	131,595				
Other current liabilities	15	7,092,805	8,299,124				
		715,847,830	793,206,540				
Non-current liabilities							
Deferred income tax liability	25	107,330	77,522				
Total liabilities		715,955,159	793,284,062				
Equity							
Share capital	16	39,455,800	39,455,800				
Actuarial gains/(losses) on defined benefits plan	24	(3,883,785)	(3,601,479)				
Retained earnings	17	52,608,445	48,924,575				
Total equity		88,180,460	84,778,896				
Total liabilities and equity		804,135,619	878,062,958	7,143,146,348	7,143,146,348	8,885,238,482	

See accompanying notes to financial statements.

A & A SECURITIES, INC.

STATEMENTS OF COMPREHENSIVE INCOME

	Notes	For the years ended December 31	
		2025	2024
(In Philippine Peso)			
Revenue	19	26,183,084	20,541,981
Cost of services	21	(11,820,783)	(5,816,952)
Gross profit		14,362,300	14,725,029
Unrealized gain/ (loss) on financial asset at FVPL	10	4,968,000	(720,000)
(Recovery of)/ provision for credit losses	8	2,011	(1,511)
Other revenue, net	22	1,530,429	1,620,550
Gross income		20,862,741	15,624,068
Administrative expenses	23	(17,998,614)	(16,468,119)
Income /(Loss) before income tax		2,864,127	(844,051)
Income tax benefit	25	819,741	285,236
Net profit/ (loss)		3,683,868	(558,815)
Other comprehensive (loss)/ income	24	(282,305)	84,848
Total comprehensive income/ (loss)		3,401,563	(473,967)

See accompanying notes to financial statements.

A & A SECURITIES, INC.

STATEMENTS OF CHANGES IN EQUITY

	Share Capital Paid up (Note 16)	Actuarial gains /(losses) on defined benefit plan (Note 24)	Retained Earnings		Total
			Appropriated (Note 17)	Unappropriated (Note 17)	
(In Philippine Peso)					
Balance as of December 31, 2024	39,455,800	(3,686,327)	26,034,198	33,449,193	95,252,863
Cash dividend	-	-	-	(10,000,000)	(10,000,000)
Total comprehensive (loss)/income	-	84,848	-	(558,815)	(473,967)
Balance as of December 31, 2024	39,455,800	(3,601,479)	26,034,198	22,890,379	84,778,896
Total comprehensive income	-	(282,305)	-	3,683,868	3,401,563
Appropriation per SRC Rule 49.1 (b) for 2023	-	-	288,000	(288,000)	-
Appropriation per SRC Rule 49.1 (b) for 2025	-	-	736,774	(736,774)	-
Balance as of December 31, 2025	39,455,800	(3,883,785)	27,058,972	25,549,473	88,180,460

See accompanying notes of financial statements.

A & A SECURITIES, INC.

STATEMENTS OF CASH FLOWS

	Notes	For the years ended December 31	
		2025	2024
(In Philippine Peso)			
Cash flows from operating activities			
Profit / (loss) before income tax		2,864,127	(844,051)
Adjustments for:			
Depreciation and amortization	13,23	1,592,066	1,839,650
Provision/ (recovery) of credit losses	8	(2,011)	1,511
Retirement expense	23,24	239,093	228,922
Unrealized (gain)/loss in financial assets at fair value through profit or loss	10	(4,968,000)	720,000
Dividend income	10,22	(1,200,000)	(1,200,000)
Interest income	7,22	(333,416)	(527,779)
Operating (loss)/ income before working capital changes		(1,808,141)	218,252
Decrease/(Increase) in:			
Receivable from customers and clearing house	8	136,376,113	(226,003,328)
Other receivables	9	(97,002)	(2,987)
Prepayments	11	(376,438)	1,848,990
Increase/(Decrease) in:			
Payable to customers and clearing house	14	(76,020,797)	92,495,370
Income tax payable		(131,595)	131,595
Other current liabilities	15	(1,206,318)	4,599,111
Cash generated from/ (absorbed by) operations		56,735,821	(126,712,996)
Dividends received	10,22	1,200,000	1,200,000
Interest received	7,22	333,416	527,779
Income tax paid		-	(131,595)
Net cash provided by/ (used in) operating activities		58,269,237	(125,116,812)
Cash flows from financing activity			
Cash dividend paid	17	-	(10,000,000)
Net cash used in financing activity		-	(10,000,000)
Net increase/ (decrease) in cash and cash equivalents		58,269,237	(135,116,812)
Cash and cash equivalents, January 1	7	562,846,026	697,962,838
Cash and cash equivalents, December 31	7	621,115,263	562,846,026

See accompanying notes to financial statements.

A & A SECURITIES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

(Amounts in Philippines Peso, unless otherwise stated.)

1. Corporate Information

A & A Securities, Inc. (the Company) is a domestic corporation registered with the Securities and Exchange Commission (SEC) on November 18, 1986 primarily to create an institutional medium which will engage in and carry on the business of securities brokerage as defined in BP 178 and toward this end to buy, sell or deal with all other transactions relating for the account of others or its own securities.

As of December 31, 2025, of the Company's total paid-up capital, 30% is owned by Mr. Sheen Charm Louis Chiu, 20% is owned by Ms. Shirley Young Bangayan, 20% is owned by Mr. Lucio Rodriguez, Sr. The rest of the stockholders are all individuals whose ownership ranges from less than 1% to 5%.

The Company amended Article III of its Articles of Incorporations, and approved by the SEC on October 28, 2022, changing its principal place of business from Suite 1906 19th Floor Security Bank Center, 6776 Ayala Avenue, Makati City to Unit 2608 Jollibee Plaza, #10 F Ortigas Center, Barangay San Antonio, Pasig City.

2. Summary of Material Accounting Policies

Statement of Compliance

The accompanying financial statements were prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS), Interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC), and International Financial Reporting Standards Interpretations Committee (IFRS IC) 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

The accompanying financial statements have been prepared on historical cost basis except for financial assets at fair value and the present value of the retirement benefits liability(assets), less fair value of plan assets, if any. The preparation of these 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 Peso, the Company's functional currency and all values are in 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 New and Revised IFRS Accounting Standards

Effective in 2025, the Company adopted the following new and revised PFRS Accounting Standards and Interpretations that are mandatory for the annual reporting period beginning on or after 1 January 2025.

- *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

The Company has adopted the amendments to IAS 21 Lack of Exchangeability for the first time for the annual reporting period commencing 1 January 2025. The amendments clarify that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would take place at a measurement date and at a spot exchange rate. The adoption of these amendments did not have a material impact on the financial position or performance of the Company as of cut-off date. The amendments were applied prospectively from 1 January 2025. No adjustments to opening retained earnings were required.

- *Amendments to IAS 1 and IFRS 7 – Supplier Finance Arrangements*

Effective 1 January 2025, the Company adopted amendments to IAS 7 and IFRS 7 concerning supplier finance arrangements. These amendments require entities to provide both qualitative and quantitative disclosures about these arrangements. Disclosures have been updated to reflect the impact of these arrangements on liabilities and cash flows.

- *Other Amendments*

Amendments to the SASB standards to enhance international applicability were also adopted effective 1 January 2025 but did not significantly impact the financial statements.

New Accounting Standards Issued But Not Yet Effective

In accordance with IAS 8:30, entities must disclose information about new standards that have been issued but are not yet effective.

- *IFRS 18 Presentation and Disclosures in Financial Statements*

Issued in April 2024, IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with early application permitted. It replaces IAS 1 and introduces new categories for income and expenses (operating, investing, financing) and mandates disclosure of

management-defined performance measures. The Company is evaluating the potential impact of IFRS 18 on its financial statement presentation and required disclosures.

- *IFRS 19 Subsidiaries without Public Accountability: Disclosures*
IFRS 19, issued in May 2024 and effective for periods starting on or after 1 January 2027, allows eligible subsidiaries to use reduced disclosure requirements. The Company is assessing whether it qualifies for IFRS 19, which could lead to fewer disclosures in the financial statement notes.
- *Amendments to IAS 21 – Translation to a Hyperinflationary Currency (Effective 1 January 2027)*
The amendments relate to the translation of financial statements from a functional currency not subject to hyperinflation into a reporting currency that is.
- *Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (Effective 1 January 2026)*
These amendments clarify the "solely payments of principal and interest" (SPPI) criterion for financial assets, particularly those with non-recourse features or ESG-linked features.

The Company is in the process of evaluating the impact of these standards and amendments but does not expect them to have a material effect on the financial statements upon adoption.

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.

Financial Instruments

Date of Recognition

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental or directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

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, Loans and Other receivables, Investment securities at amortized cost and certain accounts under Other Resources account in the statement of financial position. For purposes of reporting cash flows, cash and cash equivalents include cash and other cash items, and investment securities at amortized cost with original maturities of three months or less from placement date.

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

Financial Assets at Fair Value Through Profit or Loss

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

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.

Impairment of Financial Assets

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 counterparty 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.

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.

Classification and Measurement of Financial Liabilities

Financial liabilities include trade payables, and other liabilities (including derivatives with negative fair values, except taxes payable, unearned income and capitalized interest and other charges).

- Payable to customers and clearing house and other liabilities are recognized initially at fair value and subsequently measured at amortized cost less settlement payments.
- Derivatives with negative fair values are recognized initially and subsequently measured at fair value with changes in fair value recognized in profit or loss.
- Lease deposits from operating leases are initially recognized at fair value. The excess of the principal amount of the deposits over its fair or present value is immediately recognized as day-one gain and is included as part of Miscellaneous – net under Other Operating Income account in the statement of income. Meanwhile, interest expense on the subsequent amortization of the lease deposits is accrued using the effective interest method and is included as part of Interest Expense account in the statement of income.

As at December 31, 2025 and 2024, the Company’s other financial liabilities include trade payables and other current liabilities.

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.

Investment Property

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

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the statement of comprehensive income in the year of retirement or disposal. Land is not subjected to depreciation.

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:

Condominium	26 years
Transportation Equipment	5 years
Office Equipment and Furniture and Fixtures	3-5 years
Office Improvements	5 years

The initial cost of property and equipment comprises its purchase price and all directly attributable cost necessary to bring an asset to its working condition and location for its intended use. Repairs and maintenance, and overhaul costs, are normally charged to operations in the

period they are incurred. However, subsequent expenditures incurred for an item in the property and equipment are capitalized and added to the carrying amount of the asset when it is probable that the future economic benefits have been increased beyond its originally assessed standard of performance.

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 assets (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.

Exchange 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 Trading Rights based in their relative fair values.

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

Impairment of Non-financial Assets

At each reporting date, the Company assesses whether there is any indication that its non-financial assets may be impaired. When an indicator of impairment exists (or when annual impairment testing for an asset is required), the Company estimates the recoverable amount of the impaired assets. The recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is the present value of future cash flows expected to be derived from an asset while fair value less costs to sell is the amount obtainable from the sale of an asset in an arm’s length transaction between knowledgeable and willing parties less cost of disposal. Where the carrying amount of an asset exceeds its recoverable amount, the impaired asset is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

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

For non-financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the net recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its net recoverable amount. The reversal can be made only to the extent that the resulting carrying value does not exceed the carrying value that would have been determined, net of depreciation and amortization, had no impairment loss been recognized. Such reversal is recognized in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation is adjusted in future years to allocate the asset’s revised carrying amount, less any residual value, on a systematic basis over its remaining life.

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 statement of comprehensive income.

Related Parties

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.

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 income – revenue is recognized when stock brokerage services were rendered to customers and trade deals are confirmed, computed on a flat rate for every trade transaction.
- Interest – revenue is recognized as the interest accrues (taking into account the effective yield on the interest)
- Dividend – revenue is recognized when the shareholders' right to receive the payment is established.
- Realized gain on sale of held for trading financial assets is recognized upon actual derecognition of financial assets.

Revenue is measured by reference to the fair value of consideration received or receivable by the Company for brokerage services provided, excluding value added tax (VAT) and trade discounts.

Cost and Expenses

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

Employee Benefits

Retirement Benefits

Under its DC plan, the Company pays fixed contributions based on the employee's monthly salaries. The Company, however, 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.

Accordingly, the Company accounts for its retirement obligation under the higher of the DB obligation relating to the minimum guarantee and the obligation arising from the DC plan. For the DB minimum guarantee plan, the liability is determined based on the present value of the excess of the projected DB obligation over the projected DC obligation at the end of the reporting period. The DB obligation is calculated annually by a qualified independent actuary using the projected unit credit method. The Company determines the net interest expense (income) on the net DB liability (asset) for the period by applying the discount rate used to

measure the DB obligation at the beginning of the annual period to the then net DB liability (asset), taking into account any changes in the net DB liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the DB plan are recognized in profit or loss.

The DC liability, on the other hand, is measured at the fair value of the DC assets upon which the DC benefits depend, with an adjustment for margin on asset returns, if any, where this is reflected in the DC benefits.

Remeasurements of the net DB liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains or losses on the settlement of a DB plan when the settlement occurs.

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.

Deferred tax is provided, using the balance sheet liability method on all 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 of 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 date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in profit or loss. Only changes in deferred tax assets or liabilities that relate to items recognized in other comprehensive income or directly in equity are recognized in other comprehensive income or directly in equity.

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

Earnings Per Share

Earnings per share is computed by dividing net profit by the weighted average number of issued and outstanding shares 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 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 if 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.

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.

Contingent liabilities are not recognized in the financial statements. In 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.

Events After the Reporting Period

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

3. Significant Accounting Judgments and Estimates

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

Judgments

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

Determination of Functional Currency and Presentation Currency

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

Categories of Financial Instruments

The Company classifies a financial instrument, or its component parts, on initial recognition as 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 classifications 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.

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 December 31, 2025 and 2024 financial statements:

Valuation of Financial Instruments

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

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

Allowance for Credit Losses of Trade and Other Receivables

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

Allowance for credit losses amounted to P1702 in 2025 and P3,713 in 2024. (Please see Note 8).

Useful Life of Property and Equipment

The Company estimates the useful lives of property, plant 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 P19,897,774 in 2025 and P21,489,840 in 2024. (Please see Note 13)

Useful life of Investment Property

Investment property pertains to land that is not subjected to depreciation. Investment property amounted to P8,681,802 in both 2025 and 2024. (Please see Note 12)

Realizable Amount of Deferred Income Tax Assets and Liabilities

The Company reviews its deferred income tax assets and liabilities 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 income tax asset, net amounted to P3,491,406 in 2025 and P2,260,510 in 2024. Deferred tax liability amounted to P107,330 in 2025 and P77,522 in 2024. (Please see Note 25)

Retirement Benefits

The determination of the Company's obligation, cost of pension and other retirement benefits depends on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 24 and include, among others, discount rates and salary increase rate. In accordance with PFRS, actual results that differ from the assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded obligation in such future periods.

Impairment of Non-financial Assets

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

Exchange Trading Rights

The market value of the Company's exchange trading right is P7,700,000 in 2025 and P8,000,000 in 2024. This amount is based on the most recent sale approved by the Philippine Stock Exchange's Board of Directors on September 17, 2025. As at December 31, 2025 and 2024, the carrying value of the exchange trading right amounted to P528,000 both in 2025 and 2024.

4. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise of financial assets at FVPL. The Company has also various financial assets such as cash and cash equivalents, receivable from customers and clearing house and other receivables, while its financial liabilities are payable to customers and clearing house, other current liabilities and subordinated loan.

Since the Company is exposed to a variety of risks such as credit risk, liquidity risk, and market risk, the Board of Directors (BOD) 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 risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due.

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

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

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

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

	Notes	2025	2024
Cash and cash equivalents	7	621,115,263	562,846,026
Receivable from customers and clearing house	8	124,847,164	261,221,266
Other receivables	9	254,227	157,225
Financial assets at FVPL	10	24,648,000	19,680,000
Total		770,864,654	843,904,517

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

2025	Notes	Neither past due nor impaired		Past due but not impaired	Allowance for impairment	
		High grade	Standard grade		Total	Total
Loans and receivable						
Cash and cash equivalents	7	621,115,263				621,115,263
Receivable from customers and clearing house	8	124,793,780	48,060	7,025	(1,702)	124,847,164
Other receivables	9		254,227			254,227
Financial assets at FVPL	10	24,648,000				24,648,000
Total		770,557,043	302,287	7,025	(1,702)	770,864,653

2024	Notes	Neither past due nor impaired		Past due but not impaired	Allowance for impairment	
		High grade	Standard grade		Total	Total
Loans and receivable						
Cash and cash equivalents	7	562,846,026	-	-	-	562,846,026
Receivable from customers and clearing house	8	261,221,266	95,282	5,508	(3,713)	261,318,343
Other receivables	9	-	157,225	-	-	157,225
Financial assets at FVPL	10	19,680,000	-	-	-	19,680,000
Total		843,747,291	252,506	5,508	(3,713)	844,001,593

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

High grade receivables are active accounts with a remote likelihood of payment defaults.

Standard grade receivables are active accounts with minimal instances of payment defaults.

High grade financial assets at FVPL represent equity investment in PSE.

Liquidity Risks

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

The Company's objectives in managing its liquidity profile are:

- a. Ensure that adequate funding is available at all times;
- b. Meet commitments as they arise without incurring unnecessary cost;
- c. Be able to access funding when needed at the least possible cost;
- d. Regularly monitor and evaluate its projected cash flow.

The following are the Company's contractual maturities of the financial liabilities as of December 31, 2025 and 2024.

<u>2025</u>	Notes	Within one year	Two to Five years
Payable to customers and clearing house	14	708,755,024	-
Other current liabilities	15	7,092,805	-
Total		715,847,830	-
<u>2024</u>	Notes	Within one year	Two to Five years
Payable to customers and clearing house	14	784,775,821	-
Other current liabilities	15	8,229,124	-
Total		793,004,945	-

As at December 31, 2025 and 2024, the Company has sufficient financial assets that can be used to manage its liquidity risk consisting of cash and cash equivalents, receivable from customers and clearing house, other receivables and financial assets at fair value through profit or loss.

Market Risk

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity prices and other market changes. The Company's market risk originates from cash and cash equivalents and financial assets at FVPL.

The Company utilizes market risk factor sensitivities as a tool to manage market risk. Market risk factor sensitivities of a position are defined as a change in the value of a position caused by a unit shift in a given market factor. Market risk factor sensitivities include interest rate and foreign exchange sensitivities. The calculation of the factor sensitivities is obtained by measuring the effect of a one (1) unit increase in current interest rates and current foreign exchange rates or volatilities upon various product types.

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 from its financial assets classified as financial assets at fair value through profit or loss. The management monitors the market price in daily-published quotations and regularly reports the results to the Board of Directors.

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	Effect on net results	Effect on Equity	Change	Effect on net results	Effect on Equity
Financial assets at FVPL	8%	1,971,840	1,478,880	-8%	(1,971,840)	(1,478,880)

2024	Change	Effect on net results	Effect on Equity	Change	Effect on net results	Effect on Equity
Financial assets at FVPL	8%	1,574,400	1,180,800	-8%	(1,574,400)	(1,180,800)

Interest Rate Risks

This risk arises when there is a possible change on interest rate of +10 basis points and -10 basis points on December 31, 2025 and 2024 which will affect the future cash flows or fair value of financial instruments. These changes are considered to be reasonably possible based on observation of current market conditions. All other variables are held constant.

2025	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	621,115	496,892	(621,115)	(496,892)

2024	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	562,846	450,277	(562,846)	(450,277)

5. Categories and Fair Values of Financial Assets and Liabilities

Comparison of Carrying Values and Fair Values

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

	Notes	2025		2024	
		Carrying values	Fair values	Carrying values	Fair values
Financial assets					
Loans and receivables:					
Cash and cash equivalents	7	621,115,263	621,115,263	562,849,026	562,849,026
Receivable from customers and clearing house	8	124,847,164	124,847,164	261,221,266	261,221,266
Other receivables	9	254,227	254,227	157,225	157,225
Total		746,216,653	746,216,653	824,227,517	824,227,517
Financial assets at FVPL	10	24,648,000	24,648,000	19,680,000	19,680,000
Other financial liabilities					
Current					
Payable to customers and clearing house	14	708,755,024	708,755,024	784,775,821	784,775,821
Other current liabilities	15	7,092,805	7,092,805	8,299,124	8,299,124
		715,847,830	715,847,830	793,074,945	793,074,945

Management considers that the carrying amounts recognized in the statement of financial position to be reasonable estimates of the fair values of cash and cash equivalents, receivable from customers and clearing house, other receivables, payable to customers and clearing house, payables to non-customers and other current liabilities because of their short period term.

The fair value of financial assets at FVPL are based on the quoted market price in the PSE as at December 31, 2025 and 2024 or on the last trading day of the year.

Fair Value Hierarchy Measurements

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

	Level 1	Level 2	Level 3	Total
December 31, 2025				
Financial assets at FVPL	24,648,000	-	-	24,648,000
December 31, 2024				
Financial assets at FVPL	19,680,000	-	-	19,680,000

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

There was no transfer of financial instruments between levels 1, 2 and 3 in 2025 and 2024.

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 gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	2025	2024
Net debt	94,732,567	230,360,514
Net equity	88,180,460	84,778,896
Total capital	182,913,027	315,139,410
Gearing ratio	52%	73%

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

Minimum Capital Requirement

On December 30, 2003, the SEC passed the Amended Implementing Rules and Regulations (IRR) of the SRC effective February 28, 2004. Significant changes include, among others, revisions in the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows: (a) to allow a net capital of P2,500,000 or 2.5% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities, (b) to allow the SEC to set a different net capital requirement for those authorized to use the risk-based capital adequacy model, and (c) to require unimpaired paid-up capital of P100,000,000 for broker dealers firms and will participate in a registered clearing agency; P10,000,000 plus a surety bond for existing broker dealers not engaged in market making transactions; and P2,500,000 for broker dealing only in proprietary shares and not holding securities. The Company posted a surety bond amounting P12,000,000 in compliance with the Amended IRR of the SRC Rule 28.1.

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

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

On October 22, 2010, SEC approved Memorandum Circular No. 2010-0494 or Deferment on the Minimum Unimpaired Paid-up Capital for Trading Participants (TPs). The Memo states that "TPs with Unimpaired Paid-up Capital ("UPC") falling below Thirty Million pesos (P30,000,000) shall post surety bond amounting to Ten Million (P10,000,000) for the period covering 1 January 2011 to 31 December 2011 until securities held and controlled by the TPs shall be recorded under the name of the individual clients in the books of the Transfer Agent."

The deferral granted by the Commission is effective only for the period January 2011 until December 31, 2011. However, on November 8, 2010, the Commission has adopted SEC Resolution No. 489, series of 2010 stating the effectivity of the deferment from 01 January 2011 until 30 November 2011. Hence, all TPs must have complied with the Thirty Million UPC requirement by December 2011.

The Company is in compliance with the minimum unimpaired paid-up capital as at December 31, 2025 and 2024.

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

The RBCA of the Company as of December 31, 2025 and 2024 are as follows:

	2025	2024
Equity eligible for net liquid capital	84,689,054	82,518,387
Less: Ineligible assets	30,033,786	32,055,159
Total	54,655,267	50,463,228
Position risks	8,626,800	6,888,000
Operational risks	7,716,961	9,233,764
Counterparty risks	-	-
Large exposure risks	5,659,539	3,904,150
Total Risk Capital Requirement	22,003,300	20,025,914
AI	715,847,830	793,206,540
5% of AI	35,792,391	39,660,327
Required NLC	35,792,391	39,660,327
Net Risk-Based Capital Excess	18,862,876	10,802,901
Ratio of AI to NLC	1310%	1572%
RBCA Ratio	248%	252%

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

Ineligible Asset

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

Operational Risk Requirement

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

Position Risk Requirement

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

Counterparty Risk Requirement

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

Large Exposure Risk

It is a risk to which a broker dealer is exposed to a single equity security or single issuer group. This is the maximum permissible large exposure and calculated as a percentage of core equity. The Company has a Large Exposure relative to its particular issuer company amounting to P5,659,539 in 2025 and P3,904,150 in 2024 which is not beyond the maximum permissible large exposure.

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.

As at December 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.

7. Cash and Cash Equivalents

Cash and cash equivalents consist of:

	2025	2024
Cash on hand	30,618	30,000
Cash in bank	12,321,492	10,712,012
Special reserve account	606,245,274	549,586,135
Deposit-surety bond collateral	2,517,878	2,517,878
Total	621,115,263	562,846,026

Cash in banks and cash equivalents earns interest at the respective bank deposit rates from .25% to .50% in 2025 and 2024. Short-term cash investments are made for varying period of up to three months depending on the Company's immediate cash requirements and earn interest at the respective short-term cash investment ranging from 1% to 4.44% in 2025 and 2024. Interest earned amounted to P333,416 in 2025 and P527,779 in 2024 (Note 22).

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.

8. Receivable from Customers and Clearing House

This account consists of:

	2025	2024
Receivable from customers and clearing house		
Receivable from customers	29,648,598	10,049,252
Less: Allowance for credit losses	(1,702)	(3,713)
	29,646,896	10,045,539
Receivable from clearing house	95,200,268	251,175,727
Total	124,847,164	261,221,266

Receivable from customers and clearing house are usually due within two days from transaction date and do not bear any interest. These are subject to credit risks exposure.

Receivable from clearing house pertains to the Company's receivable from Securities Clearing Corporation of the Philippines (SCCP). "Receivable from clearing house" arises when total

selling transactions, i.e. shares of stock sold by customers exceeds total buying transactions within the last two trading days of the year.

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

Ratio of Market Value of securities to Debit Balance	2025		2024	
	Debit Balances	Market Value of Securities	Debit Balances	Market Value of Securities
250% or more	2,715,219	94,773,124	560,311	74,016,444
200% to 250%	-	-	-	-
150% to 200%	-	-	-	-
100% to 150%	-	-	9,486,311	9,944,504
Less than 100%	26,932,270	26,776,029	1,296	1,152
Unsecured	1,108	-	1,333	-
Total	29,648,598	121,549,153	10,049,252	83,962,101
Allowance for impairment	(1,702)	-	(3,713)	-
	29,646,896	121,549,153	10,045,539	83,962,101

Receivable from customers as at December 31, 2025 and 2024 amounting to P29,646,896 and P10,045,539, respectively, is secured by collateral comprising of equity securities of listed companies owned by the customers with the total fair values of P121,549,153 and P83,962,101, respectively. The collateral's fair value (market value) is based on the quoted market price at the PSE as at December 31, 2025 and 2024 or on the last trading day of each year.

In the event the customers failed to pay on due date, the Company is authorized to sell, even without notice, the equity securities held as collateral at prices prevailing on the date of securities are sold to cover the cost of the equity securities purchased for the client.

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

Movements of the allowance for credit losses follow:

	2025	2024
Balance, January 1	3,713	2,201
Recovery of credit losses	(2,011)	1,511
Balance, December 31	1,702	3,713

The table below shows the aging of receivables as of December 31, 2025 and 2024, respectively:

	2025	2024
0 to 1 day	29,593,512	9,948,462
2 to 12 days	358	93,504
13 days	47,702	1,778
Past due	7,025	5,508
Total	29,648,598	10,049,252

9. Other Receivables

This account consists of:

	2025	2024
Advances to employees	168,259	71,257
Advances for expenses	48,658	48,658
Stock subscription receivables	37,310	37,310
Total	254,227	157,225

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

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

	2025	2024
Balance, January 1	19,680,000	20,400,000
Unrealized gain/(loss)	4,968,000	(720,000)
Balance, December 31	24,648,000	19,680,000

Financial assets at FVPL represents the Company's investment in equity securities (120,000 PSE shares) being traded at the Philippine Stock Exchange and is carried at fair value. Fair value is based on the quoted market price at the PSE as at December 31, 2025 and 2024 or on the last trading day of the year. As of December 23, 2025, the Company holds suspended shares amounting to 2,735,320.00, which are included in the Fair Value Through Profit or Loss (FVPL) balance. However, these shares are classified as ineligible assets due to the absence of a readily determinable market.

Reconciliation of cost to fair value follows:

	2025	2024
Cost	6,759,700	6,759,700
Fair value adjustment	17,888,300	12,920,300
Fair value	24,648,000	19,680,000

Dividend income earned amounting to P1,200,000 in 2025 and 2024. (See Note 22).

11. Prepayments

This account consists of the following:

	2025	2024
Input VAT	-	-
Creditable tax at source	80,496.79	-
Prepaid taxes and licenses	53,195	44,500
Prepaid insurance	29,616	29,616
Refundable deposit	16,576	16,576
Payable to clients - cash dividend		(1)
	179,884	90,692

12. Investment Property, Net

The Investment property account under the cost model represents the carrying value of land owned by the Company amounting to P8,681,802.in both in 2025 and 2024. In 2023, the account consists of land and a condominium unit totaling P26,435,923. In 2024, the condominium unit was reclassified under property and equipment net of accumulated depreciation amounting to P17,754,120. (See Note 13)

The land has been appraised using Market Data Approach by First Centennial Property Appraisal, Inc. in 2010 and were estimated to be valued at P31,323,000.

In Market Data Approach, the value is based on sales and listings of comparable property registered within the vicinity. The technique of this approach requires the establishing of comparable sales and listings to a common denominator. This is done by adjusting the differences between the subject property and those actual sale and listings regarded as comparable. Our comparison was premised on the factors of location, size and shape of the unit, time element and facilities offered.

13. Property and Equipment, Net

Property and equipment are summarized as follows:

	Transportation Equipment	Condominium unit	Office Equipment and Furnitures and Fixtures	Office Improvements	Computer Software	Total
Cost						
January 1, 2024	4,059,473	-	4,720,378	3,259,153	1,457,589	13,496,593
Acquisition	-	-	-	-	-	-
Reclassification	-	19,642,857	-	-	-	19,642,857
December 31, 2024	4,059,473	19,642,857	4,720,378	3,259,153	1,457,589	33,139,450
Acquisition	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
December 31, 2025	4,059,473	19,642,857	4,720,378	3,259,153	1,457,589	33,139,450
Accumulated depreciation						
January 1, 2024	4,059,473	-	3,817,241	257,854	542,150	8,676,719
Reclassification	-	1,133,242	-	-	-	1,133,242
Depreciation	-	755,495	575,361	217,277	291,518	1,839,650
December 31, 2024	4,059,473	1,888,737	4,392,602	475,131	833,668	11,649,611
Depreciation	-	755,495	327,776	217,277	291,518	1,592,066
December 31, 2025	4,059,473	2,644,231	4,720,378	692,408	1,125,186	13,241,676
Net book value, 2025	-	16,998,626	-	2,566,745	332,403	19,897,774
Net book value, 2024	-	17,754,120	327,776	2,784,021	623,921	21,489,840

14. Payable to Customers and Clearing House

Details of payable to customers are as follows:

Ratio of Market Value of securities to Debit Balance	2025		2024	
	Credit Balances	Market Value of Securities	Credit Balances	Market Value of Securities
Free				
with money balances	708,755,024	5,707,165,710	784,775,821	5,420,344,655
with zero balances		1,289,783,485		1,469,307,271
	708,755,024	6,996,949,195	784,775,821	6,889,651,926
Payable to clearing house	-		-	
	708,755,024	6,996,949,195	784,775,821	6,889,651,926

Payables to customers and clearing house are usually due within 2 days and 31 days from transaction date and do not bear any interest.

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

15. Other Current Liabilities

This account consists of the following:

	2025	2024
Staled payable	6,250,232	6,261,295
Due to BIR - VAT	406,896	234,041
Due to BIR - STT	(106,621)	1,354,666
Accrued expense	157,429	89,394
Due to BIR - Withholding tax expanded	179,894	128,398
Clearing House fee payable	58,112	82,155
Statutory benefits payable	27,011	26,967
Due to BIR - Withholding tax compensation	2,814	5,770
Unidentified deposit	117,039	116,437
Total	7,092,805	8,299,124

Staled payable pertain to unclaimed stale check payable to customers.

Accrued expenses consist of PCD fee, CTGF contribution, professional fee and PSE transfer fee and charges. Other payables consist of advances from customers for future services. Other current liabilities are expected to be settled within the next operating cycle of the Company.

16. Share Capital

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

	2025	2024
Authorized - par value, P100 per share:		
678,000 shares	P67,800,000	
Issued and paid up		
394,558 shares	39,455,800	39,455,800

The authorized capital stock of the Company is Sixty-Seven Million Eight Hundred Thousand Pesos (P67,800,000) divided into Six Hundred Seventy-Eight Thousand (678,000) common shares with par value of One Hundred (100) per share.

As of December 31, 2025, the Company has eleven (11) stockholders, nine (9) of whom owning one hundred (100) or more shares each of the Company's capital stock.

17. Retained Earnings

The stockholders and Board of Directors of A & A Securities, Inc. resolved not to declare or distribute cash dividends for the current year in order to retain funds for the Company's operational requirements. In the prior year, however, the Board declared and distributed cash dividends amounting to Ten Million Pesos (P10,000,000) from unappropriated retained earnings.

As mentioned in Note 6, the Securities and Exchange Commission on November 11, 2004 has issued SEC memorandum Circular No. 16, Series of 2004 which approved the adoption of RBCA for Broker Dealers. Rule 49.1 (B) "Reserve Fund" of the RBCA. This provides that (1) every Broker Dealer shall annually 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, (2) the amount appropriated shall not be available for payment of dividends, (3) where in any financial year the Broker Dealer's paid up capital is impaired, the Broker Dealer is required to transfer from Appropriated Retained Earnings to the capital account an amount equivalent to the impairment, such amount so transferred out shall not be available for payment of dividend, (4) consistent with the general usage under SRC Rule 28.1 (E) (v), the term "Unimpaired Paid Up Capital" shall refer to the firm's Total Paid Up Capital less any deficiency in the Retained Earnings account, (5) a Broker Dealer may submit to the Commission for approval its own capital build up plan in lieu of the requirements of this provision, (6) notwithstanding the requirements of this section, the Commission may prescribe a different capital build up plan for all Broker Dealers, specifically those incurring net losses during the period, which may include the programmed infusion of fresh capital.

In compliance with the above mentioned rule, the Company appropriated P288,000 in 2025 to correct the appropriation for the year 2023. Moreover, the appropriation for the year 2025 amounted to P736,774. The appropriated retained earnings amounted to P27,058,972 and P26,322,198 (as adjusted) for the years ended December 31, 2025 and 2024, respectively and these represent the reserve fund established solely to comply with the requirements of SRC Rule 68.49.1(B). No portion of the appropriated retained earnings pertains to any other purpose.

18. Earnings Per Share

The computation of earnings per share follows:

	2025	2024
Net profit/ (loss)	3,683,868	(558,815)
Weighted average number of shares		
Issued and outstanding	394,558	394,558
Earnings/ (loss) per share	9.34	(1.42)

19. Revenue

The breakdown of Revenue follows:

	2025	2024
Commission income - transactions	25,903,987	20,461,386
Other commission income	279,097	80,595
Net Commission	26,183,084	20,541,981

20. Personnel Cost

The breakdown of personnel costs is as follows:

	Notes	2025	2024
Salaries and wages		2,111,374	2,176,031
13th month and other benefits		1,636,436	1,549,680
Total		3,747,810	3,725,712
Less: Charged as part of direct operating cost	21	1,855,351	1,868,731
Total charged as part of operating expenses	23	1,892,459	1,856,980

21. Cost of Services

The breakdown of cost of services follows:

	Note	2025	2024
Personnel costs -operations	20	1,855,351	1,868,731
Stock exchange dues and fees		1,182,758	755,244
Central depository fees expense		737,465	810,120
Research Fees		843,954	844,759
Professional Fees-Non opex		2,310,000	1,440,000
Other services-Non-opex		4,891,255	98,098
Total		11,820,783	5,816,952

Breakdown of Personnel cost-operations:

	2025	2024
Salaries and wages- operations	1,033,278	1,081,817
13th month and compensation-related benefits		637,544
SSS contribution - operations	104,080	99,330
Philhealth contribution- operations	1,440	26,940
HDMF fund contribution - operations	21,120	21,480
EC- contributions - operations	-	1,620
Total	1,855,351	1,868,731

22. Other Revenues, Net

The breakdown of other income follows:

	Note	2025	2024
Dividend revenue	10	1,200,000	1,200,000
Interest revenue	7	333,416	527,779
Loss on sale of other assets	10	(2,987)	(107,229)
Total		1,530,429	1,620,550

Interest revenue is net of final withholding tax of P83,353.95 in 2025 and P131,945 in 2024.

23. General and Administrative Expenses

The breakdown of this account is as follows:

	Note	2025	2024
Commission expense		10,671,585	8,644,817
Personnel cost - administrative	20	1,892,459	1,856,980
Depreciation expense	13	1,592,066	1,839,650
Management fee	26	1,365,000	1,365,000
Office supplies		535,069	401,481
Taxes and licenses	28	370,973	337,806
Condominium dues and fees		257,714	198,724
Retirement expense	24	239,093	228,922
Professional fees		198,536	237,000
Insurance		177,704	172,216
Utilities		165,637	184,568
Repairs and maintenance		148,167	128,607
Transportation and travel		113,250	119,098
Postage, telephone and communication		98,219	106,689
Donations and contributions		30,000	-
Director's fee		24,000	48,000
Entertainment, amusement and recreation		22,618	20,597
Meetings and conference		9,287	21,040
Trainings and seminars		3,125	3,125
Bank charges		2,500	700
Photocopies		110	30
Penalties		-	499,245
Miscellaneous		81,502	53,824
Total		17,998,614	16,468,119

Breakdown of Personnel cost-administrative:

	2025	2024
Salaries and wages- administrative	1,078,095	1,094,214
13th month and compensation-related benefits	656,554	610,896
SSS contribution- administrative	107,110	101,040
Philhealth contribution- administrative	27,300	27,300
HDMF fund contribution- administrative	21,840	1,690
EC- contributions- administrative	1,560	21,840
Total	1,892,459	1,856,980

24. Retirement Benefits

The Company maintains defined contribution (DC) plan that cover all regular full time employee. However, under Republic Act (RA) No. 7641, The Philippine Retirement Law, which provides for its qualified employees a defined benefit (DB) minimum guarantee. Accordingly, the Company accounts for its retirement obligation under the higher of the DB obligation relating to the minimum guarantee and the obligation arising from the DC plan. Since the defined contribution (DC) plan is more than sufficient than the required by the RA No.

7691". The Philippine Retirement Law", The company's employee retirement benefits are accounted under defined benefit contribution plan.

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The principal assumptions used for the purposes of the actuarial valuations are as follows:

Changes in Present Value of the Defined Benefit Obligation

	2025	2024
Defined benefit obligation, beginning	4,805,512	4,466,484
Interest expense	293,617	270,222
Current service cost	306,757	302,937
Actuarial (gain)/loss	(130,885)	(234,131)
Defined benefit obligation, ending	5,275,001	4,805,512

Changes in the Fair Value of Plan Assets

	2025	2024
Fair value of plan assets, beginning	6,088,681	5,903,140
Interest income	372,018	357,140
Remeasurement gain/(loss)- return on plan assets	(649,996)	(171,599)
Fair value of plan assets, ending	5,810,703	6,088,681

Liability/ (Asset) Recognized in the Statement of Financial Position

	2025	2024
Defined benefit obligation, ending	5,275,011	4,805,512
Fair value of plan assets, ending	(5,810,703)	(6,088,681)
Funded status - deficit / (surplus)	(535,692)	(1,283,169)
Asset ceiling adjustment	43,592	175,569
Liability/ (asset), ending	(492,100)	(1,107,600)

Amount to be Recognized in Profit or Loss

	2025	2024
Current service cost	306,767	302,937
Interest expense	304,344	283,125
Interest income	(372,018)	(357,140)
Total	239,093	228,922

Amount to be Recognized in Other Comprehensive Income (OCI)

	2025	2024
Balance, January 1	4,801,972	4,915,103
Actuarial Gain/ (Loss) - DBO	(130,885)	(234,131)
Remeasurement - Plan Assets	649,996	171,599
Remeasurement - Changes in the Effect of Asset Ceiling	(142,704)	(50,599)
Defined benefit cost in OCI	376,407	(113,131)
Balance, December 31	5,178,379	4,801,972

Movement in Net Liability/ (Asset)

	2025	2024
Opening Net Liability/ (Asset)	(1,107,600)	(1,223,391)
Amount to be Recognized in Profit or Loss	239,093	228,922
Amount to be Recognized in Other Comprehensive Income	376,407	(113,131)
Closing Net Liability/ (Asset)	(492,100)	(1,107,600)

Financial Assumptions

	2025	2024
Discount rate	6.26%	6.11%
Salary increase rate	5.00%	5.00%

Sensitivity Analysis of Defined Benefit Obligation

2025

Decrease in DBO due to 100 bps increase in discount rate	(348,801)	; (6.6%)
Increase in DBO due to 100 bps decrease in discount rate	391,399	; 7.4%
Increase in DBO due to 100 bps increase in salary increase rate	392,417	; 7.4%
Decrease in DBO due to 100 bps decrease in salary decrease rate	(355,957)	; (6.7%)
Increase in DBO, no attrition rates	56,030	; 1.1%

2024

Decrease in DBO due to 100 bps increase in discount rate	(359,190)	; (7.5%)
Increase in DBO due to 100 bps decrease in discount rate	404,536	; 8.4%
Increase in DBO due to 100 bps increase in salary increase rate	404,981	; 8.4%
Decrease in DBO due to 100 bps decrease in salary decrease rate	(366,057)	; (7.6%)
Increase in DBO, no attrition rates	63,786	; 1.3%

25. Income Taxes

Income tax benefit/ (expense) consists of the following:

	2025	2024
Current	850,052	280,538
Changes in tax rates	-	-
Regular corporate income tax (RCIT)	850,052	280,538
Deferred:		
Unrealized (loss)/gain on financial assets at FVPL	(29,808)	4,320
Provision/(Reversal) of credit losses	(503)	378
Total deferred tax	(30,311)	4,698
Total	819,741	285,236

A reconciliation income tax on pretax income computed at the applicable statutory rates to income tax expense reported in the Statement of comprehensive income is as follows:

	2025	2024
Income before income tax	(716,032)	211,013
Tax effect of:		
Non-taxable income		
Dividend income	300,000	300,000
Interest income	83,354	131,945
Other miscellaneous income	-	-
Non-deductible expenses		
Unrealized market (loss)/ gain	1,212,192	(175,680)
Retirement expense	(59,773)	(57,231)
Penalty	-	(124,811)
Total	819,741	285,236

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.

A minimum corporate income tax (MCIT) of 2% of the gross income as defined in Republic Act No. 8424, is imposed when MCIT is greater than the RCIT.

Deferred Income Tax Assets

The component of deferred income tax assets follows:

2025				
	Balance at the beginning of year	Charged to OCI	Charged to P/L	Balance at the end of the year
<u>Deferred tax assets</u>				
Allowance for credit losses	929		(503)	426
Actuarial gain/(loss)	1,200,494	94,102	-	1,294,596
NOLCO	558,528	-	850,052	1,408,580
MCIT	500,559	287,246	-	787,805
Deferred tax assets	2,260,510	381,348	849,549	3,491,406
<u>Deferred tax liability</u>				
Unrealized market gain	(77,522)	(29,808)	-	(107,330)
Deferred tax assets/(liability), net	2,182,988	351,540	849,549	3,384,076

2024				
	Balance at the beginning of year	Charged to OCI	Charged to P/L	Balance at the end of the year
<u>Deferred tax assets</u>				
Allowance for credit losses	551	-	378	929
Actuarial gain/(loss)	1,228,777	(28,283)	-	1,200,494
NOLCO	277,990	-	280,538	558,528
MCIT	206,058	294,501	-	500,559
Deferred tax assets	1,713,375	266,218	280,916	2,260,510
<u>Deferred tax liability</u>				
Unrealized market gain	(81,842)	4,320	-	(77,522)
Deferred tax assets/(liability), net	1,631,533	270,538	280,916	2,182,988

Validity of NOLCO follows:

Year Incurred	Validity	Amount	Applied Previous year	Applied Current year	Expired	Net Operating Loss (Unapplied)	Deferred Tax Asset
2025	2028	3,400,207	-	-	-	3,400,207	850,052
2024	2027	1,122,151	-	-	-	1,122,151	280,538
2023	2026	1,111,961	-	-	-	1,111,961	277,990
		5,634,319	-	-	-	5,634,319	1,408,580

The carrying benefit of MCIT is presented below:

Year Incurred	Validity	MCIT	Applied Previous year	Applied Current year	Expired	Excess MCIT
2025	2028	287,246	-	-	-	287,246
2024	2027	294,501	-	-	-	294,501
2023	2026	206,058	-	-	-	206,058
		787,805	-	-	-	787,805

26. Related Party Transactions

Selling and Buying of Equity Securities

Certain shareholders and officers of the Company buy and sell equity securities in the Company. The transactions for 2025 and 2024 are summarized as follows:

	2025	2024
Selling	89,923,049	155,209,744
Buying	95,509,384	169,191,690

All charges and expenses related with the selling and buying of equity securities of related parties were treated as non-related party transactions.

Key Management Personnel Compensation

The key management personnel of the Company do not receive compensation. The Company's Executive Vice President received management fees of P1,365,000 in 2025 and 2024.

27. Approval of Financial Statements

The financial statements of the Company for the year ended December 31, 2025 were authorized for issue by the Board of Directors April 14, 2026.

28. Supplementary Information Required by the Bureau of Internal Revenue

Revenue Regulations No. 15-2010

The following information on taxes, duties and license fees paid or accrued during the year is presented for the purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements.

Value-Added Tax

			Output tax	
			2025	2024
Commission income	26,182,459	12%	3,141,895	2,465,036
Sale of land	-	12%	-	-
Rental Income	-	12%	-	-
Output VAT for the year	26,182,459		3,141,895	2,465,036
			2025	Input 2024
Balance, January 31				
Purchase of capital goods	-	12%	-	-
Domestic purchases of goods other than capital goods	1,772,462.21	12%	-	212,695
Domestic purchases of services	4,324,077	12%	-	518,889
Importation of Goods	-	12%	-	-
Input VAT for the year	6,096,539		-	731,585
Applied against Output tax			3,141,895	1,733,452

Withholding Taxes

	2024	2023
Tax withheld by the company on:		
Compensation	56,182	53,184
Expanded	1,642,588	5,513,559
Final tax	1,450,000	1,740,000
	3,148,770	7,306,743

Taxes and Licenses

	Date paid	O.R Number	2025	2024
Municipal license	various	various	199,731	167,289
Real property tax	various	various	120,490	120,490
SEC license renewal/salesman	various	various	44,500	44,500
Others	various	various	1,252	5,014
Annual registration fee	no attachment		5,000	514
Total			370,973	337,806

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

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A & A SECURITIES, INC.

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

There are no subordinated liabilities to claims of general creditors and no changes were presented as required under Rules 49.1.2 and 52.1.5 of the Securities Regulation Code.

Schedule 1

A & A SECURITIES, INC.
RISK-BASED CAPITAL ADEQUACY WORKSHEET
December 31, 2025

Assets	804,135,619
Liabilities	715,955,159
Equity as per books	88,180,460
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	(3,491,406)
Revaluation Reserves	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	(3,491,406)
Equity Eligible For Net Liquid Capital	84,689,054
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	528,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	28,579,576
d. All Other Current Assets	926,210
e. Securities Not Readily Marketable	
f. Negative Exposure (SCCP)	
g. Notes Receivable (non-trade related)	
h. Interest and Dividends Receivables outstanding for more than 30 days	
i. Ineligible Insurance claims	
j. Ineligible Deposits	
k. Short Security Differences	
l. Long Security Differences not resolved prior to sale	
m. Other Assets including Equity Investment in PSE	
Total ineligible assets	30,033,786
Net Liquid Capital (NLC)	54,655,267
Less:	
Operational Risk Req (Schedule ORR-1)	7,716,961
Position Risk Req (Schedule PRR-1)	8,626,800
Counterparty Risk (Schedule CRR-1 and detailed schedules)	
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)	
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)	5,659,539
Total Risk Capital Requirement (TRCR)	22,003,300
Net RBCA Margin (NLC-TRCR)	32,651,967
Liabilities	715,955,159
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	
Others	107,330
Total adjustments to AI	(107,330)
Aggregate Indebtedness	715,847,830
5% of Aggregate Indebtedness	35,792,391
Required Net Liquid Capital (> of 5% of AI or P5M)	39,680,931
Net Risk-based Capital Excess / (Deficiency)	18,862,876
Ratio of AI to Net Liquid Capital	1310%
RBCA Ratio (NLC / TRCR)	248%

A & A SECURITIES, INC.

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

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 and 52.1.5:

Market Valuation	N/A
Number of items	N/A

Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as part of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Annex F of Rule 52.1-5:

Market Valuation	N/A
Number of items	N/A

A & A SECURITIES, INC.

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER ANNEX G OF RULE 49.2 ANNEX 49.2 – B
DECEMBER 31, 2025**

Free credit balances and other credit peso balances in customer's security account	P	710,330,198	
Debit balances in customers cash or margin accounts excluding unsecured accounts doubtful of collection			29,195,748
Due from clearing house		-	91,451,663
TOTALS	P	710,330,198	P 120,647,411
Excess of credit balances over debit balances			589,682,787
Required Reserve			589,682,787
"Special Reserved Bank Account"			606,182,081

A & A SECURITIES, INC.

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

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

A & A SECURITIES, INC.

**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
DECEMBER 31, 2025**

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

A&A SECURITIES INC.
SECURITIES POSITION REPORT
As of December 31, 2025

			CUSTOMERS ACCOUNT		DEALER'S/INVESTMENT		WITH CLEARING		IN BOX		TRANSFER OFFICE		IN PCD	
	PSE CODE	STOCK NAME	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
-	2GO	2GO GROUP, INC	78	-							-	78	-	
-	AAA	ASIA AMALGAMATED	39,700	-							-	39,700	-	
2.0600	AB	ATOK-BIG WEDGE CO.,INC	121,050	249,363.00							-	121,050	249,363.00	
0.2600	ABA	ABACORE CAPITAL HOLDINGS, INC.	11,935,980	3,103,354.80							-	11,935,980	3,103,354.80	
18.7800	ABG	ASIABEST GROUP INTERNATIONAL INC.	10,000	187,800.00							-	10,000	187,800.00	
4.2100	ABS	ABS-CBN CORPORATION	411,533	1,732,553.93							-	411,533	1,732,553.93	
3.4100	ABSP	ABS-CBN HLDGS. (PDR)	3,500	11,935.00							-	3,500	11,935.00	
-	ABSP2	ABS-CBN PREF.2	19,803	-							-	19,803	-	
468.0000	AC	AYALA CORP.	675,847	316,296,396.00							-	675,847	316,296,396.00	
1.2000	ACE	ACESITE PHILS. HOTEL CORP.	615,000	738,000.00							-	615,000	738,000.00	
2.7200	ACEN	ACEN CORPORATION	15,832,881	43,065,436.32							-	15,832,881	43,065,436.32	
1,070.0000	ACENB	ACEN CORP SERIES B PREFERRED SHARES	12,250	13,107,500.00							-	12,250	13,107,500.00	
1,988.0000	ACPB3	AYALA CORP. PREFERRED SERIES 3	5,490	10,914,120.00							-	5,490	10,914,120.00	
1,989.0000	ACPB4	AYALA CORPORATION CLASS B PREFERRED	230	457,470.00							-	230	457,470.00	
0.4700	ACR	ALSONS CONS.RES.,INC.	7,909,000	3,717,230.00							-	7,909,000	3,717,230.00	
-	ACVP	AYALA CORP. VOTING PREF.	50,243	-							-	50,243	-	
28.0000	AEV	ABOITIZ EQUITY	698,182	19,549,096.00							-	698,182	19,549,096.00	
8.1900	AGI	ALLIANCE GLOBAL GROUP, INC.	1,044,002	8,550,376.38							-	1,044,002	8,550,376.38	
1.1700	AGIW	ALLIANCE GLOBAL GROUP INC WARRANTS	117,475	137,445.75							-	117,475	137,445.75	
0.4200	ALCO	ARTHALAND CORPORATION	3,339,998	1,402,799.16							-	3,339,998	1,402,799.16	
485.0000	ALCPD	ARTHALAND CORP SERIES D PREF	140	67,900.00							-	140	67,900.00	
500.0000	ALCPF	ARTHALAND CORP SERIES F PREF SHARES	200	100,000.00							-	200	100,000.00	
22.4500	ALI	AYALA LAND, INC.	14,646,283	328,809,053.35							-	14,646,283	328,809,053.35	
0.0310	ALLDY	ALLDAY MARTS, INC.	5,284,000	163,804.00							-	5,284,000	163,804.00	
1.3000	ALLHC	AYALAND LOGISTICS HOLDINGS CORP.	4,750,200	6,175,260.00							-	4,750,200	6,175,260.00	
0.8400	ALTER	ALTERNERGY HOLDINGS CORPORATION	171,000	143,640.00							-	171,000	143,640.00	
0.5400	ANI	AGRINURTURE, INC.	144,620	78,094.80							-	144,620	78,094.80	
14.4000	ANS	A. SORIANO CORPORATION	1,108,711	15,965,438.40							-	1,108,711	15,965,438.40	
44.0000	AP	ABOITIZ POWER CORP.	1,094,900	48,175,600.00							-	1,094,900	48,175,600.00	
0.1060	APC	APC GROUP, INC.	34,043,000	3,608,558.00							-	34,043,000	3,608,558.00	
0.0050	APL	APOLLO GLOBAL CAPITAL, INC.	251,719,800	1,258,599.00							-	251,719,800	1,258,599.00	
0.7000	APO	ANGLO PHIL HOLDINGS	204,552	143,186.40							-	204,552	143,186.40	
8.4000	APVI	ALTUS PROPERTY VENTURES, INC.	2,423	20,353.20							-	2,423	20,353.20	
12.4400	APX	APEX MINING - A	30,776,236	382,856,375.84							-	30,776,236	382,856,375.84	
0.0032	AR	ABRA MINING & INDUSTRIAL	698,100,000	2,233,920.00							-	698,100,000	2,233,920.00	
0.4000	ARA	ARANETA PROPERTIES	531,244	212,497.60							-	531,244	212,497.60	
43.5000	AREIT	AREIT, INC.	615,550	26,776,425.00							-	615,550	26,776,425.00	
0.8200	ASLAG	RASLAG CORPORATION	148,000	121,360.00							-	148,000	121,360.00	
6.0300	AT	ATLAS CONS. MINING & DEV.	2,081,844	12,553,519.32							-	2,081,844	12,553,519.32	
34.5000	ATI	ASIAN TERMINALS INC	36,503	1,259,353.50							-	36,503	1,259,353.50	
0.4950	ATN	ATN HOLDINGS, INC.	1,130,000	559,350.00							-	1,130,000	559,350.00	
0.4950	ATNB	ATN HOLDINGS INC."B"	208,000	102,960.00							-	208,000	102,960.00	
39.2000	AUB	ASIA UNITED BANK	67,234	2,635,572.80							-	67,234	2,635,572.80	
2.3600	AXLM	AXELUM RESOURCES CORP.	436,200	1,029,432.00							-	436,200	1,029,432.00	
0.3500	BALAI	BALAI NI FRUITAS, INC	10,000	3,500.00							-	10,000	3,500.00	
5.0000	BC	BENGUET CORP-A	92,490	462,450.00							-	92,490	462,450.00	
4.8300	BCB	BENGUET CORP.-B	42,400	204,792.00							-	42,400	204,792.00	
9.0000	BCOR	BERJAYA PHILIPPINES, INC.	50,000	450,000.00							-	50,000	450,000.00	

134.6000	BDO	BDO UNIBANK, INC	2,572,227	346,221,754.20								2,572,227	346,221,754.20
1.3200	BEL	BELLE CORPORATION	41,963,213	55,391,441.16								41,963,213	55,391,441.16
-	BFC	BANCO FIL CONV. PREF.	1	-								1	-
0.0390	BHI	BOULEVARD HOLDNGS, INC.	73,780,000	2,877,420.00								73,780,000	2,877,420.00
0.6500	BKR	BRIGHT KINDLE RESOURCES&INVEST.,INC	425,600	276,640.00								425,600	276,640.00
2.5400	BLOOM	BLOOMBERRY RESORTS	17,102,911	43,441,393.94								17,102,911	43,441,393.94
9.2000	BNCOM	BANK OF COMMERCE	69,200	636,640.00								69,200	636,640.00
116.1000	BPI	BANK OF THE PHIL. ISLAND	2,618,662	304,026,658.20								2,618,662	304,026,658.20
0.9300	BRN	A BROWN COMPANY INC.	456,077	424,151.61								456,077	424,151.61
100.4000	BRNPB	A BROWN COMPANY INC SERIES B PREF	7,000	702,800.00								7,000	702,800.00
0.1170	BSC	BASIC ENERGY CORPORATION	17,594,151	2,058,515.67								17,594,151	2,058,515.67
0.9500	C	CHELSEA LOGISTICS HOLDINGS, CORP.	1,488,500	1,414,075.00								1,488,500	1,414,075.00
52.9000	CAB	CONCRETE AGGREGATES-B	200	10,580.00								200	10,580.00
-	CAL	CALATA CORPORATION	1,152,480	-								1,152,480	-
9.7100	CAT	CEN AZUCAR DE TARLAC	4,700	45,637.00								4,700	45,637.00
57.0000	CBC	CHINA BANKING CORPORATION	1,603,882	91,421,274.00								1,603,882	91,421,274.00
0.5900	CDC	CITYLAND DEVT. CORP.	500,369	295,217.71								500,369	295,217.71
32.0000	CEB	CEBU AIR, INC.	979,650	31,348,800.00								979,650	31,348,800.00
35.0000	CEBCP	CEBU AIR INC CONVERTIBLE PREFERRED	15,944	558,040.00								15,944	558,040.00
0.0720	CEI	CROWN EQUITIES INC.	983,276	70,795.87								983,276	70,795.87
15.7000	CEU	CENTRO ESCOLAR UNIV.	199,302	3,129,041.40								199,302	3,129,041.40
1.0900	CHP	CONCREAT HOLDINGS PHILIPPINES, INC	10,195,416	11,113,003.44								10,195,416	11,113,003.44
13.6000	CIC	CONCEPCION INDUSTRIAL CORP.	1,202,120	16,348,832.00								1,202,120	16,348,832.00
2.3500	CLI	CEBU LANDMASTERS, INC.	186,999	439,447.65								186,999	439,447.65
1,000.0000	CLIA1	CEBU LANDMASTERS INC SERIES A PREF	1,000	1,000,000.00								1,000	1,000,000.00
39.0000	CNPF	CENTURY PACIFIC FOOD, INC.	3,626,258	141,424,062.00								3,626,258	141,424,062.00
15.3200	CNVRG	CONVERGE INFORMATION & COMM.	13,241,869	202,865,433.08								13,241,869	202,865,433.08
0.0280	COAL	COAL ASIA HOLDINGS INC.	97,690,000	2,735,320.00								97,690,000	2,735,320.00
1.4200	COL	COL FINANCIAL GROUP, INC.	2,500	3,550.00								2,500	3,550.00
6.9900	COSCO	COSCO CAPITAL, INC.	3,120,397	21,811,575.03								3,120,397	21,811,575.03
-	COSMOS	COSMOS BOTTLING CORP	21,600	-								21,600	-
0.6900	CPG	CENTURY PROPERTIES GROUP, INC.	15,744,738	10,863,869.22								15,744,738	10,863,869.22
102.0000	CPGPB	CENTURY PROPERTY GROUP PREF. SERIES	7,000	714,000.00								7,000	714,000.00
2.3900	CPM	CENTURY PEAK HLDGS CORP.	262,000	626,180.00								262,000	626,180.00
4.2800	CREC	CITICORE RENEWABLE ENERGY CORP.	383,250	1,640,310.00								383,250	1,640,310.00
3.5700	CREIT	CITICORE ENERGY REIT CORP	3,239,567	11,565,254.19								3,239,567	11,565,254.19
1.6800	CROWN	CROWN ASIA CHEMICALS CORP.	27,000	45,360.00								27,000	45,360.00
0.3600	CTS	CTS GLOBAL EQUITY GROUP, INC	1,091,000	392,760.00								1,091,000	392,760.00
0.5600	CYBR	CYBER BAY CORPORATION	11,402,810	6,385,573.60								11,402,810	6,385,573.60
9.2800	DD	DOUBLEDRAGON PROPERTIES CORP.	466,547	4,329,556.16								466,547	4,329,556.16
1.0200	DDMPR	DDMP REIT INC	8,341,000	8,507,820.00								8,341,000	8,507,820.00
97.0000	DDPR	DOUBLEDRAGON PROPERTIES CORP. PREF.	13,500	1,309,500.00								13,500	1,309,500.00
4.7000	DELM	DEL MONTE PACIFIC LIMITED	21,300	100,110.00								21,300	100,110.00
0.8000	DFNN	DFNN INC.	270,600	216,480.00								270,600	216,480.00
-	DGTL	DIGITAL TELECOM	210,000	-								210,000	-
1.3900	DHI	DOMINION HOLDINGS, INC	126,005	175,146.95								126,005	175,146.95
0.6800	DITO	DITO CME HOLDINGS CORP.	4,748,986	3,229,310.48								4,748,986	3,229,310.48
5.0000	DIZ	DIZON COPPER SILVER MINES, INC.	87,733	438,665.00								87,733	438,665.00
10.5400	DMC	DMCI HOLDINGS, INC.	8,847,095	93,248,381.30								8,847,095	93,248,381.30
5.0000	DMW	D.M WENCESLAO & ASSOCIATES, INC.	1,299,600	6,498,000.00								1,299,600	6,498,000.00
2.8600	DNA	PHILAB HOLDINGS CORP.	216,400	618,904.00								216,400	618,904.00
3.8500	DNL	D&L INDUSTRIES, INC.	95,524,468	367,769,201.80								95,524,468	367,769,201.80
2.6000	ECP	EASYCALL P-COMMON	32,600	84,760.00								32,600	84,760.00
0.2700	ECVC	EAST COAST MINING VULCAN CORP	452,400	122,148.00								452,400	122,148.00
2.8400	EEL	EEL CORPORATION	1,241,673	3,526,351.32								1,241,673	3,526,351.32
98.4000	EELPB	EEL CORPORATION PREFERRED SHARES	9,300	915,120.00								9,300	915,120.00
0.0090	EG	IP E-GAME VENTURES, INC.	211,450,000	1,903,050.00								211,450,000	1,903,050.00
-	EGRN	EVERWOODS GREEN RES. & HLDNGS, INC	754,000	-								754,000	-

-	EIBA	EXPORT & INDUSTRY BANK	17,640,627	-							-	17,640,627	-
-	EIBB	EXPORT AND INDUSTRY BANK INC. - B	200,000	-							-	200,000	-
0.1040	ELI	EMPIRE EAST LAND	10,765,905	1,119,654.12							-	10,765,905	1,119,654.12
16.0000	EMI	EMPERADOR, INC	235,200	3,763,200.00							-	235,200	3,763,200.00
3.3400	ENEX	ENEX ENERGY CORPORATION	237,504	793,263.36							-	237,504	793,263.36
-	ETON	ETON PROPERTIES PHILS. INC.	2,170	-							-	2,170	-
1.0000	EURO	EURO-MED LABORATORIES	10,678	10,678.00							-	10,678	10,678.00
11.6000	EW	EAST WEST BANKING CORPORATION	729,554	8,462,826.40							-	729,554	8,462,826.40
55.0000	FB	SAN MIGUEL FOOD & BEVERAGE, INC.	38,040	2,092,200.00							-	38,040	2,092,200.00
0.5800	FCG	FIGARO CULINARY GROUP, INC	603,000	349,740.00							-	603,000	349,740.00
4.5500	FDC	FILINVEST DEV CORP	44,551	202,707.05							-	44,551	202,707.05
1,010.0000	FDCPA	FILINVEST DEV., CORP. SERIES A	1,500	1,515,000.00							-	1,500	1,515,000.00
1,004.0000	FDCPB	FILINVEST DEV., CORP. SERIES B	1,000	1,004,000.00							-	1,000	1,004,000.00
5.0000	FERRO	FERRONOUX, INCORPORATED	1,000	5,000.00							-	1,000	5,000.00
800.0000	FEU	FAR EASTERN UNI	84	67,200.00							-	84	67,200.00
7.5000	FFI	FILIPINO FUND INC	27,447	205,852.50							-	27,447	205,852.50
17.7400	FGEN	FIRST GEN CORPORATION	98,800	1,752,712.00							-	98,800	1,752,712.00
3.1000	FILRT	FILINVEST REIT CORPORATION	2,561,880	7,941,828.00							-	2,561,880	7,941,828.00
2.6000	FJP	F&J PRINCE HOLDINGS	195,000	507,000.00							-	195,000	507,000.00
0.7700	FLI	FILINVEST LAND INC	3,902,934	3,005,259.18							-	3,902,934	3,005,259.18
101.0000	FMETF	FIRST METRO PHIL ETF	9,010	910,010.00							-	9,010	910,010.00
1.3500	FNI	GLOBAL FERRONICKEL HOLDINGS, INC.	7,406,690	9,999,031.50							-	7,406,690	9,999,031.50
0.3700	FOOD	ALLIANCE SELECT FOODS INTL., INC.	1,862,808	689,238.96							-	1,862,808	689,238.96
77.0000	FPH	FIRST PHIL HLDGS CORP	234,009	18,018,693.00							-	234,009	18,018,693.00
0.2400	FPI	FORUM PACIFIC, INC.	5,220,680	1,252,963.20							-	5,220,680	1,252,963.20
0.6400	FRUIT	FRUITAS HOLDINGS, INC.	2,022,000	1,294,080.00							-	2,022,000	1,294,080.00
0.0870	GEO	GEOGRACE RESOURCES PHILS., INC.	10,465,784	910,523.21							-	10,465,784	910,523.21
0.6900	GERI	GLOBAL-ESTATE RESORTS, INC.	1,071,568	739,381.92							-	1,071,568	739,381.92
1,584.0000	GLO	GLOBE TELECOM, INC	47,624	75,436,416.00							-	47,624	75,436,416.00
5.4100	GMA7	GMA NETWORK, INC.	989,400	5,352,654.00							-	989,400	5,352,654.00
5.2900	GMAP	GMA HOLDINGS, INC.	194,100	1,026,789.00							-	194,100	1,026,789.00
-	GO	GOTESCO LAND INC-A	444,220	-							-	444,220	-
-	GOB	GOTESCO LAND INC-B	4,006	-							-	4,006	-
0.1800	GREEN	GREENERGY HOLDINGS INCORPORATED	1,726,661	310,798.98							-	1,726,661	310,798.98
295.0000	GSMI	GINEBRA SAN MIGUEL INC	2,760	814,200.00							-	2,760	814,200.00
595.0000	GTCAP	GT CAPITAL HOLDINGS, INC.	107,662	64,058,890.00							-	107,662	64,058,890.00
1,000.0000	GTPPB	GTCAP SERIES B PERPETUAL SHARES	1,380	1,380,000.00							-	1,380	1,380,000.00
4.5000	HI	HOUSE OF INVESTMENTS	18,300	82,350.00							-	18,300	82,350.00
0.2370	HOME	ALLHOME CORP.	1,521,300	360,548.10							-	1,521,300	360,548.10
-	HP	HIGHLANDS PRIME, INC.	1,000	-							-	1,000	-
0.1990	I	I-REMIT, INC.	247,379	49,228.42							-	247,379	49,228.42
567.0000	ICT	INTERNATIONAL CONTAINER	1,661,178	941,887,926.00							-	1,661,178	941,887,926.00
0.8700	IDC	ITALPINAS DEVELOPMENT CORPORATION	394,195	342,949.65							-	394,195	342,949.65
3.4700	IMI	INTEGRATED MICRO-ELECTRONICS, INC	890,672	3,090,631.84							-	890,672	3,090,631.84
0.7000	IMP	IMPERIAL RESOURCES-A	1,625,000	1,137,500.00							-	1,625,000	1,137,500.00
0.3150	INFRA	PHILIPPINE INFRADEV HOLDINGS INC	5,204,074	1,639,283.31							-	5,204,074	1,639,283.31
1.0200	ION	IONICS, INC.	639,450	652,239.00							-	639,450	652,239.00
1.5700	IPM	IPM HOLDINGS, INC.	96,000	150,720.00							-	96,000	150,720.00
6.0000	IPO	IPEOPLE INC.-A	49,574	297,444.00							-	49,574	297,444.00
0.1230	IS	ISLAND INFO AND TECH	1,980,000	243,540.00							-	1,980,000	243,540.00
180.0000	JFC	JOLLIBEE FOODS CORP.	1,263,381	227,408,580.00							-	1,263,381	227,408,580.00
994.0000	JFCPB	JFC PREFERRED SERIES B	1,730	1,719,620.00							-	1,730	1,719,620.00
23.6500	JGS	J.G. SUMMIT HOLDINGS, INC.	990,246	23,419,317.90							-	990,246	23,419,317.90
2.4800	KEEPR	THE KEEPERS HOLDINGS, INC.	1,870,848	4,639,703.04							-	1,870,848	4,639,703.04
2.2000	KEP	KEPPEL PHILS PROPERTIES	947,756	2,085,063.20							-	947,756	2,085,063.20
-	KPM	KEPPEL PHILS. MARINE, INC.	2	-							-	2	-
1.1900	KPPI	KEPWEALTH PROPERTY PHILS., INC.	500	595.00							-	500	595.00
0.5300	LAND	CITY AND LAND DEVELOPERS, INC.	186,094	98,629.82							-	186,094	98,629.82

8.8000	LBC	EXPRESS HOLDINGS INC.	1,000	8,800.00								-	1,000	8,800.00
0.1850	LC	LEPANTO CONS MNG-A	678,305,875	125,486,586.88								-	678,305,875	125,486,586.88
0.1870	LCB	LEPANTO CONS MNG-B	285,633,499	53,413,464.31								-	285,633,499	53,413,464.31
33.8000	LFM	LIBERTY FLOUR MILLS	4,000	135,200.00								-	4,000	135,200.00
-	LIB	LIBERTY TELECOMS	300,000	-								-	300,000	-
0.2500	LMG	LMG CORP.	1,106,000	276,500.00								-	1,106,000	276,500.00
0.3500	LODE	LODESTAR INVESTMENT HOLDINGS CORP	2,250,000	787,500.00								-	2,250,000	787,500.00
1.7000	LOTO	PACIFIC ONLINE	25,500	43,350.00								-	25,500	43,350.00
0.0410	LPC	LFM PROPERTIES CORPORATION	158,200	6,486.20								-	158,200	6,486.20
3.7200	LPZ	LOPEZ HOLDINGS CORPORATION	1,437,920	5,349,062.40								-	1,437,920	5,349,062.40
-	LRC	LANDOIL - A	3,308,000	-								-	3,308,000	-
-	LRCB	LANDOIL - B	3,000,000	-								-	3,000,000	-
0.6100	LSC	LORENZO SHIPPING	109,750	66,947.50								-	109,750	66,947.50
14.7800	LTG	LT GROUP, INC.	3,477,150	51,392,277.00								-	3,477,150	51,392,277.00
0.0073	MA	MANILA MINING - A	773,736,230	5,648,274.48								-	773,736,230	5,648,274.48
0.0072	MAB	MANILA MINING - B	297,138,706	2,139,398.68								-	297,138,706	2,139,398.68
4.3400	MAC	MACROASIA CORPORATION	46,800	203,112.00								-	46,800	203,112.00
6.9900	MACAY	MACAY HOLDINGS, INC.	4,908	34,306.92								-	4,908	34,306.92
-	MAH	METRO ALLIANCE HOLDGS.	164,650	-								-	164,650	-
0.7000	MARC	MARCVENTURES HOLDINGS, INC.	1,948,420	1,363,894.00								-	1,948,420	1,363,894.00
2.4500	MAXS	MAX'S GROUP, INC.	3,825,200	9,371,740.00								-	3,825,200	9,371,740.00
0.1640	MB	MANILA BULLETIN PUB.	1,258,117	206,331.19								-	1,258,117	206,331.19
5.0300	MBC	MLA BROADCASTING	1,233,604	6,205,028.12								-	1,233,604	6,205,028.12
68.5000	MBT	METROPOLITAN BANK & TRUST CO.	3,287,374	225,185,119.00								-	3,287,374	225,185,119.00
-	MC	MARSTEEL CONS., INC-A	2,500,000	-								-	2,500,000	-
-	MCB	MARSTEEL CONS., INC-B	8,000,000	-								-	8,000,000	-
0.0900	MED	MEDCO HOLDINGS	2,000	180.00								-	2,000	180.00
0.2600	MEDIC	MEDILINES DISTRIBUTORS INCORPORATED	1,028,000	267,280.00								-	1,028,000	267,280.00
2.0800	MEG	MEGAWORLD CORPORATION	10,915,705	22,704,666.40								-	10,915,705	22,704,666.40
574.0000	MER	MANILA ELECTRIC COMPANY	401,023	230,187,202.00								-	401,023	230,187,202.00
1,880.0000	MFC	MANULIFE FINANCIAL	3,489	6,559,320.00								-	3,489	6,559,320.00
0.0600	MG	MILLENNIUM GLOBAL HOLDINGS, INC.	6,489,000	389,340.00								-	6,489,000	389,340.00
-	MGH	METRO GLOBAL HOLDINGS CORPORATION	307,000	-								-	307,000	-
0.1150	MHC	MABUHAY HOLD CORP-A	235,319	27,061.69								-	235,319	27,061.69
2.0000	MJC	MLA JOCKEY CLUB	435,822	871,644.00								-	435,822	871,644.00
3.4900	MJIC	MJC INVESTMENT CORP.	22,500	78,525.00								-	22,500	78,525.00
0.4000	MM	MERRYMART COSUMER CORP.	8,966,000	3,586,400.00								-	8,966,000	3,586,400.00
5.8000	MONDE	MONDE NISSIN CORPORATION	1,485,950	8,618,510.00								-	1,485,950	8,618,510.00
-	MPI	METRO PACIFIC INVSTMNT CORP.	1	-								-	1	-
0.8700	MRC	MRC ALLIED, INC.	322,400	280,488.00								-	322,400	280,488.00
14.0000	MREIT	MREIT, INC.	209,800	2,937,200.00								-	209,800	2,937,200.00
-	MRP	MELCO RESORTS AND ENT.(PHIL.)CORP.	479,250	-								-	479,250	-
1.1500	MRSGL	METRO RETAIL STORES GROUP, INC.	445,320	512,118.00								-	445,320	512,118.00
5.1900	MVC	MABUHAY VINYL CORP.	84,400	438,036.00								-	84,400	438,036.00
40.3000	MWC	MANILA WATER COMPANY	1,173,370	47,286,811.00								-	1,173,370	47,286,811.00
2.9900	MWIDE	MEGAWIDE CONSTRUCTION CORP.	706,056	2,111,107.44								-	706,056	2,111,107.44
103.0000	MWP5	MEGAWIDE CONSTRUCTION CORP SERIES 5	12,370	1,274,110.00								-	12,370	1,274,110.00
100.0000	MWP6A	MEGAWIDE CONSTRUCTION CORP SER. 6A	6,000	600,000.00								-	6,000	600,000.00
103.8000	MWP6C	MEGAWIDE CONSTRUCTION CORP SER. 6C	19,500	2,024,100.00								-	19,500	2,024,100.00
105.0000	MWP7B	MEGAWIDE CONSTRUCTION CORP SER 7B	1,000	105,000.00								-	1,000	105,000.00
16.9000	MYNLD	MAYNILAD WATER SERVICES, INC	2,663,200	45,008,080.00								-	2,663,200	45,008,080.00
0.3150	NI	NIHAO MINERAL RESOURCES INTL, INC	342,000	107,730.00								-	342,000	107,730.00
3.8900	NIKL	NICKEL ASIA CORPORATION	12,402,424	48,245,429.36								-	12,402,424	48,245,429.36
0.6800	NOW	NOW CORPORATION	3,105,500	2,111,740.00								-	3,105,500	2,111,740.00
0.7700	NRCP	NATIONAL REINSURANCE CORP.	2,869,000	2,209,130.00								-	2,869,000	2,209,130.00
-	NXGEN	NEXT GENESIS CORPORATION	166,000	-								-	166,000	-
32.2000	OGP	OCEANAGOLD (PHILIPPINES), INC.	561,375	18,076,275.00								-	561,375	18,076,275.00
0.1010	OM	OMICO CORPORATION	3,678,471	371,525.57								-	3,678,471	371,525.57

0.0120	OPM	ORIENTAL PETROLEUM-A	680,352,679	8,164,232.15								-	680,352,679	8,164,232.15
0.0120	OPMB	ORIENTAL PETROLEUM-B	226,303,530	2,715,642.36								-	226,303,530	2,715,642.36
0.3700	ORE	ORIENTAL PENINSULA RES. GRP., INC.	2,310,200	854,774.00								-	2,310,200	854,774.00
0.0089	OV	PHILODRILL CORP.	884,136,812	7,868,817.63								-	884,136,812	7,868,817.63
0.9500	PA	PACIFICA HOLDINGS, INC.	249,150	236,692.50								-	249,150	236,692.50
3.8000	PAL	PAL HOLDINGS, INC.	472,586	1,795,826.80								-	472,586	1,795,826.80
2.6100	PAX	PAXYS, INC.	271,201	707,834.61								-	271,201	707,834.61
7.7000	PBB	PHILIPPINE BUSINESS BANK	1,726,743	13,295,921.10								-	1,726,743	13,295,921.10
16.7000	PBC	PHIL BANK OF COMM	41,028	685,167.60								-	41,028	685,167.60
2.4800	PCOR	PETRON CORPORATION	5,374,653	13,329,139.44								-	5,374,653	13,329,139.44
-	PCP	PICOP RESOURCES, INC.	6,095,555	-								-	6,095,555	-
-	PECB	PNOC EXPLORATION-B	800	-								-	800	-
3.5000	PERC	PETROENERGY RES. CORP.	277,933	972,765.50								-	277,933	972,765.50
38.0000	PGOLD	PUREGOLD PRICE CLUB INC.	284,300	10,803,400.00								-	284,300	10,803,400.00
0.2370	PHA	PREMIERE HORIZON ALLIANCE CORP.	6,345,000	1,503,765.00								-	6,345,000	1,503,765.00
-	PHC	PHILCOMSAT HOLDINGS	152,000	-								-	152,000	-
0.2800	PHES	PHIL ESTATES CORP	1,768,000	495,040.00								-	1,768,000	495,040.00
16.7000	PHN	PHINMA CORPORATION	13,355	223,028.50								-	13,355	223,028.50
0.1330	PHR	PH RESORTS GROUP HOLDINGS, INC.	895,000	119,035.00								-	895,000	119,035.00
-	PIP	PEPSI-COLA PROD. PHILS., INC.	59,000	-								-	59,000	-
6.8000	PIZZA	SHAKEYS PIZZA ASIA VENTURES, INC.	16,582,419	112,760,449.20								-	16,582,419	112,760,449.20
16.2000	PLUS	DIGIPLUS INTERACTIVE CORP	954,076	15,456,031.20								-	954,076	15,456,031.20
10.8000	PMPC	PANASONIC MFG PHIL CORP	341,169	3,684,625.20								-	341,169	3,684,625.20
-	PMT	PRIMETOWN PROPERTY	452,500	-								-	452,500	-
54.4000	PNB	PHILIPPINE NATIONAL BANK	1,049,179	57,075,337.60								-	1,049,179	57,075,337.60
-	PNC	PHIL NAT'L CONST. CORP	22,000	-								-	22,000	-
4.1700	PNX	PHOENIX PETROLEUM PHILS.	11,708,007	48,822,389.19								-	11,708,007	48,822,389.19
24.9500	PNX3B	PHOENIX PETROLEUM PHILPPINES, INC.	5,700	142,215.00								-	5,700	142,215.00
177.9000	PNX4	PHOENIX SERIES 4 PREFERRED	1,670	297,093.00								-	1,670	297,093.00
-	PORT	GLOBALPORT 900, INC.	400	-								-	400	-
13.2000	PPC	PRYCE CORPORATION	1,080	14,256.00								-	1,080	14,256.00
-	PPI	PHILTOWN PROPERTIES, INC.	24,697	-								-	24,697	-
1.0200	PREIT	PREMIERE ISLAND POWER REIT CORP	164,000	167,280.00								-	164,000	167,280.00
979.5000	PRF4A	PCOR SERIES 4 PREFERRED SHARES	180	176,310.00								-	180	176,310.00
990.0000	PRF4D	PCOR SERIES 4D PREFERRED SHARES	5,000	4,950,000.00								-	5,000	4,950,000.00
1,000.0000	PRF4E	PCOR SERIES 4E PREFERRED SHARES	890	890,000.00								-	890	890,000.00
1.3000	PRIM	PRIME MEDIA HLDGS, INC.	219,769	285,699.70								-	219,769	285,699.70
1.2800	PRMX	PRIMEX CORPORATION	135,000	172,800.00								-	135,000	172,800.00
54.0000	PSB	PHIL. SAVINGS BANK	22,079	1,192,266.00								-	22,079	1,192,266.00
205.4000	PSE	THE PHIL. STOCK EXCHANGE, INC.	372,660	76,544,364.00	120,000.00	24,648,000.00						-	492,660	101,192,364.00
120.0000	PTC	PHIL. TRUST CO.	480	57,600.00								-	480	57,600.00
-	PTT	PT&T CORP	892,833	-								-	892,833	-
9.9000	PX	PHILEX MINING CORP	22,089,674	218,687,772.60								-	22,089,674	218,687,772.60
2.3800	PXP	PXP ENERGY CORPORATION	2,857,646	6,801,197.48								-	2,857,646	6,801,197.48
25.9500	RCB	RIZAL COMM. BANKING CORP	645,608	16,753,527.60								-	645,608	16,753,527.60
2.6800	RCI	ROXAS & COMPANY, INC.	34,486	92,422.48								-	34,486	92,422.48
8.0200	RCR	RL COMMERCIAL REIT INC	1,628,500	13,060,570.00								-	1,628,500	13,060,570.00
2.3000	REG	REPUBLIC GLASS HLDGS.	143,250	329,475.00								-	143,250	329,475.00
4.7500	RFM	RFM CORPORATION	123,100	584,725.00								-	123,100	584,725.00
16.1600	RLC	ROBINSON LAND CORPORATION	838,571	13,551,307.36								-	838,571	13,551,307.36
0.1090	RLT	PHIL. REALTY & HOLDGS.	790,800	86,197.20								-	790,800	86,197.20
1.8500	ROCK	ROCKWELL	721,255	1,334,321.75								-	721,255	1,334,321.75
1.4500	ROX	ROXAS HOLDINGS, INC.	114,988	166,732.60								-	114,988	166,732.60
33.0500	RRHI	ROBINSONS RETAIL HOLDINGS, INC.	12,100	399,905.00								-	12,100	399,905.00
3.8900	SBS	SBS PHILIPPINES CORPORATION	808,469	3,144,944.41								-	808,469	3,144,944.41
28.2500	SCC	SEMIRARA MINING AND POWER CORP.	3,073,409	86,823,804.25								-	3,073,409	86,823,804.25
65.6500	SECB	SECURITY BANK CORP.	356,461	23,401,664.65								-	356,461	23,401,664.65
37.0000	SEVN	PHIL. SEVEN CORP.	4,700	173,900.00								-	4,700	173,900.00

RECONCILIATION OF RETAINED EARNINGS FOR DIVIDEND DECLARATION

For the reporting period ended December 31, 2025

A & A SECURITIES, INC.

Unit 2608 Jollibee Plaza #10 F Ortigas Center, Barangay San Antonio, Pasig City

Unappropriated retained earnings, beginning of reporting period		22,890,379
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others	-	-
		<hr/>
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	-	
Retained Earnings appropriated during the reporting period	(1,024,774)	
Effect of restatements or prior-period adjustments	(12,920,300)	
Deferred income tax asset, prior year	(2,260,510)	(16,205,583)
		<hr/>
Unappropriated Retained Earnings, as adjusted		6,684,796
		<hr/>
Add/Less: Net Income (loss) for the current year		3,683,868
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared		
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	(4,968,000)	
Unrealized fair value gain of Investment Property	-	
Deferred tax asset decrease/(increase) for the year	(1,230,896)	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	(6,198,896)
Sub-total		<hr/> (2,515,029)
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment Property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	-
Sub-total		<hr/> <hr/>

RECONCILIATION OF RETAINED EARNINGS FOR DIVIDEND DECLARATION

For the reporting period ended December 31, 2025

A & A SECURITIES, INC.

Unit 2608 Jollibee Plaza #10 F Ortigas Center, Barangay San Antonio, Pasig City

Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of Investment Property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	-
Sub-total		<hr/> <hr/>
Adjusted Net Income (Loss)		(2,515,029)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	-
Sub-total		<hr/> <hr/>
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others	-	-
Sub-total		<hr/> <hr/>
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	
Sub-total		<hr/> <hr/>
Total Retained Earnings, end of the reporting period available for dividend		<hr/> <hr/> 4,169,767

A & A SECURITIES, INC.
FINANCIAL SOUNDNESS INDICATORS
December 31, 2025

Ratio	Formula	2025	2024
Current Ratio	Total Current Assets divided by Total Current Liabilities	1.08	1.10
	Total Current Assets	771,044,537.26	
	Divided by: Total Current Liabilities	715,847,829.55	
	Current Ratio	1.08	
Acid test Ratio	Quick Assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities	1.04	1.07
	Total Current Assets	771,044,537.26	
	Less: Inventories	-	
	Other Current Assets	25,082,110.44	
	Quick Assets	745,962,426.82	
	Divide by: Total Current Liabilities	715,847,829.55	
Acid test Ratio	1.04		
Working Capital to Total Asset	Working Capital divided by Total Asset	0.07	0.09
	Working Capital	55,196,707.71	
	Divided by: Total Asset	804,135,619.27	
		0.07	
Debt to Total Assets Ratio	Total Debt Divided by Total Asset	0.89	0.86
	Total Debt	715,955,159.35	
	Divided by: Total Asset	804,135,619.27	
		0.89	
Debt to Equity Ratio	Total Debt divided by Total Equity	8.12	6.28
	Total Debt	715,955,159.35	
	Divided by: Total Equity	88,180,459.92	
		8.12	
Asset to Equity Ratio	Total Asset divided by Total Equity	9.12	7.28
	Total Asset	804,135,619.27	
	Divided by: Total Equity	88,180,459.92	
		9.12	
Interest Coverage Ratio	EBIT divided by Interest Expense	N/A	N/A
	EBIT	-	
	Divided by: Interest Expense	-	
		N/A	

Gross Profit Margin	Gross Profit Divided by Revenue Gross Profit 14,362,300.49 Divided by: Revenue <u>26,183,083.64</u> 0.55	0.55	0.76
Profit Margin	Net Income/(Loss) Divided by: Revenue Net Income/(Loss) 3,683,867.76 Divided by: Revenue <u>26,183,083.64</u> 0.14	0.14	1.62
Return on Asset (ROA)	Net Income/(Loss) Divided by: Average Asset Net Income/(Loss) 3,683,867.76 Divided by: Average Asset <u>841,099,289</u> 0.00	0.00	0.05
Return on Equity	Net Income/(Loss) Divided by: Average Equity Net Income/(Loss) 3,683,867.76 Divided by: Average Equity <u>86,479,678.03</u> 0.04	0.04	0.33
Solvency Ratio	Net Profit after tax add Depreciation Divided by Total Liabilities Net Profit after tax add Depreciation 5,275,933 Divided by: Total Liabilities <u>715,955,159</u> 0.01	0.01	0.05

A & A SECURITIES, INC.
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
December 31, 2025 and 2024
(Per SEC Memorandum Circular No.18, series of 2024)

	2025	2024
Total Audit Fees (Section 2.1a)	61,000.00	61,000.00
Non-audit service fees:		
Other assurance services		
Tax services		
All other services		-
Total Non-audit Fees (Section 2.1b)	-	-
Total Audit and Non-audit Fees	61,000.00	61,000.00
Audit and non-audit fees of other related entities		
	2025	2024
Audit Fees		-
Non-audit service fees:		
Other assurance services		
Tax services		
All other services		
Total Audit and Non-audit Fees of other related entities	-	-