

# COVER SHEET

for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

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Company Name

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

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

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Form Type

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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

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### COMPANY INFORMATION

Company's Email Address

mildecr123@yahoo.com
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Company's Telephone Number/s

(02) 667-8900
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Mobile Number

N/A
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No. of Stockholders

7
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Annual Meeting  
Month/Day

05/15
-------

Fiscal Year  
Month/Day

12/31
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### CONTACT PERSON INFORMATION

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

Name of Contact Person

Melanio C. Dela Cruz
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Email Address

mildecr123@yahoo.com
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Telephone Number/s

(02) 634-5104
---------------

Mobile Number

N/A
-----

Contact Person's Address

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

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

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

**ANNUAL AUDITED FINANCIAL REPORT**

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

Report for the Period Beginning January 1, 2025 and Ending December 31, 2025

**IDENTIFICATION OF BROKER OR DEALER**

Name of Broker/Dealer: ABACUS SECURITIES CORPORATION

Address of Principal Place of Business: Unit 2904-A East Tower, Philippine Stock Exchange Centre,  
Exchange Road, Ortigas Center, Pasig City

Name and Phone Number of Person to Contact in Regard to this Report

Name: Ms. Sheila C. Aguilar

Tel. No. 8667-8900

Fax No. 8634-2109

**IDENTIFICATION OF ACCOUNTANT**

Name of Independent Certified Public Accountant Whose Opinion is Contained in This Report:

Punongbayan and Araullo

Name: Mr. Yusoph A. Maute - Partner

Tel. No. 8988-2288

Fax No. \_\_\_\_\_

Address: 20th Floor Tower I The Enterprise Center, 6766 Ayala Avenue, Makati City

Certificate Number 0140306

PTR Number 10770764

Date Issued January 6, 2026

**ABACUS SECURITIES CORPORATION**  
(Company)

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**DECEMBER 31, 2025**

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**P&A**  
**Grant Thornton**

**FOR SEC FILING**

Financial Statements and  
Independent Auditors' Report

**Abacus Securities Corporation**

December 31, 2025 and 2024

## Report of Independent Auditors

**The Board of Directors**  
**Abacus Securities Corporation**  
**(A Subsidiary of First Abacus Financial Holdings Corporation)**  
Unit 2904-A, East Tower, Philippine Stock Exchange Centre  
Exchange Road, Ortigas Center, Pasig City

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Abacus Securities Corporation (the Company), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and the notes to financial statements, including material accounting policy 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 Accounting Standards).

#### *Basis for Opinion*

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

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

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

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### **Report on Other Legal and 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 for the year ended December 31, 2025 required by the Bureau of Internal Revenue as disclosed in Note 27 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### **PUNONGBAYAN & ARAULLO**

  
By: **Yusoph A. Maute**  
Partner

CPA Reg. No. 0140306  
TIN 415-417-641  
PTR No. 10770764, January 6, 2026, Makati City  
SEC Group A Accreditation  
Partner - No. 140306-SEC (until financial period 2026)  
Firm - No. 0002 (until financial period 2030)  
BIR AN 08-002551-046-2025 (until November 11, 2028)  
BOA/PRC Cert. of Reg. No. 0002/P-018 (until August 12, 2027)

May 14, 2026

## Supplemental Statement of Independent Auditors

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**Punongbayan & Araullo**  
20<sup>th</sup> Floor, Tower 1  
The Enterprise Center  
6766 Ayala Avenue  
1200 Makati City  
Philippines

T +63 2 8988 2288

**The Board of Directors**  
**Abacus Securities Corporation**  
**(A Subsidiary of First Abacus Financial Holdings Corporation)**  
Unit 2904-A, East Tower, Philippine Stock Exchange Centre  
Exchange Road, Ortigas Center, Pasig City

We have audited the financial statements of Abacus Securities Corporation (the Company) for the year ended December 31, 2025, on which we have rendered the attached report dated May 14, 2026.

In compliance with the Revised Securities Regulation Code Rule 68 we are stating that the Company has two stockholders owning 100 or more shares each of the Company's capital stock as at December 31, 2025, as disclosed in Note 19 to the financial statements.

### **PUNONGBAYAN & ARAULLO**

By:   
Yusoph A. Maute  
Partner

CPA Reg. No. 0140306  
TIN 415-417-641  
PTR No. 10770764, January 6, 2026, Makati City  
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BOA/PRC Cert. of Reg. No. 0002/P-018 (until August 12, 2027)

May 14, 2026

**ABACUS SECURITIES CORPORATION**  
*(A Subsidiary of First Abacus Financial Holdings Corporation)*  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2025 AND 2024**  
*(Amounts in Philippine Pesos)*

	Notes	2025			2024		
		Balance	Security Valuation		Balance	Security Valuation	
			Long	Short		Long	Short
<b><u>ASSETS</u></b>							
<b>CASH</b>	7	P 43,263,192			P 145,714,025		
<b>INVESTMENTS</b>							
At fair value through profit or loss	8	160,306,642	P 160,306,642	P -	298,859,779	P 298,859,779	P -
At fair value through other comprehensive income	9	2,000,000			950,000		
<b>RECEIVABLES FROM</b>							
Customers - net	10	557,246,445	9,889,128,809	-	653,363,143	3,767,198,659	-
Non-customers - net	11	4,056,219	53,654,365	-	5,188,169	60,539,298	-
Clearing house - net	5	8,910,070			31,057,483		
Others - net	11	6,860,374			7,371,131		
<b>PROPERTY AND EQUIPMENT - Net</b>	12	8,053,233			8,523,064		
<b>TRADING RIGHT</b>	13	1,408,000			1,408,000		
<b>DEFERRED TAX ASSETS - Net</b>	24	34,490,915			15,511,566		
<b>OTHER ASSETS</b>	14	56,429,873			52,207,995		
<b>TOTAL ASSETS</b>		<b>P 883,024,963</b>			<b>P 1,220,154,355</b>		
<b>SECURITIES</b>							
In box, transfer agents, brokers, Philippine Depository and Trust Corp. and others			-	37,463,199,878		-	28,988,665,104
<b><u>LIABILITIES AND EQUITY</u></b>							
<b>INTEREST-BEARING LOANS AND BORROWINGS</b>	15	P 151,101,160			P 152,514,879		
<b>PAYABLES TO</b>							
Customers	16	374,724,865	27,143,278,746	-	624,390,783	24,595,723,635	-
Non-customers	17	10,821,470	216,831,316	-	20,813,335	266,343,733	-
<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>	18	72,908,453			48,924,404		
Total Liabilities		609,555,948			846,643,401		
<b>EQUITY</b>	19	273,469,015			373,510,954		
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P 883,024,963</b>			<b>P 1,220,154,355</b>		
<b>TOTAL STOCK POSITION</b>			<b>P 37,463,199,878</b>	<b>P 37,463,199,878</b>		<b>P 28,988,665,104</b>	<b>P 28,988,665,104</b>

*See Notes to Financial Statements.*

**ABACUS SECURITIES CORPORATION**  
*(A Subsidiary of First Abacus Financial Holdings Corporation)*  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**  
*(Amounts in Philippine Pesos)*

	Notes	2025	2024
<b>REVENUES</b>			
Commissions	2	<b>P 105,345,767</b>	P 110,676,989
Gain on sale of investments at fair value through profit or loss (FVTPL)	8	<b>26,874,414</b>	40,331,524
Fair value gains on investments at FVTPL	8	-	33,413,779
Reversal of impairment losses	10, 11	-	231,383
Others		<b>38,422</b>	33,918
		<b>132,258,603</b>	184,687,593
<b>OPERATING EXPENSES</b>			
Salaries and employee benefits	20	<b>59,669,434</b>	56,177,622
Fair value loss on investments at FVTPL	8	<b>42,073,803</b>	-
Commissions		<b>26,347,995</b>	27,096,109
Dues and subscriptions		<b>20,341,466</b>	17,058,340
Rental	21	<b>12,888,387</b>	12,273,175
Communication, light and water		<b>11,585,036</b>	11,059,671
Stock exchange fees and dues	2	<b>9,084,189</b>	9,268,602
Outside services		<b>6,261,953</b>	6,650,714
Impairment losses	10, 11	<b>4,046,826</b>	480,053
Professional and management fees		<b>3,513,898</b>	3,781,403
Taxes and licenses		<b>3,284,659</b>	4,628,311
Depreciation and amortization	12, 14	<b>3,042,430</b>	5,084,951
Repairs and maintenance		<b>2,191,324</b>	1,298,723
Representation and entertainment		<b>1,230,675</b>	1,826,507
Others	22	<b>9,905,722</b>	10,109,353
		<b>215,467,797</b>	166,793,534
<b>OPERATING INCOME (LOSS)</b>		<b>( 83,209,194 )</b>	17,894,059
<b>FINANCE INCOME</b>	23	<b>268,305</b>	6,148,071
<b>FINANCE COSTS</b>	23	<b>( 34,345,505 )</b>	( 14,773,932 )
<b>PROFIT (LOSS) BEFORE TAX</b>		<b>( 117,286,394 )</b>	9,268,198
<b>TAX INCOME (EXPENSE)</b>	24	<b>18,203,020</b>	( 8,000,203 )
<b>NET INCOME (LOSS)</b>		<b>( 99,083,374 )</b>	1,267,995
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Item that will not be reclassified subsequently to profit or loss</b>			
Gain (loss) on remeasurement of retirement benefit plan	19, 20	<b>( 2,678,087 )</b>	4,265,003
Tax income (expense)	24	<b>669,522</b>	( 1,066,251 )
		<b>( 2,008,565 )</b>	3,198,752
<b>Item that will be reclassified subsequently to profit or loss</b>			
Fair value gains on investment at fair value through other comprehensive income	9, 19	<b>1,050,000</b>	350,000
<b>Other Comprehensive Income (Loss) - net of tax</b>	19	<b>( 958,565 )</b>	3,548,752
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>( P 100,041,939 )</b>	P 4,816,747

*See Notes to Financial Statements.*

**ABACUS SECURITIES CORPORATION**  
*(A Subsidiary of First Abacus Financial Holdings Corporation)*  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**  
*(Amounts in Philippine Pesos)*

	<b>Capital Stock</b> <i>(see Note 19)</i>	<b>Revaluation Reserves</b> <i>(see Note 19)</i>	<b>Deficit</b>			<b>Total</b>
			<b>Appropriated</b> <i>(see Note 19)</i>	<b>Unappropriated</b> <i>(see Note 19)</i>	<b>Total</b>	
Balance at January 1, 2025	P 400,000,000	( P 7,643,601 )	P 6,842,833	( P 25,688,278 )	( P 18,845,445 )	P 373,510,954
Total comprehensive loss for the year	<u>-</u>	<u>( 958,565 )</u>	<u>-</u>	<u>( 99,083,374 )</u>	<u>( 99,083,374 )</u>	<u>( 100,041,939 )</u>
Balance at December 31, 2025	<b><u>P 400,000,000</u></b>	<b><u>( P 8,602,166 )</u></b>	<b><u>P 6,842,833</u></b>	<b><u>( P 124,771,652 )</u></b>	<b><u>( P 117,928,819 )</u></b>	<b><u>P 273,469,015</u></b>
Balance at January 1, 2024	P 400,000,000	( P 11,192,353 )	P 6,716,033	( P 26,829,473 )	( P 20,113,440 )	P 368,694,207
Appropriations during the year	-	-	126,800	( 126,800 )	-	-
Total comprehensive income for the year	<u>-</u>	<u>3,548,752</u>	<u>-</u>	<u>1,267,995</u>	<u>1,267,995</u>	<u>4,816,747</u>
Balance at December 31, 2024	<b><u>P 400,000,000</u></b>	<b><u>( P 7,643,601 )</u></b>	<b><u>P 6,842,833</u></b>	<b><u>( P 25,688,278 )</u></b>	<b><u>( P 18,845,445 )</u></b>	<b><u>P 373,510,954</u></b>

*See Notes to Financial Statements.*

**ABACUS SECURITIES CORPORATION**  
*(A Subsidiary of First Abacus Financial Holdings Corporation)*  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**  
*(Amounts in Philippine Pesos)*

	Notes	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit (loss) before tax		( P 117,286,394 )	P 9,268,198
Adjustments for:			
Fair value loss (gain) on investments at FVTPL	8	42,073,803	( 33,413,779 )
Interest expense	23	34,345,505	14,773,932
Gain on sale of investments at fair value through profit or loss (FVTPL)	8	( 26,874,414 )	( 40,331,524 )
Impairment losses-net	10, 11	4,046,826	480,053
Depreciation and amortization	12, 14	3,042,430	5,084,951
Interest income	23	( 48,510 )	( 5,927,575 )
Interest received		48,510	5,927,575
Reversal of allowance for impairment	10, 11	-	( 231,383 )
Operating loss before working capital changes		( 60,652,244 )	( 44,369,552 )
Decrease (increase) in investments at FVTPL		123,353,748	( 57,266,439 )
Decrease (increase) in receivables from:			
Customers		92,178,597	27,919,292
Clearing house		22,147,413	( 28,965,693 )
Non-customers		1,023,225	( 660,186 )
Others		510,757	14,598,678
Increase in other assets		( 4,545,533 )	( 5,434,506 )
Increase (decrease) in payables to:			
Customers		( 249,665,918 )	230,818,357
Non-customers		( 9,991,865 )	6,934,323
Increase (decrease) in accrued expenses and other liabilities		18,984,358	( 7,282,921 )
Cash generated (used in) from operations		( 66,657,462 )	136,291,353
Income taxes paid		( 9,702 )	( 7,548 )
Net Cash From (Used in) Operating Activities		( 66,667,164 )	136,283,805
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisitions of property and equipment	12	( 2,346,049 )	( 2,652,526 )
Acquisitions of intangible asset	14	-	( 60,016 )
Net Cash Used in Investing Activities		( 2,346,049 )	( 2,712,542 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of bank loans	15	( 201,413,719 )	( 201,294,725 )
Proceeds of bank loans	15	200,000,000	201,440,044
Interest paid		( 32,023,901 )	( 12,491,835 )
Payments of principal portion of lease liabilities	18	-	( 193,897 )
Net Cash Used in Financing Activities		( 33,437,620 )	( 12,540,413 )
<b>NET INCREASE (DECREASE) IN CASH</b>		( 102,450,833 )	121,030,850
<b>CASH AT BEGINNING OF YEAR</b>		<u>145,714,025</u>	<u>24,683,175</u>
<b>CASH AT END OF YEAR</b>		<u>P 43,263,192</u>	<u>P 145,714,025</u>

*See Notes to Financial Statements.*

**ABACUS SECURITIES CORPORATION**  
*(A Subsidiary of First Abacus Financial Holdings Corporation)*  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 AND 2024**  
*(Amounts in Philippine Pesos)*

**1. CORPORATE INFORMATION**

***1.1 Incorporation and Operations***

Abacus Securities Corporation (the Company) was incorporated in the Philippines on December 29, 1991 and was licensed by the Philippine Securities and Exchange Commission (SEC) to engage in the business of buying and selling of shares of stock, bonds and other securities. The Company is a member of the Philippine Stock Exchange (PSE) and operates within the Philippines.

The Company is an 88%-owned subsidiary of First Abacus Financial Holdings Corporation (FAFHC or the Parent Company), a company incorporated and domiciled in the Philippines. FAFHC is presently engaged in granting regular financial support to related parties to carry out their respective business operations. FAFHC's shares of stock are listed in the PSE.

The Company's and FAFHC's registered office, which is also their principal place of business, is located at Unit 2904-A, East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City.

***1.2 Approval of Financial Statements***

The financial statements of the Company as of and for the year ended December 31, 2025 (including the comparative financial statements as of and for the year ended December 31, 2024) were authorized for issue by the Company's Chairman of the Board of Directors (BOD) and President on May 14, 2026.

**2. MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policy information that have been used in the preparation of these financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

***2.1 Basis of Preparation of Financial Statements***

*(a) Statement of Compliance with Philippine Financial Reporting Standards*

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) *Presentation of Financial Statements*

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Company presents all items of income and expenses in a single statement of comprehensive income.

The Company presents a third statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(c) *Functional and Presentation Currency*

These financial statements are presented in Philippine pesos, the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the Company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

(d) *Security Valuation*

The security position of customers classified as long position pertains to shares of stock that a customer bought with the expectation that the shares will rise in value whereas customers with short position pertains to the sale of shares of borrowed stock in the open market with the expectation that the price thereof will decrease over time, at which point the customer will purchase the shares and return the shares to the broker (to the Company or other brokers) which the customer borrowed from.

## **2.2 Adoption of New and Amended PFRS Accounting Standards**

(a) *Effective in 2025 that is Relevant to the Company*

The Company adopted for the first time amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the financial statements of the Company.

(b) *Effective Subsequent to 2025 but not Adopted Early*

There are amendments to existing standards effective for annual periods subsequent to 2025 which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Company's financial statements:

- (i) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026).
- (ii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.

### **2.3 Securities Transactions**

Securities transactions and related commission revenues and expenses are recorded on a transaction-date basis. Significant related expenses in these transaction follow:

(a) *Stock Exchange Fees and Dues*

Stock exchange fees and dues refer to fees paid to the PSE, the SEC and Securities Investors Protection Fund for every trade transaction made by the Company, relative to the respective volumes of such transactions. These are recognized in profit or loss on the date they are incurred.

(b) *Philippine Central Depository Charges*

Philippine Central Depository charges refer to depository maintenance fees for the customer accounts of the Company maintained with the Philippine Depository and Trust Corporation (PDTC), the independent custodian of scripless securities which are trade in the PSE. These are recognized in profit or loss upon utilization of the service of the PDTC.

## 2.4 *Financial Instruments*

### (a) *Financial Assets*

The classification and measurement of financial assets are described below.

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

The Company's financial assets include financial assets at amortized cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL).

#### *Financial Assets at Amortized Cost*

The Company's financial assets at amortized cost are presented in the statement of financial position as Cash; Receivables from Customers – net, Non-customers – net, Other receivables; and as part of Other Assets – net [with respect to Due from related parties, Clearing and trade guaranty fund and Security deposits included therein].

#### *Financial Assets at FVOCI*

At initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Company for trading or as mandatorily required to be classified as FVTPL. The Company's financial asset at FVOCI pertain to its investment in a golf club share.

#### *Financial Assets at FVTPL*

Equity securities are classified as financial assets at FVTPL, 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 FVTPL include equity securities which are held for trading purposes.

#### *Impairment of Financial Assets*

At the end of the reporting period, the Company assesses and recognizes allowance for expected credit losses (ECL) on its financial assets measured at amortized cost. The ECL on these assets are estimated by applying the simplified approach using a provision matrix developed based on the Company's historical credit loss experience and credit information that are specific to the debtors, adjusted for general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

### (b) *Financial Liabilities*

Financial liabilities include interest-bearing loans and borrowings, payables to customers and non-customers, accrued expenses and other liabilities (except for retirement benefit obligation and tax-related liabilities).

## ***2.5 Property and Equipment***

Property and equipment are stated at cost less accumulated depreciation and amortization and any impairment in value, if any. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture, fixtures and equipment	5 years
Transportation equipment	5 years
Computer equipment	3 years

Leasehold improvements are capitalized at cost and amortized over the shorter of the useful life of the improvements or the remaining lease term. Costs incurred for leasehold improvements are capitalized when they enhance the value or extend the useful life of the leased asset. These improvements include modifications made to leased properties to customize them for operational needs.

## ***2.6 Intangible Assets***

Intangible assets pertain to the Company's trading right and computer software (recognized as part of Other Assets account) in the statement of financial position.

Trading right is the result of the conversion plan to preserve the Company's access to the trading facilities and for it to continue to transact business on the PSE.

Trading right is carried at the amount allocated from the original cost of the exchange membership seat (after a corresponding allocation was made to the value of the PSE shares) less allowance for impairment loss, if any (see Note 2.9). Trading right is assessed to have an indefinite useful life, hence, tested annually for any impairment in realizable value. In accordance with PAS 38, *Intangible Assets*, intangible assets with indefinite useful life will not be amortized but shall be reviewed each year to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. The Company tests the asset for impairment by comparing its carrying amount with its recoverable amount and recognizing any excess of the carrying amount over the recoverable amount as an impairment loss.

## ***2.7 Revenue and Expense Recognition***

Revenue comprises revenues from rendering of services measured by reference to the fair value of consideration received or receivable by the Company for services rendered excluding value-added tax (VAT).

The Company's revenues that are within the scope of PFRS 15, *Revenue from Contracts with Customers*, pertain to commissions, which are recognized as actual revenues and are charged to customers on a transaction-date basis as securities transactions occur, hence, at a point in time. The rest, which include gain on sale and fair value gain of investments at FVTPL and interest income, are within the scope of PFRS 9, *Financial Instruments*, and are separately accounted for in accordance with the related policies in Note 2.4.

Costs and expenses are recognized in the statement of comprehensive income upon utilization of the goods or service or at the date they are incurred. Finance costs are reported on an accrual basis except for capitalized borrowing costs, if any, which are included as part of cost of the related qualifying asset.

## ***2.8 Leases – Company as a Lessee***

Subsequent to initial recognition, the Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The related right-of-use asset is presented together with Property, Plant, and Equipment in the statements of financial position (see Note 12), while the corresponding lease liability is presented as part of Accrued Expenses and Other Liabilities in the statements of financial position.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

## ***2.9 Impairment of Non-Financial Assets***

The Company's property and equipment, intangible assets and other non-financial assets are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

## ***2.10 Employee Benefits***

The Company provides post-employment benefits to employees through defined benefit plan and defined contribution plans, and other employee benefits.

The Company's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax-qualified, non-contributory and administered by a trustee. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

# **3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of the Company's financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect the amounts reported 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 the circumstances. Actual results may ultimately vary from these estimates.

## ***3.1 Critical Management Judgments in Applying Accounting Policies***

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:

(a) *Evaluation of Business Model Applied in Managing Financial Instruments*

The Company developed business models which reflect how it manages its portfolio of financial instruments. The Company's business models need not be assessed at entity level or as a whole but shall be applied at the level of a portfolio of financial instruments (i.e., group of financial instruments that are managed together by the Company) and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument, the Company evaluates in which business model a financial instrument or a portfolio of financial instruments belong to taking into consideration the objectives of each business model established by the Company (e.g., held-for-trading, generating accrual income, direct matching to a specific liability) as those relate to the Company's investment and trading strategies.

(b) *Testing the Cash Flow Characteristics of Financial Assets and Continuing Evaluation of the Business Model*

In determining the classification of financial assets, the Company assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk) does not meet the amortized cost criteria. In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, the Company assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion.

The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the Company considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

(c) *Application of ECL Model to Financial Assets at Amortized Cost*

The Company uses a provision matrix to calculate ECL for receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., enhancements such as collaterals).

The provision matrix is based on the Company's historical observed default rates. The Company's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions).

Explanation of the inputs, assumptions and estimation used in measuring ECL is discussed in detail in Note 4.2.

*(d) Recognition of Provisions and Contingencies*

Provisions are recognized when present obligations 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 obligation that has resulted from past events. Judgment is exercised by management to distinguish between provisions and contingencies. The disclosure on relevant contingencies are presented in Note 25.

**3.2 Key Sources of Estimation Uncertainty**

Following are discussions on the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

*(a) Estimation of Allowance for ECL*

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of the issuer defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 4.2.

*(b) Determination of Fair Value Measurement for Financial Assets at FVTPL and FVOCI*

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

The carrying values of the Company's financial assets at FVTPL and at FVOCI, and the amounts of fair value changes recognized in 2025 and 2024 are disclosed in Notes 8 and 9, respectively.

*(c) Estimation of Useful Lives of Property, Equipment and Intangible Assets*

The Company estimates the useful lives of property and equipment, and intangible assets based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets 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 the assets.

The carrying amounts of property and equipment and intangible assets are presented in Notes 12 and 14, respectively. Based on management's assessment as of December 31, 2025 and 2024, there is no change in estimated useful lives these assets. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(d) *Determination of Realizable Amount of Deferred Tax Assets*

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. The carrying values of deferred tax assets as of December 31, 2025 and 2024 are disclosed in Note 24.

(e) *Impairment of Non-financial Assets*

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. 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 those 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.

There were no impairment losses required to be recognized on the Company's non-financial assets as of December 31, 2025 and 2024 based on management's assessment.

(f) *Valuation of Post-employment Defined Benefit Obligation*

The determination of the Company's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary rate increase.

A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment benefit obligation in the next reporting period.

The amounts of retirement benefit obligation and expense and an analysis of the movements in the estimated present value of retirement benefit asset are presented in Note 20.2.

#### 4. **RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company is exposed to a variety of financial risks that resulted from both its operating and investing activities. The Company's risk management is coordinated with its Parent Company, in close cooperation with the BOD, and focuses on actively securing the Company's short to medium term cash flows by optimizing results of its exposure to financial markets to the best interest of the Company. The relevant financial risks to which the Company is exposed to are described in the succeeding pages.

The Company does not engage in the trading of financial assets for speculative purposes nor does it write options.

The most significant financial risks to which the Company is exposed to are described below and in the succeeding pages.

#### **4.1 Market Risk**

The Company is exposed to market risks through its use of financial instruments and specifically to foreign currency risk, interest rate risk and certain other price risk which resulted from both operating, investing and financing activities.

##### *(a) Interest Rate Risk*

The Company's policy is to minimize interest rate cash flow risk exposure on long-term financing. At December 31, 2025 and 2024, the Company is exposed to changes in market rates through its cash in banks which are subject to variable interest rates. Interest-bearing loans and borrowings are subject to fixed interest rates. Thus, management believes that the Company's exposure to interest rate risk is not material.

##### *(b) Foreign Currency Risk*

Foreign currency risk arises mainly from potential losses from the changes in the exchange rates of the Company's foreign currency-denominated assets and liabilities.

The Company seeks to mitigate the effect of its foreign currency exposure by limiting its foreign currency transactions to the extent possible. The Company does not enter into forward contracts or hedging transactions.

The Company's United States (US) dollar-denominated financial instruments pertain only to minimal cash in bank, translated into Philippine peso at the closing rates, of P1.6 million and P1.0 million for December 31, 2025 and 2024, respectively (see Note 7).

Management believes that the Company's exposure to foreign exchange risk is not material.

##### *(c) Other Market Price Risk*

The Company's market price risk arises from its investments carried at fair value (investments classified as financial assets at FVTPL and FVOCI). It manages its risk arising from changes in market prices by closely monitoring the market price changes of the investments.

The observed volatility rates using standard deviation of the fair values of the Company's investments held at fair value and their impact on the Company's profit before tax and equity as at December 31, 2025 and 2024 are summarized below.

<i>(Amounts in PHP)</i>	<u>Observed Volatility Rates</u>		<u>Impact of Increase</u>		<u>Impact of Decrease</u>	
	<u>Increase</u>	<u>Decrease</u>	<u>Profit before tax</u>	<u>Equity</u>	<u>Profit before tax</u>	<u>Equity</u>
<b>December 31, 2025:</b>						
Equity securities quoted in the Philippines obligation	15.81%	15.81%	<u>25,344,480</u>	<u>19,008,360</u>	<u>(25,344,480)</u>	<u>(19,008,360)</u>
<b>December 31, 2024:</b>						
Equity securities quoted in the Philippines obligation	8.87%	8.87%	<u>26,508,862</u>	<u>19,881,647</u>	<u>(26,508,862)</u>	<u>(19,881,647)</u>

The investment in a golf club share presented under Investment at FVOCI has no volatility rates as of December 31, 2025 and 2024 since the average monthly market price was not available. Nevertheless, the impact of the volatility rates using standard deviation of the golf club share on the Company's equity is assessed by management to be insignificant.

#### 4.2 Credit Risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, arising from trading of securities for the account of customers and non-customers (including related parties) and placing deposits with banks.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the statements of financial position (or in the detailed analysis provided in the notes to financial statements) as summarized below.

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Cash	7	<b>43,263,192</b>	145,714,025
Receivables:			
Customer -net	10	<b>557,246,445</b>	653,363,143
Clearing house-net	5	<b>8,910,070</b>	31,057,483
Non-customer-net	11.1	<b>4,056,219</b>	5,188,169
Other - net	11.2	<b>6,860,374</b>	7,371,131
Clearing and trade guaranty fund	14.1	<b>26,930,932</b>	25,907,156
Security deposit	14.3	<b>3,159,619</b>	3,009,619
Other long-term investments	14	<b>1,900,000</b>	1,900,000
		<u><b>652,326,851</b></u>	<u>873,510,726</u>

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The table below shows the credit quality by class of financial assets (gross of allowance for impairment) as of December 31.

<i>(Amounts in PHP)</i>	<b>Neither Past Due nor Impaired</b>		<b>Past Due</b>	<b>Total</b>
	<b>High Grade</b>	<b>Standard Grade</b>	<b>or Individually Impaired</b>	
<b>December 31, 2025:</b>				
Cash	43,263,192	-	-	43,263,192
Receivable from:				
Customers	540,495,479	16,750,966	8,831,987	566,078,432
Non-customer	3,199,086	3,116,375	83,228	6,398,689
Others	-	6,860,374	3,725,689	10,586,063
Clearing house-net	8,910,070	-	-	8,910,070
Clearing and trade guaranty fund	-	26,930,932	-	26,930,932
Security deposits	-	3,159,619	-	3,159,619
	<b>595,867,827</b>	<b>56,818,266</b>	<b>12,640,904</b>	<b>665,326,997</b>
<b>December 31, 2024:</b>				
Cash	145,714,025	-	-	145,714,025
Receivable from:				
Customers	589,229,151	64,148,998	4,878,880	658,257,029
Non-customer	4,540,722	2,866,185	15,007	7,421,914
Others	-	7,371,131	3,725,689	11,096,820
Clearing house-net	31,057,483	-	-	31,057,483
Clearing and trade guaranty fund	-	25,907,156	-	25,907,156
Security deposits	-	3,009,619	-	3,009,619
	<b>770,541,381</b>	<b>103,303,089</b>	<b>8,619,576</b>	<b>882,464,046</b>

High Grade credit quality pertains to financial assets with insignificant risk of default based on historical experience. On the other hand, Standard Grade credit quality pertains to financial assets not belonging to High Grade credit quality financial assets but does not exhibit any default or possible impairment.

(a) *Cash*

As part of the Company's policy, bank deposits are maintained only with reputable financial institutions. Cash in banks which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P1.0 million per depositor per banking institution, as provided for under Republic Act (RA) No. 9576, *Charter of Philippine Deposit Insurance Corporation*, are still subjected to credit risk.

(b) *Receivables from Customers, Non-customers, and Other Receivables*

The Company applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance for all receivables from customers and non-customers, as well as for other receivables.

Receivables from customers and non-customers are either fully or partially secured by collateral equity securities (see Notes 10 and 11.1). In computing for the lifetime ECL, the Company applied an individual assessment of ECL measurement considering qualitative factors, i.e., longevity of days outstanding, no recorded trading activities and insufficient collateral valuation.

All receivables from customers are subject to credit risk exposure. However, the Company does not identify specific concentrations of credit risk with regard to receivables from customers as the amounts recognized resemble a large number of receivables from various customers.

In respect of receivables from non-customers and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

(c) *Clearing and Trade Guaranty Fund and Security Deposits*

With respect to clearing and trade guaranty fund and security deposit which are both refundable from credible private corporations with sound liquid position, the Company is not exposed to any significant credit risk exposure. These financial assets are considered to be neither past due nor impaired as of December 31, 2025 and 2024.

(d) *Due From Related Parties*

In respect of receivables from related parties, the Company does not identify circumstances, including adverse economic factors, that may indicate the related parties' unlikeliness to settle their obligation to the Company. In addition, management has assessed that the related parties have sufficient liquid and recoverable assets to repay the Company if payment will be demanded at the end of reporting period.

### 4.3 *Liquidity Risk*

The Company manages its liquidity needs by carefully monitoring cash outflows due in its day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis.

As of December 31, 2025 and 2024, the Company's financial liabilities have contractual maturities which are presented below.

<i>(Amounts in PHP)</i>	<u>Within Six Months</u>	<u>Six to 12 Months</u>	<u>More than One Year</u>	<u>Total</u>
<b><u>December 31, 2025</u></b>				
Interest-bearing loans and borrowings	153,214,826	263,290	90,405	153,568,521
Payable to customers	374,724,865	-	-	374,724,865
Payable to non-customers	10,821,470	-	-	10,821,470
Accrued expenses and other liabilities	25,000,865	-	-	25,000,865
	<u><b>563,762,026</b></u>	<u><b>263,290</b></u>	<u><b>90,405</b></u>	<u><b>564,115,721</b></u>
<b><u>December 31, 2024</u></b>				
Interest-bearing loans and borrowings	150,796,526	827,188	891,165	152,514,879
Payable to customers	624,390,783	-	-	624,390,783
Payable to non-customer	20,813,335	-	-	20,813,335
Accrued expenses and other liabilities	3,865,658	291,266	-	4,156,924
	<u><b>799,866,302</b></u>	<u><b>1,118,454</b></u>	<u><b>891,165</b></u>	<u><b>801,875,921</b></u>

5. **CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

**5.1 Comparison of Carrying Amounts and Fair Values**

The Company's financial assets and financial liabilities carried at amortized cost as presented in the statements of financial position are short-term in nature. For interest-bearing loans and borrowings with more than one year of maturity, the effect of discounting the future cash flows expected to be paid is insignificant. For the Company's investments at FVTPL and FVOCI, their carrying values of P160.3 million and P2.0 million, respectively, as at December 31, 2025 and P298.9 million and P1.0 million, respectively, as at December 31, 2024 are equal to their fair values as at those dates. Because their carrying values approximate or are equal their fair values, a comparison between these values is no longer presented.

See Note 2.4 for a description of the accounting policies for each category of financial instruments. A description of the Company's risk management objectives and policies for financial instruments is provided in Note 4.

**5.2 Offsetting of Financial Assets and Financial Liabilities**

The following financial assets and liabilities with net amounts presented in the statements of financial position are subject to offsetting agreement:

<i>(Amounts in PHP)</i>	Gross amounts recognized in the statement of financial position		Net amount presented in the statements of financial position
	Financial asset	Financial Liabilities set off	
<b>December 31, 2025</b>			
Receivable from clearing house	22,518,419	(13,608,349)	8,910,070
<b>December 31, 2024</b>			
Receivable from clearing house	31,057,483	-	31,057,483

Receivable from clearing organization refers to the outstanding balance for the last two or three trading days of the year due to the T+2 rule in 2025 and 2024 wherein all buying and selling transactions must be settled two days after the transaction date. Certain amounts of due from customers are set-off with certain amounts of due to customers. As agreed between the Company and the Parent Company's directors and key officers in an offsetting arrangement between the concerned parties, any amounts due from (to) the directors and key officers [which are included as part of Receivables from (Payable to) Customers account in the statements of financial position] arising from trading transactions, will be offset against the related amount of Receivable from (Payable to) the Parent Company (see Note 21.2).

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements, each agreement between the Company and its customers allows for net settlement of the relevant financial assets and financial liabilities when both elect to settle on a net basis.

There were no other financial assets and financial liabilities set-off in 2025 and 2024 other than the outstanding loans, and certain amounts of due to customers. Currently, other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument, particularly related parties, will have the option to settle all such amounts on a net basis in the event of default of the other party through approval of both parties.

## 6. FAIR VALUE MEASUREMENT AND DISCLOSURES

### 6.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, financial assets and financial liabilities measured at fair value are categorized in accordance with the fair value hierarchy. This hierarchy groups financial assets and financial liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and financial liabilities.

The fair value hierarchy has the following levels:

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

The level within which the financial asset or financial liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

## 6.2 Financial Instruments Measured at Fair Value

The Company's investments at FVTPL and FVOCI are classified as Levels 1 and 2 as shown below. A reconciliation of the carrying amounts of these investment securities at the beginning and end of 2025 and 2024 is as follows:

<i>(Amounts in PHP)</i>	Investment at FVTPL		Investment at FVOCI	Total
	Level 1	Level 2	Level 2	
<b>2025:</b>				
Balance at beginning of year	298,859,779	-	950,000	299,809,779
Disposals	(96,479,334)	-	-	(96,479,334)
Fair value gains (losses)	(42,073,803)	-	1,050,000	(41,023,803)
Balance at end of year	<b>160,306,642</b>	-	<b>2,000,000</b>	<b>162,306,642</b>
<b>2024:</b>				
Balance at beginning of year	167,848,037	-	600,000	168,448,037
Additions- net	97,597,963	-	-	97,597,963
Fair value gains	33,413,779	-	350,000	33,763,779
Balance at end of year	298,859,779	-	950,000	299,809,779

Investment at FVOCI, which is classified at Level 2 in the fair value hierarchy, is solely composed of golf club share. Its price is not derived from market considered as active due to lack of trading activities among market participants at the end or close to the end of the reporting period (see Note 9).

The Company has no financial liabilities measured at fair values as of December 31, 2025 and 2024.

## 6.3 Fair Value of Financial Instruments Measured at Amortized Cost

As disclosed in Note 5.1, the Company's financial instruments carried at amortized cost are mostly short-term in nature, hence their carrying amounts approximate their fair values. Accordingly, no further comparison is presented. Similarly, fair value hierarchy is also not presented. Nevertheless, only cash would qualify as Level 1 and the rest as Level 3 including all its financial liabilities.

The fair value of the financial assets and financial liabilities included in Level 3 is calculated based on the expected cash flows of the financial instruments, except for interest-bearing loans and borrowings which are calculated based on the discounted cash flows method. However, since the Company's interest-bearing loans are short-term loans, the effect of discounting is deemed not significant, hence, the carrying amount approximates its fair value.

**7. CASH**

This account includes the following:

<i>(Amounts in PHP)</i>	2025	2024
Cash in banks	43,173,192	145,624,025
Cash on hand	90,000	90,000
	43,263,192	145,714,025

Cash in banks generally earn interest based on daily bank deposit rates (see Note 23.1).

In compliance with the Securities Regulation Code (SRC) Rule 49.2 covering customer protection, reserves and custody of securities, the Company maintains a special reserve bank account for the exclusive benefit of its customers amounting to P0.6 million and P0.5 million for December 31, 2025 and 2024, respectively. Minimum reserve requirement in said bank account is determined on a monthly basis using SEC-prescribed computation.

**8. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

As of December 31, 2025 and 2024, investments at FVTPL amounting to P160.3 million and P298.9 million, respectively, are held-for-trading. Held-for-trading equity securities include investments in shares of stock of publicly-listed entities. These shares are carried at fair value as determined directly by reference to published prices quoted in an active market. For investments in shares of stock of publicly-listed entities which are suspended as of the end of the reporting period, if any, the last transacted price was used in determination of fair value.

The Company recognized net fair value loss amounting to P42.1 million and net fair value gain amounting to P33.4 million in 2025 and 2024, respectively, on investments arising from mark-to-market valuation of investments at FVTPL and are presented as Fair value losses on investments at FVTPL under Operating expenses in 2025 and Fair value gains on investments at FVTPL under Revenues in 2024 in the statements of comprehensive income.

The sale of investments at FVTPL resulted in a gain of P26.9 million and P40.3 million in 2025 and 2024, respectively, and is presented as Gain on sale of investments at FVTPL in the statements of comprehensive income.

**9. INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

Investment at FVOCI pertains to investment in Valle Verde golf club shares. Changes in the fair value of investments at FVOCI are reported in other comprehensive loss.

A reconciliation of FVOCI is as follows (see Note 19.3):

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	950,000	600,000
Fair value gains	1,050,000	350,000
Balance at end of year	2,000,000	950,000

## 10. RECEIVABLES FROM CUSTOMERS

The security values of the debit balance of customers' accounts are presented below.

<i>(Amounts in PHP)</i>	2025		2024	
	Debit Balance	Security Valuation Long	Debit Balance	Security Valuation Long
Fully secured accounts:				
More than 250%	81,666,849	6,889,322,123	66,368,343	894,384,548
Between 200% and 250%	181,986	688,036,536	6,692,466	621,119,360
Between 150% and 200%	2,395,427	4,320,439	283,689,488	963,183,652
Between 100% and 150%	456,251,217	2,288,546,191	232,478,854	1,227,124,995
	540,495,479	9,870,225,289	589,229,151	3,705,812,555
Partially secured accounts:				
Less than 100%	22,330,014	18,903,520	64,148,998	61,386,104
Unsecured accounts:	3,252,939	-	4,878,880	-
	566,078,432	9,889,128,809	658,257,029	3,767,198,659
Allowance for impairment	(8,831,987)	-	(4,893,886)	-
	557,246,445	9,889,128,809	653,363,143	3,767,198,659

All receivables from customers do not bear any interest and are due within two days from the date of transaction. No receivable is denominated in foreign currency.

As agreed between the Company and the Parent Company's directors and key officers in an offsetting arrangement between the concerned parties, any amounts due from (to) the directors and key officers which are included as part of Receivables from (Payable to) Customers in the statements of financial position arising from trading transactions will be offset against the related amount of Receivables from (Payable to) the Parent Company (see Note 21.2).

All of the Company's receivables from customers have been assessed for ECL allowance in 2025 and 2024.

A reconciliation of the allowance for impairment at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	4,893,886	5,068,827
Provision for impairment losses	3,938,101	-
Reversal of impairment losses	-	(174,941)
Balance at end of year	8,831,987	4,893,886

In 2025, the Company recognized provision for impairment losses amounting to P3.9 million and is presented as part of Impairment loss under Operating expenses section in the 2025 statement of comprehensive income.

In 2024, the Company recognized reversal of impairment losses amounting to P0.2 million and is presented as part of Reversal of impairment losses under Revenues section in the 2024 statement of comprehensive income.

Certain unsecured and partially secured receivables from customers as at December 31, 2025 and 2024, respectively, were deemed not impaired because these were sufficiently collected subsequent to the reporting periods which resulted in reversals of impairment losses.

## 11. OTHER RECEIVABLES

### 11.1 Receivables from Non-Customers

The security values of the debit balance of non-customers' accounts as of December 31, 2025 and 2024 are presented below.

<i>(Amounts in PHP)</i>	2025		2024	
	Debit Balance	Security Valuation Long	Debit Balance	Security Valuation Long
Fully secured accounts:				
More than 250%	753,668	49,565,082	1,307,009	56,328,848
Between 200% and 250%	287,584	626,348	-	-
Between 150% and 200%	-	-	193,659	323,362
Between 100% and 150%	2,157,834	2,689,020	3,040,054	3,254,648
	<u>3,199,086</u>	<u>52,880,450</u>	<u>4,540,722</u>	<u>59,906,858</u>
Partially secured accounts:				
Less than 100%	3,116,375	773,915	2,866,185	632,440
Unsecured	83,228	-	15,007	-
	<u>6,398,689</u>	<u>53,654,365</u>	<u>7,421,914</u>	<u>60,539,298</u>
Allowance for impairment	<u>(2,342,470)</u>	-	<u>(2,233,745)</u>	-
	<u>4,056,219</u>	<u>53,654,365</u>	<u>5,188,169</u>	<u>60,539,298</u>

All receivables from non-customers do not bear any interest and are due within three days from the date of transaction. No receivable is denominated in foreign currency. All of the Company's receivables from non-customers have been assessed for ECL allowance in 2025 and 2024.

A reconciliation of the allowance for impairment at the beginning and end of 2025 and 2024 is shown in below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	2,233,745	1,753,692
Provision for impairment losses	<u>108,725</u>	<u>480,053</u>
Balance at end of year	<u>2,342,470</u>	<u>2,233,745</u>

In 2025 and 2024, the Company recognized additional impairment amounting to P0.1 million and P0.5 million, respectively, and is presented as Impairment Losses under Operating expenses section in the statements of comprehensive income.

Certain partially secured receivables from customers as at December 31, 2025 and 2024 were deemed not impaired because these were sufficiently collected subsequent to the reporting periods.

### 11.2 Others - Net

This account is broken down as follows:

<i>(Amounts in PHP)</i>	2025	2024
Receivable from employees	2,212,267	3,681,048
Accounts receivable – others	8,373,796	7,415,772
	10,586,063	11,096,820
Allowance for impairment	(3,725,689)	(3,725,689)
	6,860,374	7,371,131

Receivable from employees represents claims from the Company’s key management personnel arising from the acquisition of transportation equipment as part of the car executive plan benefits given to them. The amount due is the excess of the purchase price of the transportation equipment, paid for by the Company on behalf of the employees, over the limit set out by the existing car executive plan policy of the Company (see Notes 12 and 21.6). The outstanding balance is settled through salary deduction.

Accounts receivable – others pertain to amounts due from various customers and non-customers, a portion of which has been specifically identified by management as past due in the prior years.

In 2024, the Company recognized recovery of impairment losses on other receivables amounting to P56,443 and is presented as part of Reversal of impairment losses under Revenues section in the 2024 statement of comprehensive income. No recoveries or additional losses were recognized in 2025.

## 12. PROPERTY AND EQUIPMENT

The gross carrying amounts, accumulated depreciation and amortization at the beginning and end of 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	Computer Equipment	Leasehold Improvements	Furniture, Fixtures and Equipment	Transportation Equipment	Right-of-use Asset	Total
<b>December 31, 2025</b>						
Cost	29,444,603	27,529,336	9,186,635	22,853,418	2,086,868	91,100,860
Accumulated depreciation and amortization	(27,002,726)	(24,448,079)	(8,772,255)	(20,737,699)	(2,086,868)	(83,047,627)
Net carrying amount	2,441,877	3,081,257	414,380	2,115,719	-	8,053,233
<b>December 31, 2024</b>						
Cost	27,388,689	27,529,334	8,880,993	22,853,417	2,086,868	88,739,301
Accumulated depreciation and amortization	(25,914,778)	(23,691,987)	(8,636,704)	(19,885,900)	(2,086,868)	(80,216,237)
Net carrying amount	1,473,911	3,837,347	244,289	2,967,517	-	8,523,064
<b>January 1, 2024</b>						
Cost	26,375,854	27,445,535	8,775,100	21,403,418	2,086,868	86,086,775
Accumulated depreciation and amortization	(24,795,126)	(22,940,312)	(8,536,676)	(19,058,271)	(1,926,340)	(77,256,725)
Net carrying amount	1,580,728	4,505,223	238,424	2,345,147	160,528	8,830,050

A reconciliation of the carrying amounts at the beginning and end of 2025 and 2024 of property and equipment is shown below.

<i>(Amounts in PHP)</i>	<b>Computer Equipment</b>	<b>Leasehold Improvements</b>	<b>Furniture, Fixtures and Equipment</b>	<b>Transportation Equipment</b>	<b>Right-of-use Asset</b>	<b>Total</b>
Balance at January 1, 2025, net of accumulated depreciation and amortization	1,473,911	3,837,347	244,289	2,967,517	-	8,523,064
Additions	2,040,406	-	305,643	-	-	2,346,049
Depreciation and amortization for the year	<u>(1,072,440)</u>	<u>(756,090)</u>	<u>(135,552)</u>	<u>(851,798)</u>	-	<u>(2,815,880)</u>
Balance at December 31, 2025, net of accumulated depreciation and amortization	<b><u>2,441,877</u></b>	<b><u>3,081,257</u></b>	<b><u>414,380</u></b>	<b><u>2,115,719</u></b>	<b><u>-</u></b>	<b><u>8,053,233</u></b>
Balance at January 1, 2024, net of accumulated depreciation and amortization	1,580,728	4,505,223	238,424	2,345,147	160,528	8,830,050
Additions	1,012,834	83,800	105,892	1,450,000	-	2,652,526
Depreciation and amortization for the year	<u>(1,119,651)</u>	<u>(751,676)</u>	<u>(100,027)</u>	<u>(827,630)</u>	<u>(160,528)</u>	<u>(2,959,512)</u>
Balance at December 31, 2024, net of accumulated depreciation and amortization	<u>1,473,911</u>	<u>3,837,347</u>	<u>244,289</u>	<u>2,967,517</u>	<u>-</u>	<u>8,523,064</u>

The depreciation and amortization of property and equipment is presented as part of Depreciation and Amortization in the statements of comprehensive income.

As of December 31, 2025 and 2024, the gross carrying amount of the Company's fully depreciated and amortized items of property and equipment that are still being used in operations is P75.7 million and P75.6 million, respectively.

The lease imposes a restriction that the right-of-use asset can only be used by the Company. The lease is non-cancellable and does not contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term without mutual agreement on both parties. The Company is prohibited from selling or pledging the underlying leased assets as security. For lease over office space, the Company must also keep the property in a good state of repair and return the property in its original condition at the end of the lease. Further, the Company must incur maintenance fees on such items in accordance with the lease contract.

### 13. TRADING RIGHT

As required under PSE rules, the Company's trading right (previously the Exchange Membership Seat) is pledged at its full value to the PSE to secure the payment of all debts to other members of the PSE arising out of, or in connection with, the present or future member's contracts.

As certified by the PSE, the last transacted price of an exchange right is P7.7 million on September 17, 2025, which continues to represent a reasonable approximation of its fair value. Accordingly, based on the comparison of the trading right's carrying amount of P1.4 million as of December 31, 2025 and 2024, and its expected recoverable amount, no impairment loss is required to be recognized.

## 14. OTHER ASSETS

This account is composed of:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Clearing and trade guaranty fund	14.1	<b>26,930,932</b>	25,907,156
Creditable withholding tax		<b>12,165,439</b>	9,379,169
Advances to a supplier	14.2	<b>8,136,564</b>	8,136,564
Advances to officers	21.6	<b>3,573,301</b>	3,573,301
Security deposits	14.3, 21.3	<b>3,159,619</b>	3,009,619
Other long-term investments		<b>1,900,000</b>	1,900,000
Deferred input VAT		<b>492,044</b>	-
Computer software-net	14.4	<b>30,020</b>	256,570
Prepayments		<b>19,848</b>	40,962
Others		<b>22,106</b>	4,654
		<b>56,429,873</b>	52,207,995

### ***14.1 Clearing and Trade Guaranty Fund***

On July 25, 2018, the Securities Clearing Corporation of the Philippines (SCCP) issued Memo No. 01-0718, informing brokers of the amendments to SCCP Rule 5.2 and Operating Procedure 4.3.1.3. These amendments allow clearing members' contributions to the Clearing and Trade Guaranty Fund (CTGF) to be refundable upon cessation of their business and/or termination of their membership with SCCP, provided that all actual and contingent liabilities owing to the SCCP at the time of termination have fully settled. These amendments became effective on August 1, 2018 and apply to current and active PSE trading participants or clearing members of the SCCP. Accordingly, as of December 31, 2025 and 2024, the Company's total contribution to CTGF amounting to P26.9 million and P25.9 million, respectively, is recognized as asset and presented as part of Other Assets in the statements of financial position.

### ***14.2 Advances to a Supplier***

This account represents cash payments made to a third-party developer from which the Company entered into a customization and implementation agreement for a certain suite of software and a service agreement for the procurement of maintenance and other services of the said software.

### ***14.3 Security Deposits***

Security deposits represent deposits for the lease of the Company's office space from FAFHC, the Parent Company, and Vista Holdings Corporation (VHC), a related party under common ownership, with no definite date of return since lease agreements are renewed every two years (see Note 21.3). There are also security deposits on the lease of the branch's office space and other lease with third parties. Rental deposit is deemed refunded and re-deposited at the end of each term.

#### 14.4 Computer Software

The movements in this account as of December 31 are as follows:

<i>(Amounts in PHP)</i>	<b>2025</b>	2024
Balance at beginning of year	<b>256,570</b>	2,321,993
Amortization during the year	<b>(226,550)</b>	(2,125,439)
Additions	-	60,016
Balance at end of year	<b>30,020</b>	256,570

The amortization is presented as part of Depreciation and Amortization in the statements of comprehensive income. The total accumulated amortization as of December 31, 2025 and 2024 amounted to P22.7 million and P22.6 million, respectively.

Also, as of December 31, 2025 and 2024, the Company has fully-amortized computer software with a gross carrying amount of P22.8 million and P20.3 million, respectively, that is still being used in operations.

#### 15. INTEREST-BEARING LOANS AND BORROWINGS

The Company made drawdowns from its existing credit lines from local commercial banks amounting to P200.0 million in 2025 and P201.4 million in 2024, gross of repayments, for working capital requirements. The outstanding balance of these loans as of December 31, 2025 and 2024 amounted to P151.1 million and P152.5 million, respectively. The loans are payable within three months with rollover options and are subject to annual effective interest rates of 8.50% in both 2025 and 2024.

In 2024, the Company availed a car loan as part of its fringe benefits to key management personnel amounting to P1.4 million. The outstanding balance of these loans as of December 31, 2025 and 2024 amounted to P1.1 million and P2.5 million, respectively. The loan is payable within three years and is subject to annual effective interest rate of 9.33%. The related cars are used as collateral for the car loan. No new car loan was availed in 2025.

Interest expense pertaining to these loans amounted to P12.8 million and P12.0 million in 2025 and 2024, respectively, and is included as part of Finance Costs in the statements of comprehensive income (see Note 23.2). There is no interest payable as of December 31, 2025 and 2024 related to these loans.

There are no significant restrictive loan covenants or provisions related to these loans.

Presented below is the reconciliation between the opening and closing balances of the Company's liabilities arising from interest-bearing loans and borrowings and lease liabilities.

<i>(Amounts in PHP)</i>	<b>2025</b>	2024
Balance at beginning of year	<b>152,514,879</b>	152,369,560
Cash flows from financing activities:		
Repayment of loans	<b>(201,413,719)</b>	(201,294,725)
Additional loan availments	<b>200,000,000</b>	201,440,044
Balance at end of year	<b>151,101,160</b>	152,514,879

## 16. PAYABLES TO CUSTOMERS

The security values of the credit balance of customers' accounts are as follows:

<i>(Amounts in PHP)</i>	2025		2024	
	Credit Balance	Security Valuation Long	Credit Balance	Security Valuation Long
With money balances	374,724,865	9,241,018,375	624,390,783	14,756,673,584
Without money balances	-	17,902,260,371	-	9,839,050,051
	<b>374,724,865</b>	<b>27,143,278,746</b>	624,390,783	24,595,723,635

Payables to customers are noninterest-bearing and are normally settled within two days after trading date (see Note 21.2).

## 17. PAYABLES TO NON-CUSTOMERS

The security values of the credit balance of non-customers' accounts are as follows:

<i>(Amounts in PHP)</i>	2025		2024	
	Credit Balance	Security Valuation Long	Credit Balance	Security Valuation Long
With money balances	<b>10,821,470</b>	<b>216,831,316</b>	20,813,335	266,343,733

Payables to non-customers are noninterest-bearing and are normally settled within two days after trading date.

**18. ACCRUED EXPENSES AND OTHER LIABILITIES**

This account is composed of:

<i>(Amounts in PHP)</i>	Note	2025	2024
Retirement benefit obligation	20.2(b)	<b>44,595,019</b>	37,248,768
Accounts payable		<b>18,489,512</b>	1,875,403
Accrued expenses		<b>5,937,613</b>	1,542,555
Withholding taxes		<b>1,840,986</b>	2,432,232
Output VAT		<b>1,471,583</b>	5,086,480
Subscription payable		-	291,266
Others		<b>573,740</b>	447,700
		<b>72,908,453</b>	<b>48,924,404</b>

Accrued expenses include the Company's obligations relating to transaction fees, clearing house fees, professional fees, mesenterial and utilities while Other payables include liabilities to government agencies.

**19. EQUITY**

***19.1 Capital Management Policies and Procedures***

***19.1.1 Minimum Capital Requirement – Risk-Based Capital Adequacy Framework***

On November 11, 2004, the Philippine SEC approved Memorandum Circular No. 16 which provides for the guidelines on the adoption in the Philippines of the Risk-based Capital Adequacy (RBCA) Framework for all registered broker-dealers in accordance with the SRC. These guidelines cover the risks shown below.

- (a) position or market risk;
- (b) credit risks such as counterparty, settlement, large exposure and margin financing risks; and,
- (c) operational risks.

The Company monitors capital on the basis of RBCA ratio and Net Liquid Capital (NLC). RBCA requirement is the minimum level of capital that has to be maintained by firms which are licensed, or securing a broker dealer license, taking into consideration the firm size, complexity and business risk. RBCA ratio is the quotient of the NLC and the sum of the requirements for operation risk, credit risk and position or market risk.

NLC, on the other hand, represents the equity eligible for NLC adjusted for non-allowable current and non-current assets as described under the circular. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Under the guidelines set out by the SEC, all registered brokers dealers should maintain the following RBCA and NLC requirements:

- (a) RBCA ratio of greater than or equal to 1:1;
- (b) NLC should be at least P5.0 million or 5% of aggregate indebtedness, whichever is higher;
- (c) a dealer who deals only with proprietary shares and does not keep shares in its custody shall maintain a net capital of P2.5 million or 2.5% of aggregate indebtedness, whichever is higher;
- (d) in cases where, in order to meet an RBCA ratio of at least 1.1, an NLC higher than P5.0 million is required, the higher NLC shall be maintained; and,
- (e) no broker dealer shall permit its aggregate indebtedness to exceed 2,000% of its NLC.

As of December 31, 2025 and 2024, the Company is in compliance with minimum capital requirement set out by the RBCA framework. The Company's RBCA ratio is 207% and 218% as of December 31, 2025 and 2024, respectively. The Company's NLC amounts to P179,444,813 and P300,918,764 as of December 31, 2025 and 2024, respectively, which is higher than 5% of the Company's aggregate indebtedness and its aggregate indebtedness do not exceed 2,000% of its NLC.

#### ***19.1.2 Minimum Capital Requirement – The PSE's Rules Governing Trading Rights and Trading Participants***

On May 28, 2009, the SEC approved the PSE's Rules Governing Trading Rights and Trading Participants which provides among others the following provisions:

- (a) trading participants should have a minimum unimpaired paid-up capital (defined as the trading participant's total paid up capital less any deficiency in the retained earnings account) of P20.0 million effective December 31, 2009, provided further that effective December 31, 2010 and onwards, the minimum unimpaired paid up capital shall be P30.0 million; and,
- (b) each trading participant shall pledge its trading right to the extent of its full value to secure the payment of all of debts and claims due to the trading participant, the government, the PSE and to other trading participants of the PSE and to the SCCP.

As of December 31, 2025 and 2024, the Company is in compliance with the PSE's Rules Governing Trading Rights and Trading Participants.

### 19.2 Capital Stock

As of December 31, 2025 and 2024, the Company has 5,000,000 shares of authorized capital stock, of which 4,000,000 shares were issued and outstanding, with par value of P100 per share.

As at the same dates, the Company has two stockholders owning 100 or more shares each of the Company's capital stock.

### 19.3 Revaluation Reserves

The components and reconciliation of items of other comprehensive income (loss) presented in the statements of changes in equity at their aggregate amount under the Revaluation Reserves account are shown below.

<i>(Amounts in PHP)</i>	<b>Investment at FVOCI (see Note 9)</b>	<b>Retirement Benefit Obligation (see Note 20.2)</b>	<b>Total</b>
Balance at January 1, 2025	100,000	(7,743,601)	(7,643,601)
Remeasurement of retirement benefit plan Unrealized fair value gains on financial asset at FVOCI	-	(2,678,087)	(2,678,087)
Tax expense (see Note 24)	1,050,000	-	1,050,000
	-	669,522	669,522
Other comprehensive income after tax	1,050,000	(2,008,565)	(958,565)
<b>Balance as of December 31, 2025</b>	<b>1,150,000</b>	<b>(9,752,166)</b>	<b>(8,602,166)</b>
Balance at January 1, 2024	(250,000)	(10,942,353)	(11,192,353)
Remeasurement of retirement benefit plan Unrealized fair value gains on financial asset at FVOCI	-	4,265,003	4,265,003
Tax expense (see Note 24)	350,000	-	350,000
	-	(1,066,251)	(1,066,251)
Other comprehensive income after tax	350,000	3,198,752	3,548,752
Balance as of December 31, 2024	100,000	(7,743,601)	(7,643,601)

### 19.4 Retained Earnings Appropriation

Rule 49.1(B), *Reserve Fund*, of SEC Memorandum Circular No. 16 requires that 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% and 10% of profit after tax for broker dealers with unimpaired paid-up capital of between P10.0 million to P30.0 million, between P30.0 million to P50.0 million, and above P50.0 million, respectively.

In 2024, the Company appropriated P0.1 million to meet the circular requirement. There was no appropriation made in 2025, as the Company was in a loss before tax position in 2025.

20. **EMPLOYEE BENEFITS**

**20.1 Salaries and Employee Benefits**

Details of salaries and employee benefits for the years ended December 31 are presented below.

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>2025</u>	<u>2024</u>
Short-term employee benefits		<b>57,322,874</b>	53,612,989
Post-employment defined benefit	20.2	<u><b>2,346,560</b></u>	<u>2,564,633</u>
		<u><b>59,669,434</b></u>	<u>56,177,622</u>

**20.2 Post-employment Benefit**

*(a) Characteristics of the Defined Benefit Plan*

The Company maintains a partially funded, tax-qualified, non-contributory post-employment benefit plan which is being administered by a trustee bank that is legally separated from the Company. The post-employment plan covers all regular full-time employees.

The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with a minimum of five years of credited service and late retirement after age 60, both subject to the approval of the Company's BOD. Normal retirement benefit is an amount equivalent to 100% of latest monthly salary for every year of credited service.

*(b) Explanation of Amounts Presented in the Financial Statements*

Actuarial valuations are made regularly to update the retirement benefit costs and the amount of contributions. All amounts presented below and on the succeeding pages are based on the actuarial valuation report obtained from an independent actuary in 2025 and 2024.

The amounts of post-employment defined benefit obligation presented under Accrued Expenses and Other Liabilities (see Note 18) in the statements of financial position are determined as follows.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Present value of the obligation	<b>63,647,801</b>	57,131,374
Fair value of plan assets	<u><b>(19,052,782)</b></u>	<u>(19,882,606)</u>
	<u><b>44,595,019</b></u>	<u>37,248,768</u>

The movements in the present value of the retirement benefit obligation are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	<b>57,131,374</b>	57,616,825
Interest cost	<b>3,502,153</b>	3,497,341
Current service cost	<b>2,346,560</b>	2,564,633
Benefits paid	<b>(1,248,123)</b>	(1,858,595)
Actuarial losses (gains) arising from:		
Experience adjustments	<b>(442,691)</b>	(4,642,159)
Changes in financial assumptions	<b>2,358,528</b>	(46,671)
Balance at end of year	<b><u>63,647,801</u></b>	<u>57,131,374</u>

The movement in the fair value of plan assets is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	<b>19,882,606</b>	20,949,784
Benefits paid	<b>(1,248,123)</b>	(1,858,595)
Interest income	<b>1,180,549</b>	1,215,244
Returns from plan asset (excluding amounts included in net interest expense)	<b>(762,250)</b>	(423,827)
Balance at end of year	<b><u>19,052,782</u></b>	<u>19,882,606</u>

The composition of the fair value of plan assets at the end of the reporting period by category and risk characteristic is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	<b>5,716</b>	21,871
Debts instruments –		
Government bonds	<b>10,479,031</b>	9,263,306
Other bonds	<b>1,185,083</b>	1,276,463
UITF	<b>8,026,937</b>	9,672,888
Other liabilities - net	<b>(643,985)</b>	(351,922)
	<b><u>19,052,782</u></b>	<u>19,882,606</u>

The investments in debt securities pertain to government bonds and are carried at fair value which are determined based on quoted market prices in active markets, hence, classified as Level 2 in the fair value hierarchy.

The actual return on plan assets amounted to P0.4 million and P0.8 million in 2025 and 2024, respectively.

Plan assets do not comprise of any of the Company's own financial instruments or any of its assets occupied and/or used in its operations.

The components of amounts recognized in profit or loss and in other comprehensive income in respect of the defined benefit post-employment plan are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
<i>Reported in profit and loss:</i>		
Current service cost	<b>2,346,560</b>	2,564,633
Net interest expense	<b>2,321,604</b>	2,282,097
	<b><u>4,668,164</u></b>	<b><u>4,846,730</u></b>
<i>Reported in other comprehensive income:</i>		
Actuarial losses (gains) arising from:		
Changes in financial assumptions	<b>2,358,528</b>	(46,671)
Experience adjustments	<b>(442,691)</b>	(4,642,159)
Remeasurement loss on plan asset	<b>762,250</b>	423,827
	<b><u>2,678,087</u></b>	<b><u>(4,265,003)</u></b>

The amounts of post-employment benefits expense recognized in the profit or loss are presented as part of Salaries and Employee Benefits (for current service cost) and Finance Costs (for net interest cost) in the statements of comprehensive income, respectively (see Notes 20.1 and 23.2).

Amounts recognized in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the retirement benefit obligation, the following actuarial assumptions were used:

	<u>2025</u>	<u>2024</u>
Discount rate	<b>6.14%</b>	6.13%
Expected rate of salary increase	<b>7.50%</b>	5.00%

Assumptions regarding future mortality are based on published statistics and mortality tables. The average remaining working life of an individual retiring at the age of 60 is 18.0 years both for males and females in both 2025 and 2024. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of zero coupon government bonds with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

The plan exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) *Investment and Interest Risks*

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has relatively balanced investment in cash and cash equivalents, debt securities and UITF.

(ii) *Longevity and Salary Risks*

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants during their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions and the timing and uncertainty of future cash flows related to the retirement plan are described below and in the succeeding page.

(i) *Sensitivity Analysis*

The table below summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation.

	<b>Impact on Defined Benefit Obligation</b>		
	<b>Change in Assumption</b>	<b>Increase in Assumption</b>	<b>Decrease in Assumption</b>
<i>(Amounts in PHP)</i>			
<b><u>December 31, 2025</u></b>			
Discount rate	+/-1.0%	(1,077,922)	992,256
Salary increase rate	+/-1.0%	1,053,474	(989,036)
<b><u>December 31, 2024</u></b>			
Discount rate	+/-1.0%	(804,532)	750,481
Salary increase rate	+/-1.0%	805,560	(765,331)

The preceding sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

(ii) *Funding Arrangements and Expected Contributions*

The plan is currently underfunded by P44.6 million based on the latest actuarial valuation. There is no minimum funding requirement in the country.

The Company does not have any formal plans yet to make additional contribution to the plan during the next reporting period.

The maturity profile of undiscounted expected benefit payments from the plan for the next ten years are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Within five years	<b>64,296,950</b>	59,841,250
More than five to ten years	<b><u>5,152,275</u></b>	<u>3,559,889</u>
	<b><u><u>69,449,225</u></u></b>	<b><u><u>63,401,139</u></u></b>

The weighted average duration of the defined benefit obligation at the end of 2025 and 2024 is 1.6 years and 1.4 years, respectively.

## 21. RELATED PARTY TRANSACTIONS

The Company's related parties include its parent company, entities under common ownership or directorship, the Company's key management and others. A summary of the Company's transactions with its related parties as of and for the years ended December 31, 2025 and 2024 are presented below.

(Amounts in PHP)

Related Party Category	Notes	2025		2024	
		Amount of Transactions	Outstanding Receivable (Payable)	Amount of Transaction	Outstanding Receivable (Payable)
<b>Parent Company</b>					
Trading transactions – net	10, 21.2	1,700,177,128	406,766,063	1,218,518,389	466,301,778
Interest income	21.1, 23.1	-	-	5,637,923	-
Rental	21.3	4,075,714	-	3,852,500	-
Security deposits	14.3, 21.3	150,000	1,177,411	-	1,027,411
Interest expense	23.2	18,216,917	-	-	-
<b>Related Parties Under Common Ownership or Directorship</b>					
Non-trade advances – net	21.2	618,388,481	-	(17,666,595)	(618,388,481)
Trading transactions – net	21.2	1,886,163	1,439,800,515	141,172,018	1,568,860,323
Rental	21.3	8,049,888	-	8,049,888	-
Impairment loss		2,342,460	-	2,233,745	-
Interest expense	21.1, 23.2	19,269,871	-	460,908	-
Interest income	21.1, 23.1	-	-	251,914	-
Security deposits	14.3, 21.3	-	1,433,995	-	1,433,995
<b>Key Management Personnel</b>					
Trading transactions – net	21.2	246,010,700	521,563,697	232,644,682	275,552,997
Compensation	21.5	25,324,312	-	25,954,079	-
Advances	21.6	-	3,573,301	(539,237)	3,573,301
<b>Retirement Plan</b>					
	20.2(b)	(829,824)	19,052,782	(1,067,178)	19,882,606

In 2025 and 2024, the Company's outstanding receivables with related parties were subjected to impairment using ECL assessment. Based on management assessment, impairment loss amounting to P2.3 million and P2.2 million were recorded in 2025 and 2024, respectively. Details of the foregoing transactions are presented below and in the succeeding pages.

### 21.1 Outstanding Accounts in Non-trade Advances

In the normal course of business, the Company obtains and grants interest-bearing advances from and to its related parties (officers, Parent Company, fellow subsidiaries and entities under common ownership or directorship) for working capital requirements. These advances are unsecured, have a maturity of 30 to 60 days, earn interest rates at 5.17% in 2025 and 5.36% in 2024 and are either payable in cash or through offsetting arrangement for outstanding liability that the Company has with its related parties at the date of settlement. There were no outstanding balances arising from these transactions as of December 31, 2025 and 2024.

Interest income on the advances granted amounted to P5.9 million in 2024 (nil in 2025) and is shown as part of Finance Income in the statements of comprehensive income (see Note 23.1). Interest expense arising from the advances obtained amounted to P19.3 million and P0.5 million in 2025 and 2024, respectively, and is shown as part of Finance Costs in the statements of comprehensive income (see Note 23.2). There were no outstanding balances arising from these transactions as of December 31, 2025 and 2024.

### ***21.2 Outstanding Trading Transactions***

In the normal course of business, the Company's related parties transact their securities investments through the Company. Any outstanding balances arising from these transactions are secured with their corresponding stock position, are noninterest-bearing and are normally settled within two days after trading date. Also, as agreed between the Company and the Parent Company's directors and key officers in an offsetting arrangement between the concerned parties, any amounts due from (to) the directors and key officers [which are included as part of Receivable from (Payable to) Customers in the statements of financial position] arising from trading transactions, will be offset against the related amount of Receivable from (Payable to) the Parent Company (see Notes 5.2, 10 and 16).

### ***21.3 Lease Agreements***

The Company entered into various short-term lease agreements with FAFHC and VHC for the office space it occupies for a period of two years, with an option to renew for the same period thereafter. Rental expense arising from these leases charged to operations is presented as part of Rental in the statements of comprehensive income. There are no outstanding liabilities related to rentals as of December 31, 2025 and 2024.

The security deposits paid by the Company on the lease of condominium units are presented as part of Security deposits under the Other Assets account in the statements of financial position (see Note 14).

### ***21.4 Management Services Agreement***

In 2007, the Company entered into a Management Services Agreement with FAFHC, whereby the Company engaged FAFHC to be its consultant in respect of its management and operations and all other related interests and properties of the Company, in accordance with and subject to the mutual terms and conditions of the agreement. In consideration for the services rendered by FAFHC, the Company shall pay an annual management fee equivalent to 20% of the Company's taxable income before management fee and net operating loss carry over (NOLCO), if any.

There were no management fees recognized in 2025 and 2024 as the Company is in taxable loss position.

### ***21.5 Compensation of Key Management Personnel***

Short-term and post-employment benefits given by the Company to key management personnel are shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Short-term employee benefits	<b>24,680,054</b>	25,360,152
Post-employment defined benefits	<b>644,258</b>	593,927
	<b><u>25,324,312</u></b>	<b><u>25,954,079</u></b>

In previous years, the Company availed a car loan as part of its fringe benefits to key management personnel. The outstanding balance of these loans as of December 31, 2025 and 2024 amounted to P1.1 million and P2.5 million, respectively, and is included under the Interest-bearing Loans and Borrowings account in the statements of financial position (see Note 15). The loan is payable within three years and is subject to annual effective interest rate of 9.33%.

### ***21.6 Advances to Officers***

As of December 31, 2025 and 2024, advances to senior officers of the Company amounted to both P3.6 million and is presented as part of Other Assets account in the statements of financial position (see Note 14). These advances are unsecured, noninterest-bearing and subject to liquidation.

## **22. OTHER EXPENSES**

The breakdown of other expenses follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
PDTC Fees	<b>3,389,696</b>	2,832,501
Condominium dues	<b>2,499,384</b>	1,715,950
Supplies	<b>1,352,341</b>	1,490,624
Bank charges	<b>981,096</b>	2,523,777
Insurance	<b>678,644</b>	497,906
Transportation and travel	<b>375,277</b>	439,617
Advertising and publicity	<b>312,066</b>	299,107
Miscellaneous	<b>317,218</b>	309,871
	<b><u>9,905,722</u></b>	<b><u>10,109,353</u></b>

## 23. FINANCE INCOME AND COSTS

The breakdown of these accounts are presented below.

### 23.1 Finance Income

<i>(Amounts in PHP)</i>	Notes	<u>2025</u>	<u>2024</u>
Interest income from:			
Cash in banks	7	48,510	37,738
Due from related parties	21.1	-	5,889,837
Foreign exchange gain- net		<u>219,795</u>	<u>220,496</u>
		<u>268,305</u>	<u>6,148,071</u>

### 23.2 Finance Costs

<i>(Amounts in PHP)</i>	Notes	<u>2025</u>	<u>2024</u>
Interest expense on:			
Due to related parties	21.1	19,269,871	460,908
Loans and borrowings	15	12,754,030	12,030,927
Retirement obligation	20.2	<u>2,321,604</u>	<u>2,282,097</u>
		<u>34,345,505</u>	<u>14,773,932</u>

## 24. CURRENT AND DEFERRED TAXES

The components of tax expense (income) reported in the statements of comprehensive income are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
<i>Reported in profit or loss:</i>		
Current tax expense:		
Minimum corporate income tax (MCIT) at 2%	97,105	1,053,205
Final tax at 20%	<u>9,702</u>	<u>7,548</u>
	<u>106,807</u>	1,060,753
Deferred tax expense (income) relating to origination and reversal of temporary differences	<u>(18,309,827)</u>	<u>6,939,450</u>
	<u>(18,203,020)</u>	<u>8,000,203</u>
<i>Reported in other comprehensive income (loss) —</i>		
Deferred tax expense (income) relating to the origination and reversal of temporary difference	<u>(669,522)</u>	<u>1,066,251</u>

A reconciliation of the tax on pretax income (loss) computed at the applicable statutory rate to tax expense reported in profit or loss is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Tax on pretax income (loss)	<b>(29,321,598)</b>	2,317,050
Adjustments for income subjected to lower income tax rate	<b>(2,425)</b>	(1,887)
Tax effects of:		
Unrecognized NOLCO	<b>11,910,903</b>	1,767,764
Non-deductible expense	<b>4,819,893</b>	150,741
Unrecognized impairment	<b>1,011,706</b>	2,713,330
Unrecognized MCIT	<b>97,105</b>	1,053,205
Reversal of previously recognized deferred tax liability	<b>(6,718,604)</b>	-
Tax expense (income)	<b><u>(18,203,020)</u></b>	<b><u>8,000,203</u></b>

The net deferred tax assets relate to the following as of December 31:

<i>(Amounts in PHP)</i>	<u>Statement of Financial Position</u>		<u>Statement of Comprehensive Income</u>			
			<u>Profit or Loss</u>		<u>Other Comprehensive Income</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Deferred tax assets:						
NOLCO	<b>14,346,896</b>	14,346,896	-	-	-	-
Retirement benefit obligation	<b>11,148,755</b>	9,312,192	<b>1,167,041</b>	1,211,682	<b>669,522</b>	(1,066,251)
Fair value loss on investment at FVTPL	<b>8,883,610</b>	-	<b>17,237,055</b>	-	-	-
Unamortized past service cost	<b>111,654</b>	205,923	<b>(94,269)</b>	(150,090)	-	-
Allowance for impairment	-	-	-	(2,651,163)	-	-
Lease liability	-	-	-	(48,474)	-	-
	<b><u>34,490,915</u></b>	<u>23,865,011</u>	<b><u>18,309,827</u></b>	<u>(1,638,045)</u>	<b><u>669,522</u></b>	<u>(1,066,251)</u>
Deferred tax liabilities:						
Fair value gain on investment at FVTPL	-	(8,353,445)	-	(5,341,537)	-	-
Right-of-use assets	-	-	-	40,132	-	-
	<u>-</u>	<u>(8,353,445)</u>	<u>-</u>	<u>(5,301,405)</u>	<u>-</u>	<u>-</u>
Net deferred tax assets	<b><u>34,490,915</u></b>	<u>15,511,566</u>	<b><u>18,309,827</u></b>	<u>(6,939,450)</u>	<b><u>669,522</u></b>	<u>(1,066,251)</u>
Net deferred tax income (expense)			<b><u>18,309,827</u></b>	<u>(6,939,450)</u>	<b><u>669,522</u></b>	<u>(1,066,251)</u>

Based on management assessment, the deferred tax assets on NOLCO and MCIT were not recognized in 2025 and 2024.

Details of unrecognized deferred tax assets as of December 31, 2025 and 2024 are summarized below.

<i>(Amounts in PHP)</i>	<u>2025</u>		<u>2024</u>	
	<u>Amount</u>	<u>Tax Effect</u>	<u>Amount</u>	<u>Tax Effect</u>
NOLCO	<b>54,714,671</b>	<b>13,678,668</b>	34,616,990	8,654,247
Allowance for impairment loss	<b>14,900,145</b>	<b>3,725,036</b>	10,853,320	2,713,330
MCIT	<b>1,153,583</b>	<b>1,153,583</b>	1,329,755	1,329,755
	<b><u>70,768,399</u></b>	<b><u>18,557,287</u></b>	<u>46,800,065</u>	<u>12,697,332</u>

The Company's unexpired MCIT and NOLCO are shown below.

(Amounts in PHP)

<u>Year Incurred</u>	<u>Original Amount</u>	<u>Applied/ Expired</u>	<u>Remaining Balance</u>	<u>Expiry Year</u>
<u>MCIT</u>				
2025	97,105	-	97,105	2028
2024	1,053,205	-	1,053,205	2027
2023	3,273	-	3,273	2026
2022	273,277	273,277	-	2025
	<b><u>1,426,860</u></b>	<b><u>273,277</u></b>	<b><u>1,153,583</u></b>	
<u>NOLCO</u>				
2025	47,643,613	-	47,643,613	2028
2024	7,071,058	-	7,071,058	2027
2023	57,387,584	-	57,387,584	2026
2022	27,545,932	27,545,932	-	2025
	<b><u>139,648,187</u></b>	<b><u>27,545,932</u></b>	<b><u>112,102,255</u></b>	

In 2025 and 2024, the Company claimed itemized deductions in computing for its income tax due.

## 25. COMMITMENTS AND CONTINGENCIES

The following are the significant commitments and contingencies involving the Company:

### *25.1 Legal Claims*

The Court of Appeals rendered a favorable ruling for the Company, in its decision dated February 4, 2016, to claim the sum of P2.7 million, with 6% interest per annum from August 15, 1997 and 6% legal interest per annum on the total monetary award from the date of finality of the decision until full satisfaction, from one of its customers.

However, as of December 31, 2025 and 2024, the Company did not recognize any receivable arising from this event because the collection from the customer is not assured since the customer has no assets as of date of the Court Decision.

As of December 31, 2025, the Company is not involved in any lawsuits and/or legal actions, aside from the foregoing.

### **25.2 Credit Lines**

As of December 31, 2025 and 2024, the Company has total line facilities of P520.0 million and P320.0 million, respectively. The movements of the Company's available unused credit lines as of December 31, 2025 and 2024 are presented below (see Note 15).

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	<b>320,000,000</b>	520,000,000
Loan repayments (drawdowns) - net	<b><u>200,000,000</u></b>	<u>(200,000,000)</u>
Balance at end of year	<b><u>520,000,000</u></b>	<u>320,000,000</u>

### **25.3 Lease commitments**

On May 1, 2019, the Company entered into a 5-year lease agreement for its current office space and parking slots with an annual escalation rate of 5%. The Company also entered into various short-term lease agreements with FAFHC and VHC for the office space it occupies for a period of two years, with an option to renew for the same period thereafter.

Security deposit as required by the lease agreements amounted to P3.2 million and P3.0 million for 2025 and 2024 respectively, and is presented as Security Deposits under Other Assets account in the statements of financial position (see Note 14.3).

The total rent expense charged to profit or loss under Operating Expenses in the statements of income amounted to P12.9 million and P12.3 million in 2025 and 2024, respectively.

### **25.4 Others**

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations which are not reflected in the financial statements. As of December 31, 2025 and 2024, management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

26. **CURRENT/NON-CURRENT DISTINCTION OF ASSETS AND LIABILITIES**

(Amounts in PHP)

	<u>Current</u>	<u>Non-current</u>	<u>Total</u>
<b><u>December 31, 2025</u></b>			
Cash	43,263,192	-	43,263,192
Investments:			
At FVTPL	160,306,642	-	160,306,642
At FVOCI	-	2,000,000	2,000,000
Receivables from:			
Customers - net	557,246,445	-	557,246,445
Non-customers	4,056,219	-	4,056,219
Clearing house - net	8,910,070	-	8,910,070
Others	6,860,374	-	6,860,374
Property and equipment - net	-	8,053,233	8,053,233
Trading right	-	1,408,000	1,408,000
Deferred tax assets - net	-	34,490,915	34,490,915
Other assets - net	533,998	55,895,875	56,429,873
<b>Total Assets</b>	<b><u>781,176,940</u></b>	<b><u>101,848,023</u></b>	<b><u>883,024,963</u></b>
Payables to:			
Customers	374,724,865	-	374,724,865
Non-customers – net	10,821,470	-	10,821,470
Interest-bearing loans and borrowings	151,010,755	90,405	151,101,160
Accrued expenses and other liabilities	28,313,434	44,595,019	72,908,453
<b>Total Liabilities</b>	<b><u>564,870,524</u></b>	<b><u>44,685,424</u></b>	<b><u>609,555,948</u></b>
<b><u>December 31, 2024</u></b>			
Cash	145,714,025	-	145,714,025
Investments:			
At FVTPL	298,859,779	-	298,859,779
At FVOCI	-	950,000	950,000
Receivables from:			
Customers - net	653,363,143	-	653,363,143
Non-customers	5,188,169	-	5,188,169
Clearing house - net	31,057,483	-	31,057,483
Others	7,371,131	-	7,371,131
Property and equipment - net	-	8,523,064	8,523,064
Trading right	-	1,408,000	1,408,000
Deferred tax assets - net	-	15,511,566	15,511,566
Other assets - net	11,755,480	40,452,515	52,207,995
<b>Total Assets</b>	<b><u>1,153,309,210</u></b>	<b><u>66,845,145</u></b>	<b><u>1,220,154,355</u></b>
Payables to:			
Customers	624,390,783	-	624,390,783
Non-customers – net	20,813,335	-	20,813,335
Interest-bearing loans and borrowings	151,623,714	891,165	152,514,879
Accrued expenses and other liabilities	11,675,636	37,248,768	48,924,404
<b>Total Liabilities</b>	<b><u>808,503,468</u></b>	<b><u>38,139,933</u></b>	<b><u>846,643,401</u></b>

**27. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE (BIR)**

Presented below and on the succeeding page is the supplementary information on taxes, duties, and license fees paid or accrued during the taxable year which is required by the BIR under Revenue Regulations No. 15-2010 to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS Accounting Standards.

*(a) Output VAT*

In 2025, the Company reported and declared receipts from rendering of services and output VAT amounting to P129,541,063 and P15,544,928, respectively. The tax bases are included as part of Revenues in the 2025 statement of profit or loss.

In 2025, the outstanding output VAT payable amounting to P979,539 is presented as part of Accrued Expenses and Other Liabilities account in the 2025 statement of financial position.

*(b) Input VAT*

The movements in Input VAT in 2025 are summarized below (*Amounts in PHP*).

Balance at beginning of year	-
Services lodged under cost of goods sold	10,387,493
Services rendered by non-residents	402,958
Applied against output VAT	<u>(10,790,451)</u>
Balance at end of year	<u>-</u>

*(c) Taxes on Importation*

The Company did not have any transaction in 2025 that is subject to customs duties and tariff fees.

*(d) Excise Tax*

The Company did not have any transaction in 2025 that is subject to excise tax.

*(e) Documentary Stamp Tax*

During 2025, the Company paid documentary stamp tax (DST) of P1,107,685 which pertains to renewal of loan instruments.

(f) *Taxes and Licenses*

The details of taxes and licenses in 2025 are shown below (*Amounts in PHP*):

Municipal license and permits	1,267,326
DST	1,107,685
Miscellaneous	312,093
Fringe benefits tax	246,505
Real estate taxes	243,656
Local business taxes	<u>107,394</u>
	<b><u>3,284,659</u></b>

(g) *Withholding Taxes*

The details of total withholding taxes for the year ended December 31, 2025 are shown below (*Amounts in PHP*).

Expanded	4,877,202
Compensation and benefits	390,038
Final	<u>853,266</u>
	<b><u>6,120,506</u></b>

(h) *Deficiency Tax Assessments and Tax Cases*

As of December 31, 2025, the Company does not have any final deficiency tax assessments from the BIR nor does it have tax cases outstanding or pending on courts or bodies outside of the BIR in any of the open taxable years.

**Report of Independent Auditors  
to Accompany Supplementary  
Information Required by the  
Securities and Exchange Commission  
Filed Separately from the  
Basic Financial Statements**

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**Punongbayan & Araullo**  
20<sup>th</sup> Floor, Tower 1  
The Enterprise Center  
6766 Ayala Avenue  
1200 Makati City  
Philippines

T +63 2 8988 2288

**The Board of Directors**  
**Abacus Securities Corporation**  
**(A Subsidiary of First Abacus Financial Holdings Corporation)**  
Unit 2904-A, East Tower, Philippine Stock Exchange Centre  
Exchange Road, Ortigas Center, Pasig City

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of Abacus Securities Corporation (the Company) for the year ended December 31, 2025, on which we have rendered our report dated May 14, 2026. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Schedules section in the table of contents) is presented for purposes of additional analysis in compliance with the requirements of the Securities and Exchange Commission and is not a required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standard). Such supplementary information is the responsibility of the Company's management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**PUNONGBAYAN & ARAULLO**

By:   
Yusoph A. Maute  
Partner

CPA Reg. No. 0140306  
TIN 415-417-641  
PTR No. 10770764, January 6, 2026, Makati City  
SEC Group A Accreditation  
Partner - No. 140306-SEC (until financial period 2026)  
Firm - No. 0002 (until financial period 2030)  
BIR AN 08-002551-046-2025 (until November 11, 2028)  
BOA/PRC Cert. of Reg. No. 0002/P-018 (until August 12, 2027)

May 14, 2026

**SCHEDULE I**

**STATEMENT OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

- NOT APPLICABLE -

The Company has no subordinated liabilities as of December 31, 2025

**ABACUS SECURITIES CORPORATION**  
**RISK-BASED CAPITAL ADEQUACY WORKSHEET**  
**December 31, 2025**

<b>Assets</b>	P 883,024,963
<b>Liabilities</b>	609,555,948
<b>Equity as per books</b>	273,469,015
<b>Adjustments to Equity per books</b>	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / ( Loss ) in proprietary accounts	
Deferred Income Tax	( 34,490,915 )
Revaluation Reserves	8,602,166
Deposit for Future Stock Subscription (No application with SEC)	-
Minority Interest	-
<b>Total Adjustments to Equity per books</b>	<b>( 25,888,749 )</b>
<b>Equity Eligible For Net Liquid Capital</b>	<b>247,580,266</b>
<b>Contingencies and Guarantees</b>	
Deduct: Contingent Liability	
Guarantees or indemnities	
<b>Ineligible Assets</b>	
a. Trading Right and all Other Intangible Assets (net)	1,408,000
b. Intercompany Receivables	-
c. Fixed Assets, net of accumulated and excluding those used as collateral	8,083,253
d. All Other Current Assets	533,998
e. Securities Not Readily Marketable	-
f. Negative Exposure (SCCP)	244,347
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	57,865,855
<b>Total ineligible assets</b>	<b>68,135,453</b>
<b>Net Liquid Capital (NLC)</b>	<b>179,444,813</b>
<b>Less:</b>	
Operational Risk Req't (Schedule ORR-1)	<b>32,173,636</b>
Position Risk Req't (Schedule PRR-1)	<b>54,362,630</b>
Counterparty Risk (Schedule CRR-1 and detailed schedules)	-
<b>Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)</b>	
LERR to a single client (LERR-1)	-
LERR to a single debt (LERR-2)	-
LERR to a single issuer and group of companies (LERR-3)	-
<b>Total Risk Capital Requirement ( TRCR )</b>	<b>86,536,266</b>
<b>Net RBCA Margin (NLC-TRCR)</b>	<b>92,908,547</b>
<b>Liabilities</b>	<b>609,555,948</b>
<b>Add: Deposit for Future Stock Subscription (No application with SEC)</b>	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	
Others	
<b>Total adjustments to AI</b>	
<b>Aggregate Indebtedness</b>	<b>609,555,948</b>
<b>5% of Aggregate Indebtedness</b>	<b>30,477,797</b>
<b>Required Net Liquid Capital (&gt; of 5% of AI or P5M)</b>	<b>30,477,797</b>
<b>Net Risk-based Capital Excess / ( Deficiency )</b>	<b>148,967,016</b>
<b>Ratio of AI to Net Liquid Capital</b>	<b>340%</b>
<b>RBCA Ratio (NLC / TRCR)</b>	<b>207%</b>

**RESERVE FORMULA COMPUTATION UNDER RSA RULE 24(b)-2**

Name of Broker: ABACUS SECURITIES CORPORATION

Name of Person Completing this Form: MELANIO C. DELA CRUZ

Official Designation: GROUP FINANCE HEAD AND VP-CONTROLLER

<i>Particulars</i>	<i>Credits</i>	<i>Debits</i>
1. Free credit balances and other credit balances in customers' security accounts.	<u>P 374,724,865</u>	
2. Monies borrowed collateralized by securities carried for the account of customers.	<u>N/A</u>	
3. Monies payable against customers' securities loaned.	<u>N/A</u>	
4. Customers' securities failed to receive.	<u>-</u>	
5. Credit balances in firm accounts which are attributable to principal sales to customers.	<u>N/A</u>	
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 45 calendar days.	<u>N/A</u>	
7. Market value of the short security count differences over 30 calendar days old.	<u>N/A</u>	
8. Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days.	<u>N/A</u>	
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.	<u>N/A</u>	
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		<u>P 547,380,387</u>
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to deliver.	<u>-</u>	<u>-</u>
12. Failed to deliver customers' securities not older than 30 calendar days.	<u>-</u>	<u>-</u>
Total	<u>P 374,724,865</u>	<u>P 547,380,387</u>
13. Excess of total credits (sum of items 1-9) over total debits (sum of items 10-12) required to be on deposit in the "Reserve Bank Account." If the computation is made monthly as permitted by paragraph (d) of RSA Rule 24 (b) - 2, the deposit shall be not less than 105% of the excess of total credits over total debits.	<u>P (172,655,522)</u>	

For PSE Use Only:  
PSE CONTROL NUMBER: \_\_\_\_\_  
Reviewed By: \_\_\_\_\_  
Date: \_\_\_\_\_

RESERVE FORMULA WORKSHEET (To accompany PSEF 002)	
FIRM: <u>ABACUS SECURITIES CORPORATION</u>	
DATE OF COMPUTATION: <u>April 30, 2025</u>	
<b>1. Free Credit Balances and Other Credit Balances in Customers' Security Accounts</b>	
Unadjusted trial balance amount:	P 385,546,335
A. Additions:	
1. Bank account overdrafts/1	
2. Credit balances in customer omnibus accounts	
3. Any other customer credit balance not accounted for elsewhere (explain nature)	
Dividends Payable/Accounts Payable -Others	-
<b>Subtotal</b>	-
B. Deductions:	
1. Credit balances in the accounts of noncustomers such as general partners and principal officers	10,821,470
2. Credit balances in customers' cash accounts arising from the sale of a security not delivered if the securities are purchased by the broker-dealer for its own account and have not been resold	-
<b>Subtotal</b>	10,821,470
<b>Adjusted total line item #1</b>	<b>374,724,865</b>
<b>2. Monies Borrowed Collateralized by Securities Carried for the Account of Customers</b>	
Unadjusted trial balance amount customer loan	
Unadjusted trial balance amount commingled loan/2	
<b>Adjusted total line item #2</b>	-
<b>3. Monies Payable Against Customers' Securities Loaned</b>	
Unadjusted trial balance amount	
A. Additions	
1. The amount by which the market value of customers' securities loaned exceeds the collateral value received from lending of such securities	
<b>Adjusted total line item #3</b>	-
<b>4. Customers' Securities Failed to Receive (as Determined by Allocation or Specific Identification)</b>	
Unadjusted Balance:	
A. Additions	
1. The amount by which the market value by which failed to receive outstanding for more than 34 calendar days exceeds their contract value/3	-
2. Clearing accounts with net credit balances attributable to customers' transactions. (Clearing Corporations)	-
3. Unsecured customer short positions which allocate to customer long positions/4	-
4. Any other credit not accounted for elsewhere in the formula	
<b>Subtotal</b>	-
<b>Adjusted total line item #4</b>	-
<b>5. Credit Balances in Firm Accounts which are Attributable to Principal Sales to Customers/5</b>	
<b>6. Market Value of Stock Dividends and Splits Outstanding Over 30 Calendar Days /5 /6</b>	
<b>7. Market Value of the Short Security Count Differences over 30 Calendar Days Old (not to be offset by long count differences)</b>	
<b>8. Market Value of Short Securities and Credits (not to be offset by longs or debits) in all Suspense Accounts over 30 calendar days old.</b>	
1. Credit balance only	
2. Security positions only /5	
3. Security positions with related balances /5 /7	
<b>Adjusted total line item #8</b>	-
<b>9. Market Value of Securities which are in Transfer in Excess of 40 Calendar Days which Have Not Been Confirmed to be in Transfer by the Transfer Agent or the Issuer During 40 days</b>	
<b>Aggregate Credit Items</b>	<b>374,724,865</b>

<b>10. Debit Balances in Customers' cash and margin accounts excluding Unsecured Accounts and Accounts Doubtful of Collection</b>	
Unadjusted trial balance	P 572,477,121
A. Additions:	
1. Debit balance in customer omnibus accounts	-
2. Any other customer debit balance not accounted for elsewhere (explain nature) <u>Due from Clearing House</u>	-
<b>Subtotal</b>	-
B. Deductions	
1. Unsecured balances and accounts doubtful of collection.	12,084,926
2. Debit balances in the accounts of noncustomers such as general partners and principal officers.	4,056,219
3. Reduction of margin debits for undue concentration of collateral/8	-
4. Deficits in customer-related omnibus accounts/9	-
5. Debit balances in accounts of household member and affiliated members /10	-
6. Reduction if unduly concentrated margin account balances /11	-
7. Reduction of debit balances of accounts jointly owned by customers and noncustomers /12	-
8. Reduction for partly secured cash accounts	3,426,494
<b>Subtotal</b>	19,567,639
<b>Subtotal of Adjusted Total Debits</b>	552,909,482
Reduce Subtotal by 1%	5,529,095
<b>Adjusted total line item #10</b>	547,380,387
<b>11. Securities Borrowed to Effectuate Short Sales by Customers and Securities Borrowed to Make Delivery on Customers' Securities Failed to Deliver</b>	
<b>12. Failed to Deliver Customers' Securities not Older than 30 Calendar Days (as Determined by Allocation or Specific Identification)</b>	
Unadjusted Balance:	
A. Additions	
1. Clearing Accounts with net debit balances attributable to customer transactions. (Clearing Corporations)	-
2. Drafts receivable outstanding less than 30 calendar days related to customer transactions /13	-
<b>Subtotal</b>	-
B. Deductions	
1. Securities which are in the firm's physical possession and control and in excess of the broker-dealer's possession and control requirements for three business days past settlement	-
2. Others (explain nature) _____	-
<b>Subtotal</b>	-
<b>Adjusted line item #12</b>	-
<b>Aggregate Debit Items</b>	547,380,387

B. Determination of Requirement:

Aggregate Credit Items	374,724,865
Aggregate Debit Items	547,380,387
Net Credit(Debit)	( 172,655,522 )
Required Reserve (100% of Net Credit if making a weekly computation or 105% if monthly)	-

C. Frequency of Computation: ( / ) Weekly ( ) Monthly

Monthly, if:

( / Aggregate Indebtedness : Net Capital Ratio < 800% 282%  
 ( / Aggregate Customer Funds < P25 million P 374,724,865

D. Special Reserve Bank Account Balance

Special Reserve Account Balance Prior to Computation	P 617,149
Less: Deposit Required	-
Additional Deposit Required	-
Note: Deposit should be made not later than 10:00 a.m. on the second banking day following computation date.	

**ABACUS SECURITIES CORPORATION  
REPORT DESCRIBING MATERIAL INADEQUACIES  
FOUND TO EXIST OR FOUND TO HAVE EXISTED  
SINCE THE PREVIOUS AUDIT  
FOR THE YEAR ENDED DECEMBER 31, 2025**

- NOT APPLICABLE -

No material inadequacies were found to exist since the date of the previous report.

SCHEDULE VI

Issue	Position	Recommended Market Value	Market Value Position	Per Books	Per Count	Differences (See Note Below)	Remarks
2GO	5,262	-	-	5,262	5,262		
AAA	4,649,400	-	-	4,649,400	4,649,400		
AB	2,010,963	2.0600	4,142,583.78	2,010,963	2,010,963		
ABA	67,022,374	0.2600	17,425,817.24	67,022,374	67,022,374		
ABG	133,092	18.7800	2,499,467.76	133,092	133,092		
ABS	14,089,589	4.2100	59,317,169.69	14,089,589	14,089,589		
ABSP	1,688,981	3.4100	5,759,425.21	1,688,981	1,688,981		
ABSPNT	1,426,176	-	-	1,426,176	1,426,176		
AC	931,737	468.0000	436,052,916.00	931,737	931,737		
ACE	313,810	1.2000	376,572.00	313,810	313,810		
ACEN	156,547,315	2.7200	425,808,696.80	156,547,315	156,547,315		
ACENA	16,015	1,010.0000	16,175,150.00	16,015	16,015		
ACENB	248,560	1,070.0000	265,959,200.00	248,560	248,560		
ACPAR	21,020	2,540.0000	53,390,800.00	21,020	21,020		
ACPB3	28,350	1,988.0000	56,359,800.00	28,350	28,350		
ACPB4	20,390	1,989.0000	40,555,710.00	20,390	20,390		
ACPNT	40,701	-	-	40,701	40,701		
ACR	16,148,572	0.4700	7,589,828.84	16,148,572	16,148,572		
ACRMCNT	169,811	-	-	169,811	169,811		
AEV	3,873,045	28.0000	108,445,260.00	3,873,045	3,873,045		
AGI	35,107,036	8.1900	287,526,624.84	35,107,036	35,107,036		
AGIW	9,040,285	1.1700	10,577,133.45	9,040,285	9,040,285		
AJ	895,860	-	-	895,860	895,860		
ALCO	27,913,797	0.4200	11,723,794.74	27,913,797	27,913,797		
ALCPD	21,580	485.0000	10,466,300.00	21,580	21,580		
ALCPF	4,310	500.0000	2,155,000.00	4,310	4,310		
ALHI	30,330	3.8700	117,377.10	30,330	30,330		
ALHIPNT	11,000	-	-	11,000	11,000		
ALI	49,668,661	22.4500	1,115,061,439.45	49,668,661	49,668,661		
ALLDY	236,657,120	0.0310	7,336,370.72	236,657,120	236,657,120		
ALLHC	128,823,286	1.3000	167,470,271.80	128,823,286	128,823,286		
ALTER	46,541,000	0.8400	39,094,440.00	46,541,000	46,541,000		
AMC	32,002	-	-	32,002	32,002		
ANI	4,412,106	0.5400	2,382,537.24	4,412,106	4,412,106		
ANS	1,195,011	14.4000	17,208,158.40	1,195,011	1,195,011		
APC	143,747,000	0.1060	15,237,182.00	143,747,000	143,747,000		
APL	6,182,425,695	0.0050	30,912,128.48	6,182,425,695	6,182,425,695		
APO	14,552,132	0.7000	10,186,492.40	14,552,132	14,552,132		
APVI	8,540,266	8.4000	71,738,234.40	8,540,266	8,540,266		
APX	19,773,106	12.4400	245,977,438.64	19,773,106	19,773,106		
AR	29,772,035,859	-	-	29,772,035,859	29,772,035,859		
ARA	15,074,823	0.4000	6,029,929.20	15,074,823	15,074,823		
AREIT	6,954,540	43.5000	302,522,490.00	6,954,540	6,954,540		
ASLAG	11,050,062	0.8200	9,061,050.84	11,050,062	11,050,062		
AT	41,785,347	6.0300	251,965,642.41	41,785,347	41,785,347		
ATI	832,461	34.5000	28,719,904.50	832,461	832,461		
ATN	20,344,190	0.4950	10,070,374.05	20,344,190	20,344,190		
ATNB	4,135,000	0.4950	2,046,825.00	4,135,000	4,135,000		
AUB	1,493,668	39.2000	58,551,785.60	1,493,668	1,493,668		
AXLM	5,237,647	2.3600	12,360,846.92	5,237,647	5,237,647		
BALAI	10,389,935	0.3500	3,636,477.25	10,389,935	10,389,935		
BC	1,844,089	5.0000	9,220,445.00	1,844,089	1,844,089		
BCB	1,029,539	4.8300	4,972,673.37	1,029,539	1,029,539		
BCOR	349,707,230	9.0000	3,147,365,070.00	349,707,230	349,707,230		
BCP	37,875	25.1500	952,556.25	37,875	37,875		
BDO	1,645,811	134.6000	221,526,160.60	1,645,811	1,645,811		
BEL	51,308,851	1.3200	67,727,683.32	51,308,851	51,308,851		
BELW	9,400	-	-	9,400	9,400		
BF	1,391	-	-	1,391	1,391		
BFC	45	-	-	45	45		

Issue	Position	Recommended Market Value	Market Value Position	Per Books	Per Count	Differences (See Note Below)	Remarks
BHI	1,791,221,283	0.0390	69,857,630.04	1,791,221,283	1,791,221,283		
BKR	3,283,901	0.6500	2,134,535.65	3,283,901	3,283,901		
BLOOM	75,988,268	2.5400	193,010,200.72	75,988,268	75,988,268		
BMM	7,599	-	-	7,599	7,599		
BNCOM	1,693,110	9.2000	15,576,612.00	1,693,110	1,693,110		
BPI	727,523	116.1000	84,465,420.30	727,523	727,523		
BRN	30,116,171	0.9300	28,008,039.03	30,116,171	30,116,171		
BRNP	148,250	97.0000	14,380,250.00	148,250	148,250		
BRNPB	54,250	100.4000	5,446,700.00	54,250	54,250		
BRNPC	276,210	105.5000	29,140,155.00	276,210	276,210		
BSC	269,844,290	0.1170	31,571,781.93	269,844,290	269,844,290		
C	24,198,968	0.9500	22,989,019.60	24,198,968	24,198,968		
CA	3,528,148	48.3500	170,585,955.80	3,528,148	3,528,148		
CAB	2,860	52.9000	151,294.00	2,860	2,860		
CAL	7,835,560	-	-	7,835,560	7,835,560		
CAT	637,000	9.7100	6,185,270.00	637,000	637,000		
CBC	7,847,240	57.0000	447,292,680.00	7,847,240	7,847,240		
CDC	2,421,826	0.5900	1,428,877.34	2,421,826	2,421,826		
CEB	2,009,566	32.0000	64,306,112.00	2,009,566	2,009,566		
CEBCP	1,775,021	35.0000	62,125,735.00	1,775,021	1,775,021		
CEI	84,958,160	0.0720	6,116,987.52	84,958,160	84,958,160		
CEU	230,787	15.7000	3,623,355.90	230,787	230,787		
CHP	36,779,153	1.0900	40,089,276.77	36,779,153	36,779,153		
CHTR	2,644	-	-	2,644	2,644		
CIC	794,567	13.6000	10,806,111.20	794,567	794,567		
CLI	12,023,186	2.3500	28,254,487.10	12,023,186	12,023,186		
CLIA1	70	1,000.0000	70,000.00	70	70		
CLIA2	1,490	1,073.0000	1,598,770.00	1,490	1,490		
CNPF	482,039	39.0000	18,799,521.00	482,039	482,039		
CNVRG	6,914,578	15.3200	105,931,334.96	6,914,578	6,914,578		
COAL	640,996,072	-	-	640,996,072	640,996,072		
COL	1,166,533	1.4200	1,656,476.86	1,166,533	1,166,533		
COSCO	13,203,708	6.9900	92,293,918.92	13,203,708	13,203,708		
COSMOS	67,264	-	-	67,264	67,264		
CPG	238,726,940	0.6900	164,721,588.60	238,726,940	238,726,940		
CPGPB	9,080	102.0000	926,160.00	9,080	9,080		
CPM	14,492,609	2.3900	34,637,335.51	14,492,609	14,492,609		
CREC	9,599,000	4.2800	41,083,720.00	9,599,000	9,599,000		
CREIT	62,927,194	3.5700	224,650,082.58	62,927,194	62,927,194		
CROWN	8,023,963	1.6800	13,480,257.84	8,023,963	8,023,963		
CSB	92,140	17.0600	1,571,908.40	92,140	92,140		
CTS	22,352,380	0.3600	8,046,856.80	22,352,380	22,352,380		
CYBR	134,537,036	-	-	134,537,036	134,537,036		
DD	66,021,135	9.2800	612,676,132.80	66,021,135	66,021,135		
DDMPR	155,024,516	1.0200	158,125,006.32	155,024,516	155,024,516		
DDPR	957,280	97.0000	92,856,160.00	957,280	957,280		
DELM	1,676,124	4.7000	7,877,782.80	1,676,124	1,676,124		
DFNN	1,396,919	0.8000	1,117,535.20	1,396,919	1,396,919		
DGTL	266,000	-	-	266,000	266,000		
DHI	3,573,773	1.3900	4,967,544.47	3,573,773	3,573,773		
DITO	72,153,485	0.6800	49,064,369.80	72,153,485	72,153,485		
DIZ	1,836,446	5.0000	9,182,230.00	1,836,446	1,836,446		
DMC	18,398,858	10.5400	193,923,963.32	18,398,858	18,398,858		
DMW	831,000	5.0000	4,155,000.00	831,000	831,000		
DNA	1,524,896	-	-	1,524,896	1,524,896		
DNL	65,012,206	3.8500	250,296,993.10	65,012,206	65,012,206		
DWC	2,670,117	1.0800	2,883,726.36	2,670,117	2,670,117		
EAGLE	2,400	-	-	2,400	2,400		
ECP	244,534	2.6000	635,788.40	244,534	244,534		
ECVC	42,489,712	0.2700	11,472,222.24	42,489,712	42,489,712		
EEL	6,919,415	2.8400	19,651,138.60	6,919,415	6,919,415		
EEIPB	455,710	98.4000	44,841,864.00	455,710	455,710		
EG	1,935,022,000	-	-	1,935,022,000	1,935,022,000		
EIBA	35,177,463	-	-	35,177,463	35,177,463		
EIBB	11,990,000	-	-	11,990,000	11,990,000		
ELI	60,959,529	0.1040	6,339,791.02	60,959,529	60,959,529		
EMI	378,202	16.0000	6,051,232.00	378,202	378,202		
ENEX	3,616,671	3.3400	12,079,681.14	3,616,671	3,616,671		
ETON	225,298	-	-	225,298	225,298		
EURO	692,920	1.0000	692,920.00	692,920	692,920		
EGRN	18,825,322	-	-	18,825,322	18,825,322		
EW	22,960,980	11.6000	266,347,368.00	22,960,980	22,960,980		
FAF	598,311,341	0.6600	394,885,485.06	598,311,341	598,311,341		
FB	699,492	55.0000	38,472,060.00	699,492	699,492		

Issue	Position	Recommended Market Value	Market Value Position	Per Books	Per Count	Differences (See Note Below)	Remarks
FCG	465,199,497	0.5800	269,815,708.26	465,199,497	465,199,497		
FDC	1,233,175	4.5500	5,610,946.25	1,233,175	1,233,175		
FDCPA	1,950	1,010.0000	1,969,500.00	1,950	1,950		
FDCPB	2,650	1,004.0000	2,660,600.00	2,650	2,650		
FERRO	540,979	5.0000	2,704,895.00	540,979	540,979		
FEU	7,880	800.0000	6,304,000.00	7,880	7,880		
FFI	54,190	7.5000	406,425.00	54,190	54,190		
FGEN	11,925,456	17.7400	211,557,589.44	11,925,456	11,925,456		
FILRT	17,868,631	3.1000	55,392,756.10	17,868,631	17,868,631		
FJP	81,847	2.6000	212,802.20	81,847	81,847		
FJPB	9,000	2.2100	19,890.00	9,000	9,000		
FLI	90,888,852	0.7700	69,984,416.04	90,888,852	90,888,852		
FMETF	60,371	101.0000	6,097,471.00	60,371	60,371		
FMIC	14	-	-	14	14		
FNI	20,986,375	1.3500	28,331,606.25	20,986,375	20,986,375		
FOOD	57,781,304	0.3700	21,379,082.48	57,781,304	57,781,304		
FPH	727,421	77.0000	56,011,417.00	727,421	727,421		
FPI	7,797,458	0.2400	1,871,389.92	7,797,458	7,797,458		
FRUIT	34,167,875	0.6400	21,867,440.00	34,167,875	34,167,875		
FYN	407	2.1200	862.84	407	407		
GEO	89,275,132	0.0870	7,766,936.48	89,275,132	89,275,132		
GERI	59,695,029	0.6900	41,189,570.01	59,695,029	59,695,029		
GLO	539,148	1,584.0000	854,010,432.00	539,148	539,148		
GMA7	19,388,136	5.4100	104,889,815.76	19,388,136	19,388,136		
GMAP	1,181,225	5.2900	6,248,680.25	1,181,225	1,181,225		
GO	27,467,002	-	-	27,467,002	27,467,002		
GOB	13,111,065	-	-	13,111,065	13,111,065		
GPH	16,772	5.7900	97,109.88	16,772	16,772		
GREEN	33,968,704	0.1800	6,114,366.72	33,968,704	33,968,704		
GSMI	278,934	295.0000	82,285,530.00	278,934	278,934		
GTCAP	845,241	595.0000	502,918,395.00	845,241	845,241		
GTCAPPNT	123,991	-	-	123,991	123,991		
GTPPB	37,250	1,000.0000	37,250,000.00	37,250	37,250		
GUO-S	1,200,000	-	-	1,200,000	1,200,000		
HI	304,652	4.5000	1,370,934.00	304,652	304,652		
HOME	66,970,815	0.2370	15,872,083.16	66,970,815	66,970,815		
HTI	61,375,324	1.1000	67,512,856.40	61,375,324	61,375,324		
HVN	9,437	1,000.0000	9,437,000.00	9,437	9,437		
I	11,741,620	-	-	11,741,620	11,741,620		
ICT	284,894	567.0000	161,534,898.00	284,894	284,894		
IDC	29,005,149	0.8700	25,234,479.63	29,005,149	29,005,149		
IMI	16,542,815	3.4700	57,403,568.05	16,542,815	16,542,815		
IMP	941,300	0.7000	658,910.00	941,300	941,300		
INFRA	22,554,145	0.3150	7,104,555.68	22,554,145	22,554,145		
ION	5,044,906	1.0200	5,145,804.12	5,044,906	5,044,906		
IPM	15,513,711	1.5700	24,356,526.27	15,513,711	15,513,711		
IPO	390,297	6.0000	2,341,782.00	390,297	390,297		
IS	144,629,341	0.1230	17,789,408.94	144,629,341	144,629,341		
JAS	766,617	1.1200	858,611.04	766,617	766,617		
JFC	3,791,695	180.0000	682,505,100.00	3,791,695	3,791,695		
JFCPB	7,170	994.0000	7,126,980.00	7,170	7,170		
JGS	3,798,073	23.6500	89,824,426.45	3,798,073	3,798,073		
JOH	74,561	3.0800	229,647.88	74,561	74,561		
KEEPR	45,921,691	2.4800	113,885,793.68	45,921,691	45,921,691		
KEP	691,210	2.2000	1,520,662.00	691,210	691,210		
KPM	14,293	-	-	14,293	14,293		
KPPI	670,122	1.1900	797,445.18	670,122	670,122		
KRINT	466,419	-	-	466,419	466,419		
LAND	1,408,364	0.5300	746,432.92	1,408,364	1,408,364		
LBC	324,634	8.8000	2,856,779.20	324,634	324,634		
LC	1,122,303,404	0.1850	207,626,129.74	1,122,303,404	1,122,303,404		
LCB	397,993,466	0.1870	74,424,778.14	397,993,466	397,993,466		
LFM	37,336	33.8000	1,261,956.80	37,336	37,336		
LMG	6,450,267	0.2500	1,612,566.75	6,450,267	6,450,267		
LODE	19,534,316	0.3500	6,837,010.60	19,534,316	19,534,316		
LOTO	2,448,293	1.7000	4,162,098.10	2,448,293	2,448,293		
LPC	2,068,141	0.0410	84,793.78	2,068,141	2,068,141		
LPZ	2,417,794	3.7200	8,994,193.68	2,417,794	2,417,794		
LRC	300,000	-	-	300,000	300,000		
LSC	1,212,502	0.6100	739,626.22	1,212,502	1,212,502		
LTG	48,951,673	14.7800	723,505,726.94	48,951,673	48,951,673		
MA	3,766,432,396	0.0073	27,494,956.49	3,766,432,396	3,766,432,396		
MAB	2,039,394,085	0.0072	14,683,637.41	2,039,394,085	2,039,394,085		
MAC	15,318,814	4.3400	66,483,652.76	15,318,814	15,318,814		

Issue	Position	Recommended Market Value	Market Value Position	Per Books	Per Count	Differences (See Note Below)	Remarks
MACAY	43,910	6.9900	306,930.90	43,910	43,910		
MAH	1,674,270	0.3700	619,479.90	1,674,270	1,674,270		
MAHB	598,041	0.6900	412,648.29	598,041	598,041		
MARC	13,922,551	0.7000	9,745,785.70	13,922,551	13,922,551		
MAXS	912,521	2.4500	2,235,676.45	912,521	912,521		
MB	10,717,393	0.1640	1,757,652.45	10,717,393	10,717,393		
MBC	8,384	5.0300	42,171.52	8,384	8,384		
MBT	10,999,860	68.5000	753,490,410.00	10,999,860	10,999,860		
MC	6,221,300	-	-	6,221,300	6,221,300		
MCB	59,488,900	-	-	59,488,900	59,488,900		
MED	38,776,084	0.0900	3,489,847.56	38,776,084	38,776,084		
MEDIC	16,292,403	0.2600	4,236,024.78	16,292,403	16,292,403		
MEG	98,420,424	2.0800	204,714,481.92	98,420,424	98,420,424		
MER	258,536	574.0000	148,399,664.00	258,536	258,536		
MFC	15,079	1,880.0000	28,348,520.00	15,079	15,079		
MFIN	493,917	1.5100	745,814.67	493,917	493,917		
MG	35,400,745	0.0600	2,124,044.70	35,400,745	35,400,745		
MGH	2,570,513	-	-	2,570,513	2,570,513		
MHC	4,773,600	0.1150	548,964.00	4,773,600	4,773,600		
MJC	3,232,213	-	-	3,232,213	3,232,213		
MJIC	1,420,514	-	-	1,420,514	1,420,514		
MM	146,878,548	0.4000	58,751,419.20	146,878,548	146,878,548		
MMC	44,228	-	-	44,228	44,228		
MON	4,929,631	-	-	4,929,631	4,929,631		
MONDE	54,340,535	5.8000	315,175,103.00	54,340,535	54,340,535		
MPI	1	-	-	1	1		
MRC	8,270,073	0.8700	7,194,963.51	8,270,073	8,270,073		
MREIT	13,011,329	14.0000	182,158,606.00	13,011,329	13,011,329		
MRSGI	41,693,110	1.1500	47,947,076.50	41,693,110	41,693,110		
MVC	498,213	5.1900	2,585,725.47	498,213	498,213		
MWC	11,495,308	40.3000	463,260,912.40	11,495,308	11,495,308		
MWIDE	15,266,003	2.9900	45,645,348.97	15,266,003	15,266,003		
MWP5	174,850	103.0000	18,009,550.00	174,850	174,850		
MWP6A	2,000	100.0000	200,000.00	2,000	2,000		
MWP6B	8,430	100.2000	844,686.00	8,430	8,430		
MWP6C	628,720	103.8000	65,261,136.00	628,720	628,720		
MWP7A	2,050	100.4000	205,820.00	2,050	2,050		
MWP7B	806,510	105.0000	84,683,550.00	806,510	806,510		
MYNLD	8,849,500	16.9000	149,556,550.00	8,849,500	8,849,500		
NI	12,155,932	0.3150	3,829,118.58	12,155,932	12,155,932		
NIKL	23,050,460	3.8900	89,666,289.40	23,050,460	23,050,460		
NN	219,561	-	-	219,561	219,561		
NOW	25,146,474	0.6800	17,099,602.32	25,146,474	25,146,474		
NRCP	28,516,368	0.7700	21,957,603.36	28,516,368	28,516,368		
NXGEN	709,269	-	-	709,269	709,269		
OGP	821,537	32.2000	26,453,491.40	821,537	821,537		
OM	18,444,584	0.1010	1,862,902.98	18,444,584	18,444,584		
OPM	4,383,776,253	0.0120	52,605,315.04	4,383,776,253	4,383,776,253		
OPMB	2,329,773,902	0.0120	27,957,286.82	2,329,773,902	2,329,773,902		
ORE	36,888,850	0.3700	13,648,874.50	36,888,850	36,888,850		
OV	5,551,729,437	0.0089	49,410,391.99	5,551,729,437	5,551,729,437		
PA	2,103,505	0.9500	1,998,329.75	2,103,505	2,103,505		
PAL	3,627,585	3.8000	13,784,823.00	3,627,585	3,627,585		
PAX	4,248,805	2.6100	11,089,381.05	4,248,805	4,248,805		
PBB	1,925,108	7.7000	14,823,331.60	1,925,108	1,925,108		
PBC	99,892	16.7000	1,668,196.40	99,892	99,892		
PCEV	3	-	-	3	3		
PCOR	46,493,529	2.4800	115,303,951.92	46,493,529	46,493,529		
PCP	40,055,665	-	-	40,055,665	40,055,665		
PDCR	25,290	-	-	25,290	25,290		
PECB	12,200	-	-	12,200	12,200		
PERC	2,893,296	3.5000	10,126,536.00	2,893,296	2,893,296		
PGOLD	4,934,063	38.0000	187,494,394.00	4,934,063	4,934,063		
PHA	83,105,670	0.2370	19,696,043.79	83,105,670	83,105,670		
PHC	203,114	1.8400	373,729.76	203,114	203,114		
PHES	13,012,991	0.2800	3,643,637.48	13,012,991	13,012,991		
PHN	822,450	16.7000	13,734,915.00	822,450	822,450		
PHR	30,759,324	0.1330	4,090,990.09	30,759,324	30,759,324		
PIP	3,000	-	-	3,000	3,000		
PIZZA	301,767	6.8000	2,052,015.60	301,767	301,767		
PLUS	12,728,308	16.2000	206,198,589.60	12,728,308	12,728,308		
PMPC	1,195,901	10.8000	12,915,730.80	1,195,901	1,195,901		
PMT	675,100	-	-	675,100	675,100		
PNB	2,322,879	54.4000	126,364,617.60	2,322,879	2,322,879		
PNC	480,768	-	-	480,768	480,768		

Issue	Position	Recommended Market Value	Market Value Position	Per Books	Per Count	Differences (See Note Below)	Remarks
PNX	1,926,296	-	-	1,926,296	1,926,296		
PNX3B	136,640	-	-	136,640	136,640		
PNX4	68,110	-	-	68,110	68,110		
PORT	5,620	-	-	5,620	5,620		
PPC	90,065	13.2000	1,188,858.00	90,065	90,065		
PPINT	760,437	-	-	760,437	760,437		
PRC	62,164	6.6000	410,282.40	62,164	62,164		
PREIT	873,005	1.0200	890,465.10	873,005	873,005		
PRF3B	32,420	1,005.0000	32,582,100.00	32,420	32,420		
PRF4A	3,320	979.5000	3,251,940.00	3,320	3,320		
PRF4B	20,055	995.0000	19,954,725.00	20,055	20,055		
PRF4C	13,245	1,009.0000	13,364,205.00	13,245	13,245		
PRF4D	11,795	990.0000	11,677,050.00	11,795	11,795		
PRF4E	7,990	1,000.0000	7,990,000.00	7,990	7,990		
PRIM	19,278,323	1.3000	25,061,819.90	19,278,323	19,278,323		
PRMX	2,142,868	1.2800	2,742,871.04	2,142,868	2,142,868		
PSB	85,407	54.0000	4,611,978.00	85,407	85,407		
PSE	230,712	205.4000	47,388,244.80	230,712	230,712		
PTC	5,908	120.0000	708,960.00	5,908	5,908		
PTT	3,953,084	-	-	3,953,084	3,953,084		
PX	25,298,852	9.9000	250,458,634.80	25,298,852	25,298,852		
PXP	3,845,680	2.3800	9,152,718.40	3,845,680	3,845,680		
RCB	864,567	25.9500	22,435,513.65	864,567	864,567		
RCBP	6,021	-	-	6,021	6,021		
RCI	7,943,663	2.6800	21,289,016.84	7,943,663	7,943,663		
RCR	31,979,205	8.0200	256,473,224.10	31,979,205	31,979,205		
REDC	9,402	6.3500	59,702.70	9,402	9,402		
REG	1,656,778	2.3000	3,810,589.40	1,656,778	1,656,778		
RFM	5,726,944	4.7500	27,202,984.00	5,726,944	5,726,944		
RLC	8,987,527	16.1600	145,238,436.32	8,987,527	8,987,527		
RLT	92,262,625	0.1090	10,056,626.13	92,262,625	92,262,625		
RLTS	1,364,516	-	-	1,364,516	1,364,516		
ROCK	7,309,118	1.8500	13,521,868.30	7,309,118	7,309,118		
ROX	1,403,437	-	-	1,403,437	1,403,437		
RPC	1,364,590	-	-	1,364,590	1,364,590		
RRHI	2,247,464	33.0500	74,278,685.20	2,247,464	2,247,464		
RWM	404,000	-	-	404,000	404,000		
SBS	407,295,043	3.8900	1,584,377,717.27	407,295,043	407,295,043		
SCC	9,386,868	28.2500	265,179,021.00	9,386,868	9,386,868		
SECB	5,242,866	65.6500	344,194,152.90	5,242,866	5,242,866		
SECBPNT	1,776,248	-	-	1,776,248	1,776,248		
SEVN	298,106	37.0000	11,029,922.00	298,106	298,106		
SFI	60,527,076	0.0470	2,844,772.57	60,527,076	60,527,076		
SFIP	3,886,201	1.6900	6,567,679.69	3,886,201	3,886,201		
SGI	3,750,661	1.2700	4,763,339.47	3,750,661	3,750,661		
SGP	3,855,137	16.5600	63,841,068.72	3,855,137	3,855,137		
SHLPH	11,281,962	6.9300	78,183,996.66	11,281,962	11,281,962		
SHNG	2,970,809	3.5400	10,516,663.86	2,970,809	2,970,809		
SLF	13,923	3,440.0000	47,895,120.00	13,923	13,923		
SLI	1,670,718	2.6000	4,343,866.80	1,670,718	1,670,718		
SM	638,148	699.5000	446,384,526.00	638,148	638,148		
SMB	35,100	-	-	35,100	35,100		
SMC	2,299,046	82.0000	188,521,772.00	2,299,046	2,299,046		
SMC2I	1,023,060	74.5000	76,217,970.00	1,023,060	1,023,060		
SMC2L	448,170	77.6500	34,800,400.50	448,170	448,170		
SMC2N	318,380	80.5000	25,629,590.00	318,380	318,380		
SMC2O	476,740	81.0000	38,615,940.00	476,740	476,740		
SMC2S	192,970	77.8000	15,013,066.00	192,970	192,970		
SMC2T	84,470	76.5000	6,461,955.00	84,470	84,470		
SMC2P	78,650	77.0000	6,056,050.00	78,650	78,650		
SMC2Q	53,770	77.8000	4,183,306.00	53,770	53,770		
SMC2R	124,200	77.5000	9,625,500.00	124,200	124,200		
SMC2U	110,450	76.0000	8,394,200.00	110,450	110,450		
SMP	20	-	-	20	20		
SMPH	22,286,231	22.7500	507,011,755.25	22,286,231	22,286,231		
SOC	17,905,617	0.1820	3,258,822.29	17,905,617	17,905,617		
SPC	2,046,412	9.7400	19,932,052.88	2,046,412	2,046,412		
SPM	1,060,090	2.3600	2,501,812.40	1,060,090	1,060,090		
SPNEC	8,822,764,579	1.1700	10,322,634,557.43	8,822,764,579	8,822,764,579		
SRDC	6,456,000	9.1000	58,749,600.00	6,456,000	6,456,000		
SSI	14,621,827	2.6300	38,455,405.01	14,621,827	14,621,827		
STI	9,012,030	1.4100	12,706,962.30	9,012,030	9,012,030		
STN	21,959,951	2.1800	47,872,693.18	21,959,951	21,959,951		
STR	4,429,572	1.2500	5,536,965.00	4,429,572	4,429,572		
SUN	66,790,738	0.7600	50,760,960.88	66,790,738	66,790,738		

Issue	Position	Recommended Market Value	Market Value Position	Per Books	Per Count	Differences (See Note Below)	Remarks
SWM	269,742	-	-	269,742	269,742		
T	29,547,837	0.4400	13,001,048.28	29,547,837	29,547,837		
TBGI	12,032,873	0.1330	1,600,372.11	12,032,873	12,032,873		
TCB2C	1,961,900	13.0000	25,504,700.00	1,961,900	1,961,900		
TCB2D	451,860	8.2600	3,732,363.60	451,860	451,860		
TECH	129,087,367	0.6300	81,325,041.21	129,087,367	129,087,367		
TEL	191,888	1,260.0000	241,778,880.00	191,888	191,888		
TFC	63,554	45.2000	2,872,640.80	63,554	63,554		
TFHI	121,654	61.0000	7,420,894.00	121,654	121,654		
TOL	20	-	-	20	20		
TOP	4,564,100	1.6000	7,302,560.00	4,564,100	4,564,100		
TUGS	193,396,376	0.5900	114,103,861.84	193,396,376	193,396,376		
UBP	4,197,735	26.6000	111,659,751.00	4,197,735	4,197,735		
UNH	20	116.0000	2,320.00	20	20		
UNI	28,657,333	-	-	28,657,333	28,657,333		
UP	89,048,288	-	-	89,048,288	89,048,288		
UPM	1,746,310,839	0.0058	10,128,602.87	1,746,310,839	1,746,310,839		
UPSON	1,315,606	0.7000	920,924.20	1,315,606	1,315,606		
URC	7,474,776	67.3000	503,052,424.80	7,474,776	7,474,776		
UW	25,760,084	-	-	25,760,084	25,760,084		
V	5,894,576	0.8900	5,246,172.64	5,894,576	5,894,576		
VITA	22,949,853	0.5300	12,163,422.09	22,949,853	22,949,853		
VLL	25,808,834	1.0400	26,841,187.36	25,808,834	25,808,834		
VLL2A	5,720	91.9500	525,954.00	5,720	5,720		
VLL2B	25,070	90.0000	2,256,300.00	25,070	25,070		
VMC	11,321,677	1.7300	19,586,501.21	11,321,677	11,321,677		
VREIT	21,756,025	1.3700	29,805,754.25	21,756,025	21,756,025		
VVT	56,593	19.4400	1,100,167.92	56,593	56,593		
WEB	3,281,115	6.2000	20,342,913.00	3,281,115	3,281,115		
WHI	2,072,021	-	-	2,072,021	2,072,021		
WHIB	556,727	-	-	556,727	556,727		
WIN	28,081,982	0.2600	7,301,315.32	28,081,982	28,081,982		
WLCON	23,368,625	6.9600	162,645,630.00	23,368,625	23,368,625		
WPI	40,054,579	0.4050	16,222,104.50	40,054,579	40,054,579		
X	28,500,354	0.2480	7,068,087.79	28,500,354	28,500,354		
XG	167,243	3.1800	531,832.74	167,243	167,243		
ZHI	146,438,016	0.0670	9,811,347.07	146,438,016	146,438,016		
<b>TOTAL</b>	<b>78,576,996,147</b>		<b>37,463,199,876.63</b>	<b>78,576,996,147</b>	<b>78,576,996,147</b>		

Note : No differences were noted between the results of the count and the December 31, 2025 listing.

**ABACUS SECURITIES CORPORATION**  
(A Wholly Owned Subsidiary of First Abacus Financial Holding Corporation)  
**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**  
**DECEMBER 31, 2025 AND 2024**

Ratio	Formula	Ratio			
		2025		2024	
<b>Current ratio</b>	Total current assets	781,176,940	1.38	1,153,309,210	1.43
	Total current liabilities	564,870,524		808,503,468	
<b>Acid test ratio</b>	Cash and cash equivalents + Financial assets at fair value through profit or loss - net + Loans and receivables	780,642,942	1.38	1,141,553,730	1.41
	Total current liabilities	564,870,524		808,503,468	
<b>Solvency ratio</b>	(After tax net profit + Depreciation)	(96,040,944)	-0.16	6,352,946	0.01
	Total liabilities	609,555,948		846,643,401	
<b>Debt-to-equity ratio</b>	Total liabilities	609,555,948	2.23	846,643,401	2.27
	Total equity	273,469,015		373,510,954	
<b>Assets-to-equity ratio</b>	Total assets	883,024,963	3.23	1,220,154,355	3.27
	Total equity	273,469,015		373,510,954	
<b>Return on equity</b>	Net profit	(99,083,374)	-30.63%	1,267,995	0.34%
	Average equity	323,489,985		371,102,581	
<b>Return on assets</b>	Net profit	(99,083,374)	-9.42%	1,267,995	0.11%
	Average assets	1,051,589,659		1,103,526,844	
<b>Net profit margin</b>	Profit before taxes	(117,286,394)	-88.68%	9,268,198	5.02%
	Interest income + Other operating income	132,258,603		184,687,593	



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

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

In preparing the financial statements, management is responsible for assessing the **Abacus Securities Corporation'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 **Abacus Securities Corporation** or to cease operations, or has no realistic alternative to do so.

The Board of Directors is responsible for overseeing the **Abacus Securities Corporation'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 stockholder.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the **Abacus Securities Corporation** in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

**PAULINO S. SOO**  
Chairman, President and Chief Executive Officer

**MELANIO C. DELA CRUZ**  
Treasurer & Chief Financial Officer

**APR 20 2026**

**QUEZON CITY**

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ at \_\_\_\_\_, affiants Paulino S. Soo and Melanio C. Dela Cruz exhibiting to me their TIN: 107-047-406 and 182-285-400, respectively.

Signed this \_\_\_\_\_ day of \_\_\_\_\_.

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Page No. 46;  
Book No. XCIV  
Series of 2024

**ATTY. RIZAL JOSE F. VALMORES**  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2026  
ADM. MATTER NO. 003  
PTR NO. 0004900 / 005/2025-Q.C  
ISP NO. INV 182341 / 12-01-2025-Q.C  
RPN 26436  
MCLE NO. VII-0075007/06-07-2024  
Add: 473 Boni Serrano Road, Barangay  
San Roque, Muzph, Quezon City