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COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAMES

C H I N A B A N K S E C U R I T I E S C O R P O R A T
I O N (A W h o l l y O w n e d S u b s i d i a r y
o f C h i n a B a n k C a p i t a l C o r p o r a
t i o n)

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

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T Y O F M A K A T I F O U R T H D I S T R I C T N
A T I O N A L C A P I T A L R E G I O N

Form Type

A A F S

Department requiring the report

C F D

Secondary License Type, If Applicable

G S E D

COMPANY INFORMATION

Company's Email Address

cbsec@chinabank.ph

Company's Telephone Number

(632) 8885-5839

Mobile Number

N/A

No. of Stockholders

8

Annual Meeting (Month / Day)

3rd Thursday of June

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Annabelle G. Celso

Email Address

cbsec.customerservice@chinabank.ph

Telephone Number/s

(632) 8885-5839

Mobile Number

(63) 920 3581723

CONTACT PERSON'S ADDRESS

5F VGP Center, 6772 Ayala Avenue, San Lorenzo 1226 City of Makati

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



CHINA BANK SECURITIES CORPORATION
ANNUAL AUDITED FINANCIAL REPORT
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REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
Metro Manila, Philippines

COVER PAGE

Information Required of Brokers and Dealers Pursuant to Rule 52.1-5 of the Securities Regulation Code.

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

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker/Dealer:	China Bank Securities Corporation
Address of Principal Place of Business:	5 th floor VGP Center, 6772 Ayala Avenue, San Lorenzo 1226 City of Makati
Name and Phone Number of Person to Contact in Regard to this Report	
Name: Ms. Annabelle G. Celso	Tel. No. (02) 8885-5839

IDENTIFICATION OF ACCOUNTANT	
Name of Independent Auditors whose opinion is contained in this report:	
Name: SyCip Gorres Velayo & Co.	Tel. No.: 891-0307
BOA/PRC Reg. No. 0001	Fax No.: 819-0872
SEC Accreditation No. 0012-FR-5 (Group A)	
Address: 6760 Ayala Avenue, Makati City	
Janet A. Paraiso	
Partner	
CPA Certificate No. 92305	
Tax Identification No. 193-975-241	
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026	
SEC Partner Accreditation No. 92305-SEC (Group A)	
Valid to cover audit of 2021 to 2025 financial statements	
SEC Firm Accreditation No. 0001-SEC (Group A)	
Valid to cover audit of 2021 to 2025 financial statements	
BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026	
PTR No. 10765004, January 2, 2026, Makati City	



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


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

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

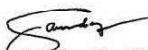
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

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


Ryan Martin L. Tapia
Chairman of the Board


Marisol M. Teodoro
President and Chief Executive Officer


Annabelle G. Celso
Treasurer

Signed this 25th day of March 2026.



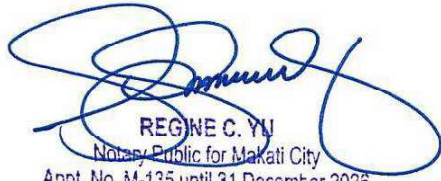
ACKNOWLEDGMENT

Republic of the Philippines)
Makati City) S.S.

SUBSCRIBED AND SWORN to before me this APR 15 2026, 20____, personally appeared the following persons:

<u>NAME</u>	<u>COMPETENT PROOF OF IDENTITY</u>	<u>DATE/ PLACE ISSUED</u>
China Bank Securities Corporation TIN: 000-333-279-00000		
RYAN MARTIN L. TAPIA	X01-93-018550	
MARISOL M. TEODORO	UMID CRN-0003-7109134-0	
ANNABELLE G. CELSO	UMID CRN-0111-2236178-1	

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Page No. 49
Book No. 72
Series of 2020



REGINE C. YU

Notary Public for Makati City

Appt. No. M-135 until 31 December 2026
2nd Floor VGP Center, 6772 Ayala Avenue, Makati City
PTR No. 10773632; 01-05-2026; Makati City
IBP Lifetime No. 015425; 05-29-2017; Makati City
MCLE Compliance No. VIII-0009600; 06-10-2024
Roll of Attorney's No. 68781

NOTARY PUBLIC

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
China Bank Securities Corporation
5th Floor VGP Center, 6772 Ayala Avenue, San Lorenzo
1226 City of Makati

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of China Bank Securities Corporation (the Company), which comprise the statements of financial condition as at December 31, 2025 and 2024, and the statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including 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 (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of financial statements of public interest entities in the Philippines. We have also 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

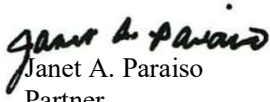
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Report on the Supplementary Information Required Under Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 24 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of China Bank Securities Corporation. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.


Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 92305-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

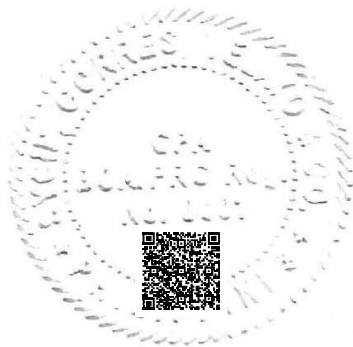
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765004, January 2, 2026, Makati City

March 19, 2026



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF FINANCIAL CONDITION

December 31

	2025		2024	
	Money Balance	Security Valuation Long Short	Money Balance	Security Valuation Long Short
ASSETS				
Current Assets				
Cash and cash equivalents (Notes 6 and 22)	₱154,356,737		₱128,768,408	
Short-term investments (Notes 6 and 22)	20,000,000		—	
Financial assets at fair value through profit or loss (Note 7)	198,711,707	₱39,426,800	104,626,904	₱47,217,490
Receivable from:				
Clearing house (Note 8)	4,029,094		—	
Customers (Note 9)	49,616,843	696,845,910	129,600,412	674,251,098
Other receivables (Note 10)	1,536,541		1,041,437	
Prepayments and other current assets (Note 13)	9,453,082		8,019,965	
	437,704,004		372,057,126	
Noncurrent Assets				
Financial assets at fair value through other comprehensive income (Note 7)	67,390,338		65,282,998	
Property and equipment (Note 11)	13,348,436		13,678,288	
Intangible assets (Note 12)	7,700,000		8,000,000	
Exchange trading right	91,000		637,000	
Computer software	4,222,952		3,964,646	
Other noncurrent assets (Note 13)	92,752,726		91,562,932	
TOTAL ASSETS	₱530,456,730		₱463,620,058	

Securities in Transfer Office, Clearing House and Philippine Depository & Trust Corporation	₱42,643,004,048	₱47,551,028,464
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(Forward)



December 31

	2025		2024	
	Money Balance	Security Valuation	Money Balance	Security Valuation
		Long		Short
LIABILITIES AND EQUITY				
Current Liabilities				
Payable to:				
Clearing house (Note 8)	₱7,069,362		₱95,669,162	
Customers (Note 14)	272,311,902	₱41,906,731,338	131,223,792	₱46,829,559,876
Accrued expenses and other current liabilities (Note 15)	9,296,218		8,038,523	
	288,677,482		234,931,477	
Noncurrent Liability				
Retirement liability (Note 16)	6,742,516		7,238,784	
TOTAL LIABILITIES	295,419,998		242,170,261	
EQUITY				
Share capital (Note 18)	262,700,000		262,700,000	
Retained earnings (deficit):				
Unappropriated (Note 18)	(30,048,932)		(39,949,374)	
Appropriated (Note 18)	480,737		480,737	
Remeasurement gain (loss) on retirement liability (Note 16)	443,539		(2,135,613)	
Net unrealized gain on financial assets at fair value through other comprehensive income (Note 7)	1,390,338		282,997	
Other equity – stock grants (Note 18)	71,050		71,050	
TOTAL EQUITY	235,036,732		221,449,797	
TOTAL LIABILITIES AND EQUITY	₱530,456,730	₱42,643,004,048	₱463,620,058	₱47,551,028,464

See accompanying Notes to Financial Statements.



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF INCOME

	Years Ended December 31	
	2025	2024
REVENUES		
Commissions (Note 19)	¥38,538,221	¥30,548,576
Research and marketing fees (Note 20)	16,190,856	17,555,301
Interest (Notes 6 and 7)	8,611,509	7,521,310
Trading gains (losses) – net (Note 7)	5,074,235	(5,784,032)
Dividend (Note 7)	1,086,870	595,782
Miscellaneous (Note 21)	2,176,013	1,946,537
	71,677,704	52,383,474
COST OF SERVICES		
Salaries and benefits	27,655,633	24,708,910
Stock exchange dues and fees	3,047,385	3,165,077
Central depository fees	2,787,591	2,650,583
Retirement expense (Note 16)	2,082,884	1,262,443
Amortization of computer software (Note 12)	546,000	586,746
	36,119,493	32,373,759
GROSS PROFIT	35,558,211	20,009,715
OPERATING EXPENSES		
Occupancy	5,785,781	5,783,538
Information technology (Note 21)	5,446,086	4,305,715
Entertainment, amusement and recreation	2,622,088	2,779,310
Transportation and travelling	1,560,578	1,649,992
Management and other professional fees (Note 21)	1,448,430	1,578,814
Provision for (reversal of) credit and impairment losses (Notes 9, 12 and 13)	1,238,675	(4,512)
Depreciation expense (Note 11)	1,167,080	1,232,979
Security, messengerial and janitorial	1,128,612	1,135,038
Insurance	676,946	951,070
Taxes and licenses	384,453	246,178
Condominium dues and fees	293,916	418,833
Miscellaneous (Note 21)	1,435,906	2,833,689
	23,188,551	22,910,644
INCOME (LOSS) BEFORE INCOME TAX	12,369,660	(2,900,929)
PROVISION FOR INCOME TAX (Note 17)	2,469,218	2,185,591
NET INCOME (LOSS)	¥9,900,442	(¥5,086,520)

See accompanying Notes to Financial Statements.



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)

STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2025	2024
NET INCOME (LOSS)	¥9,900,442	(¥5,086,520)
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Items that do not recycle to profit or loss in subsequent periods</i>		
Remeasurement gain (loss) on retirement liability (Note 16)	2,579,152	(2,215,642)
<i>Items that recycle to profit or loss in subsequent periods</i>		
Changes in fair value of financial assets at fair value through other comprehensive income:		
Unrealized gains (losses) for the year (Note 7)	1,822,224	(306,671)
Realized losses (gains) taken to profit or loss (Note 7)	(714,883)	1,177,784
	3,686,493	(1,344,529)
TOTAL COMPREHENSIVE INCOME (LOSS)	¥13,586,935	(¥6,431,049)

See accompanying Notes to Financial Statements.



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF CHANGES IN EQUITY

	Capital stock (Note 18)	Retained earnings (deficit)		Appropriated (Note 18)	Remeasurement gain (loss) on retirement liability (Note 16)	Net unrealized gain (loss) on financial assets at fair value through other comprehensive income (Note 7)	Other equity (Note 18)	Total equity
	Unappropriated (Note 18)	Appropriated (Note 18)	Retained earnings (deficit)	Appropriated (Note 18)	Remeasurement gain (loss) on retirement liability (Note 16)	Net unrealized gain (loss) on financial assets at fair value through other comprehensive income (Note 7)	Other equity (Note 18)	Total equity
Balances at January 1, 2025	P262,700,000	(P39,949,374)	P480,737	P480,737	(P2,135,613)	P282,997	P71,050	P221,449,797
Total comprehensive income for the year	-	9,900,442	-	-	2,579,152	1,107,341	-	13,586,935
Balances at December 31, 2025	P262,700,000	(P30,048,932)	P480,737	P480,737	P443,539	P1,390,338	P71,050	P235,036,732
Balances at January 1, 2024	P162,700,000	(P34,862,854)	P480,737	P480,737	P80,029	(P588,116)	P71,050	P127,880,846
Issuance of preferred shares	100,000,000	-	-	-	-	-	-	100,000,000
Total comprehensive income (loss) for the year	-	(5,086,520)	-	-	(2,215,642)	871,113	-	(6,431,049)
Balances at December 31, 2024	P262,700,000	(P39,949,374)	P480,737	P480,737	(P2,135,613)	P282,997	P71,050	P221,449,797

See accompanying Notes to Financial Statements



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	¥12,369,660	(¥2,900,929)
Adjustment for:		
Interest income (Notes 6 and 7)	(8,611,509)	(7,521,310)
Unrealized gain on financial assets at fair value through profit or loss (Note 7)	(2,583,228)	(1,688,329)
Retirement expense (Note 16)	2,082,884	1,262,443
Depreciation and amortization (Notes 11 and 12)	1,713,080	1,819,725
Provision for (reversal of) credit and impairment losses (Notes 9, 12 and 13)	1,238,675	(4,512)
Unrealized foreign exchange gains – net (Note 21)	(170,955)	(440,811)
Operating income (loss) before changes in operating assets and liabilities	6,038,607	(9,473,723)
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Financial assets at fair value through profit or loss	(91,501,575)	(2,225,968)
Trade receivables	75,015,800	(93,402,681)
Prepayment and other assets	(1,544,259)	(453,900)
Other receivables	32,486	(1,768,517)
Increase (decrease) in:		
Trade payables	52,488,310	124,952,356
Accrued expenses and other liabilities	1,257,695	(2,280,278)
Net cash provided by operations	41,787,064	15,347,289
Interest received	8,083,920	6,811,013
Income taxes paid	(2,616,382)	(1,875,691)
Net cash provided by operating activities	47,254,602	20,282,611
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Financial assets at fair value through other comprehensive income	(66,000,000)	(65,000,000)
Property and equipment (Note 11)	(1,313,418)	(3,014,198)
Short-term investments (Notes 6 and 22)	(20,000,000)	(50,605,000)
Proceeds from sale/maturity of:		
Financial assets at fair value through other comprehensive income	65,000,000	75,000,000
Property and equipment (Note 11)	476,190	1,000
Short-term investments (Notes 6 and 22)	–	51,843,248
Net cash provided (used) by investing activities	(21,837,228)	8,225,050
EFFECT OF FOREIGN CURRENCY EXCHANGES	170,955	440,811
NET INCREASE IN CASH AND CASH EQUIVALENTS	25,588,329	28,948,472
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	128,768,408	99,819,936
CASH AND CASH EQUIVALENTS AT END OF YEAR (Notes 6 and 22)	¥154,356,737	¥128,768,408

See accompanying Notes to Financial Statements.



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

China Bank Securities Corporation (the Company), formerly known as ATC Securities, Inc. was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) with SEC Reg. No. 83424 on December 31, 1978 to primarily engage in and carry on the business of dealing, purchasing or otherwise acquiring, owning, holding, managing, using or obtaining an interest, alone or in conjunction with any person natural or juridical, domestic or foreign, in all kinds of securities, including but not limited to, shares of stock, bonds, debentures, warrants, notes and other debts securities.

The Company is a wholly owned subsidiary of China Bank Capital Corporation (the Parent Company). The ultimate parent company is China Banking Corporation (CBC).

The Company's registered office, which is also its principal place of business, is located at 5th Floor VGP Center, 6772 Ayala Avenue, San Lorenzo 1226 City of Makati.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The accompanying financial statements have been prepared on a historical cost basis except for financial assets that are measured at Fair Value through Profit or Loss (FVTPL) and at Fair Value through Other Comprehensive Income (FVOCI). The financial statements are presented in Philippine peso (₱), which is also the Company's functional and presentation currency. All amounts are rounded to the nearest peso, except when otherwise indicated.

Statement of Compliance

The financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards as issued by the Financial and Sustainability Reporting Standards Council (FSRSC).

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to PFRS Accounting Standards which became effective as of January 1, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of these amendments did not have any significant impact on the financial statements of the Company:

- Amendments to PAS 21, *Lack of Exchangeability*
The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.



Presentation of Financial Statements

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial condition only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously.

The Company assesses that it has currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of the business, event of default and event of insolvency or bankruptcy of the Company and all of the counterparties.

Income and expenses are not offset in the statement of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

Foreign Currency Translations – Transactions and Balances

Transactions in foreign currencies are translated to Philippine peso at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the Philippine peso at the exchange rate at that date.

Foreign exchange differentials arising from foreign currency transactions and translations of foreign currency-denominated assets and liabilities are recognized in the statement of income in the year in which the rates change.

Fair Value Measurement

For measurement and disclosure purposes, the Company determines the fair value of an asset or liability at initial measurement date or at each statement of financial condition date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

Cash and Cash Equivalents

For purposes of reporting cash flows, cash includes cash in bank and petty cash funds. Cash equivalents are convertible to known amounts of cash which have original maturities of three months or less from the date of placement and that are subject to an insignificant risk of changes in value.



Financial Instruments

Date of recognition

Financial instruments within the scope of PFRS 9 are recognized in the statement of financial condition when the Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on trade date. Securities transactions and related commission income and expenses are also recorded on trade date.

Initial recognition of financial instruments

All financial instruments are initially recognized at fair value. Except for financial instruments at FVTPL, initial measurement of financial instruments includes transaction costs.

Classification and initial recognition of financial instruments

The classification of financial assets at initial recognition depends on the contractual terms of the instruments and the business model for managing the instruments. Financial liabilities are classified as either at FVTPL or at amortized cost.

Contractual cash flows test

In order for a financial asset to be classified and measured at amortized cost or at FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the currency in which the financial assets is denominated, and the period for which the interest rate is set.

Business model assessment

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- the expected frequency, value and timing of sales are also important aspects of the Company's assessment



The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

Financial assets at amortized cost (debt instruments)

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

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

Debt financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortized cost using the effective interest method less allowance for expected credit losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate (EIR). Any amortization is included in 'interest income' in the statement of comprehensive income. Gains and losses are recognized in the statement of comprehensive income when the asset is derecognized, modified or impaired, as well as through the amortization process.

The Company's financial assets at amortized cost includes 'cash', 'receivables from customers', 'receivables from clearing house', 'other receivables', and financial assets under 'Other assets'.

Financial assets at FVOCI (debt instruments)

After initial measurement, investment securities at FVOCI are subsequently measured at fair value. The unrealized gains and losses arising from the fair valuation of investment securities at FVOCI are excluded, net of tax as applicable, from the reported earnings and are included in the statement of comprehensive income as 'changes in net unrealized gain (loss) on financial assets at FVOCI'.

Debt securities at FVOCI are those that meet both of the following conditions: (i) the asset is held within a business model whose objective is to hold the financial assets in order to both collect contractual cash flows and sell financial assets; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the outstanding principal amount.

The effective yield component of debt securities at FVOCI, as well as the impact of restatement on foreign currency-denominated debt securities at FVOCI, is reported in the statement of comprehensive income. Interest earned on holding debt securities at debt securities at FVOCI are reported as 'interest income' using the EIR method. When the debt securities at FVOCI are disposed of, the cumulative gain or loss previously recognized in OCI are reclassified as 'trading and securities gain (loss) - net' in the statement of income. The ECL arising from impairment of such investments are recognized in OCI with a corresponding charge to 'Miscellaneous' in the statement of income.



As of December 31, 2025 and 2024, the Company's financial assets at FVOCI include investments in government debt securities.

Financial assets at FVTPL

Debt financial assets that do not meet the amortized cost criteria, or that meet the criteria, but the Company has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL. FVTPL also includes investments in equity shares that are held for trading.

Financial assets at FVTPL are recorded in the statement of financial condition at fair value. Changes in fair value are recorded in 'trading gains (losses) - net' in the statement of income. Dividends earned are recognized in the statement of income as dividend according to the terms of the contract, or when the right of the payment has been established.

As of December 31, 2025 and 2024, the Company's financial assets at FVTPL include investments in listed equity shares and unit investment trust funds (UITFs).

Financial liabilities at amortized cost

Issued financial instruments or their components, which are not designated at FVTPL, are classified as liabilities under 'payable to clearing house', 'payable to customers', and 'accrued expenses and other liabilities', where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

Financial liabilities at amortized cost are initially recognized at the fair value of the consideration received less directly attributable transaction costs.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECL) for all debt financial asset except those classified as at FVTPL. The ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).



Assessment of Significant Increase in Credit Risk/Staging Assessment

For non-credit-impaired financial instruments:

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a SICR since initial recognition. The Company recognizes a 12-month ECL for Stage 1 financial instruments
- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognizes a lifetime ECL for Stage 2 financial instruments.

For credit-impaired financial instruments:

- Financial instruments are classified as Stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows from the financial instruments. The ECL model requires that lifetime ECL be recognized for these impaired financial instruments.

For receivables from customers, the Company applies the simplified approach in calculating ECL since these receivables arise from transactions within the scope of PFRS 15 and do not contain significant financing component. Under the simplified approach, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Definition of default

Generally, the Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. Treasury exposures are considered in default upon occurrence of a credit event such as but not limited to bankruptcy of counterparty, restructuring, failure to pay on an agreed settlement date, or request for moratorium. For receivables from customers, the Company consider it in default when already more than 30 days past due.

Refer to Note 5 for the Company's ECL methodology.

Derecognition of Financial Instruments

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired; or
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a pass-through arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained the risks and rewards of the asset but has transferred control over the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control over the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.



Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liability

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of comprehensive income.

Property and Equipment

Property and equipment is carried at cost less accumulated depreciation and amortization, and any impairment in value.

The initial cost of property and equipment consists of its purchase price, including taxes and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the items of property and equipment have been put into operation, such as repairs and maintenance, are normally charged against operations in the year the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of the asset. When property and equipment is retired or otherwise disposed of, the cost and the related accumulated depreciation and amortization, and any impairment in value is removed from the accounts and any resulting gain or loss is charged against or credited to current operations.

Depreciation and amortization are computed using the straight-line method over the estimated useful life (EUL) of the respective assets. The EUL of property and equipment follows:

Condominium	50 years
Transportation equipment	5 years
Office furniture and equipment	3-5 years
Computer equipment	3-5 years
Leasehold improvements	5 years or the remaining lease term (whichever is shorter)

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

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, an impairment loss is recognized in the statement of comprehensive income.

When the assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and any accumulated impairment are removed from the accounts and the resulting gain or loss is credited or charged against the current operations.



Intangible Assets

Exchange Trading Right

Exchange trading right is a result of the Philippine Stock Exchange (PSE) conversion plan, as discussed in Note 12, to preserve access of the Company to the trading facilities and continue transacting business in the PSE. Exchange 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 any allowance for impairment loss. The Company does not intend to sell the exchange trading right in the near future.

The exchange trading right is an intangible asset that is regarded as having an indefinite useful life as there is no foreseeable limit to the period over which this asset is expected to generate net cash inflows for the Company but is tested annually for any impairment in realizable value.

Computer Software

Costs related to software purchased by the Company for use in operations are amortized on a straight-line basis over the estimated life of three (3) to five (5) years.

Impairment of Nonfinancial Assets

This accounting policy applies to Company's property and equipment and intangible assets. At each statement of financial condition date, the Company assesses whether there is any indication that its property and equipment and computer software may be impaired. Exchange trading right is tested for impairment annually, irrespective of whether there is any indication of impairment.

When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Company makes a formal estimate of recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash generating unit to which it belongs. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged against operations in the period in which it arises.

Impairment assessment is made at each reporting date to determine as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization as applicable, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income. For property and equipment after such reversal, the depreciation expense is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining life.

Equity

Capital stock is measured at par value for all shares issued. Incremental costs incurred directly and attributable to the issuance of new common stocks are shown in equity as a deduction, net of tax, from proceeds. All other equity issuance costs are recognized as expense as incurred.



Retained earnings (deficit) represent accumulated earnings (losses) of the Company less dividends declared.

Revenue Recognition

Revenue is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

For revenue stream covered by PFRS 15, the Company exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the five-step model to contracts with customers.

The following specific criteria must be met before revenue is recognized:

Commission

Commissions are recognized as income upon confirmation of trade deals. These are computed for every trade transaction based on a flat rate or a percentage of the amount of trading transaction, whichever is higher.

Research and marketing fees

Research and marketing fees are recognized upon completion of the services rendered.

Revenue outside of scope of PFRS 15

Interest

Interest income on cash in bank and interest-bearing placements/investments is recorded on a time proportion basis taking into account the effective yield of the asset.

Trading gains (losses) - net

Trading gains (losses) - net represent results arising from trading activities (including gains and losses from disposal of debt financial assets at FVOCI) and all gains and losses from changes in fair value of financial assets at FVTPL.

Dividend

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

Expense recognition

Expenses encompass losses as well as those expenses that arise in the course of the ordinary activities of the Company. Expenses are recognized when incurred. Revenue and expenses that relate to the same transactions or other event are recognized simultaneously. The majority of the expenses incurred by the Company such as stock exchange fees and central depository dues and fees, salaries and benefits and administrative expenses are recognized with regularity as the Company continues its operations.

Retirement Benefits

The Company is covered by a non-contributory defined benefit retirement plan. The Company determines retirement cost under the projected unit credit method. Under this method, the current service cost is the present value of retirement benefits payable in the future with respect to services rendered in the current period.



The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets and adjusted for any effect of limiting a net defined benefit asset to the asset ceiling, if any. The defined benefit obligation is calculated annually by an independent actuary. The present value of the defined benefit obligation is determined by discounting the estimated cash outflows using interest rates on government bonds that have terms to maturity approximating the terms of the related liability. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Defined benefit costs comprise the following:

- Service costs;
- Net interest on the net defined benefit liability or asset; and
- Remeasurements of net defined benefit liability or asset.

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on the Philippine government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Company's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Share-based Payments (Stock Grants)

Employees of the Company receive remuneration in the form of share-based payments (stock grants), whereby employees render services as consideration for equity instruments (equity-settled transactions) of CBC.

Income taxes

Income tax on profit or loss for the year comprises current and deferred taxes. Income tax is determined in accordance with the Philippine Tax Law. Provision for income tax is recognized in the statement of comprehensive income.

Current taxes

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.



Deferred taxes

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

Deferred tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences, and the carry forward of unused tax credits from MCIT and NOLCO can be utilized.

Deferred tax, however, is not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination, at the time of the transaction, affects neither the accounting income nor taxable income or loss and does not give rise to equal taxable and deductible temporary differences.

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

Deferred tax assets and liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at reporting date. Movements in deferred tax assets and liabilities arising from changes in tax rate are charged or credited to income for the year.

Current tax and deferred tax relating to items recognized directly in OCI are also recognized in the OCI and not in profit or loss.

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

Consideration of uncertain tax position

IFRIC 23, *Uncertainty over Income Tax Treatments* requires the Company to consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes that the income tax position is not probable of being accepted, the effect of the uncertainty is reflected in the Company's accounting for income taxes.

Events after the Reporting Period

Post year-end events that provide additional information about the Company's position at the statement of financial condition date (adjusting events) are reflected in the Company's financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

Standards Issued but Not Yet Effective

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



Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

The Company is currently assessing the impact of PFRS 18 on its primary financial statements and notes to the financial statements.

- PFRS 17, *Insurance Contracts*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred Effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contributions of Assets between an Investor and its Associate or Joint Venture*

3. Significant Estimates and Judgments

The preparation of the financial statements in compliance with PFRS Accounting Standards requires the Company to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses, and disclosure of contingent assets and contingent liabilities at reporting date. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

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.



Judgment

Offsetting of financial assets and liabilities

The Company considers its compliance with the offsetting criteria as a significant judgment in presenting financial assets and liabilities, particularly the receivables from and payable to customers and clearing house, in its statement of financial condition. In making such assessment, the Company determines at each financial asset and liability the existence of an enforceable legal right to offset and if there is an intention to settle on a net basis and to realize the assets and settle the liabilities simultaneously.

Estimates and Assumptions

a. Impairment of exchange trading right

The Company conducts an annual review for any impairment in value of exchange trading right. The factors that the Company considers important which could trigger an impairment review on its exchange trading right include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or economic trends.

Exchange trading right is written down for impairment where the carrying amount of the exchange trading right exceeds its recoverable value. The recoverable amount is based on its fair value less costs of disposal.

In 2025 and 2024, the Company recognized impairment losses on exchange trading rights amounting to ₱0.30 million and nil, respectively.

Refer to Note 12 for the carrying value of the exchange trading right.

b. Accrued retirement obligation and retirement expense

The Company's accrued retirement obligation and annual retirement expense are determined using the actuarial valuation. The actuarial valuation is dependent on certain assumptions, which include, among others, discount rate, turnover rate, future salary increase rate and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, the Company's retirement obligation and related costs are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The discount rate is determined using the market yields on Philippine government bonds with terms consistent with the expected employee benefit payouts as of the reporting date. Turnover rate pertains to the percentage of the Company's employees who leave over the total number of employees. Future salary increases are based on expected future inflation rates, seniority, promotion and other market factors. Mortality rate is based on publicly available mortality tables for the Philippines and is modified accordingly with estimates of mortality improvements.

The carrying amount of the retirement liability and the details of the actuarial assumptions are disclosed in Note 16.



c. *Recognition of deferred tax assets*

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

As of December 31, 2025 and 2024, the Company assessed that it is not probable that the Company can utilize in full the tax benefits in the foreseeable future. Accordingly, the Company recognized deferred tax assets to the extent of the deferred tax liabilities and did not recognize deferred tax assets on certain deductible temporary differences.

The Company's recognized and unrecognized deferred tax assets are disclosed in Note 17.

4. Fair Value Measurement

As of December 31, 2025 and 2024, the carrying values of the Company's financial assets and liabilities as reflected in the statements of financial condition and related notes approximate their respective fair values.

The methods and assumptions used by the Company in estimating the fair value of its financial instruments are as follows:

Cash and cash equivalents, Trade receivables and Other receivables - The carrying amounts approximate their fair values due to the relatively short-term nature of these assets.

Financial assets at FVTPL - Fair values of listed equity shares are determined based on quoted prices in the PSE. Fair values of UITFs are determined based on net asset value per unit (NAVPU) as of valuation date.

Financial assets at FVOCI - Fair values are determined based on quoted market prices, i.e., PH BVAL reference rates published by the Philippine Dealing and Exchange Corporation (PDEX).

Payable to customers and clearing house and accrued expenses and other liabilities - The carrying amounts approximate their fair values due to either their demand nature or the relatively short-term maturities of these liabilities.

Fair Value Hierarchy

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

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



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

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

The following tables summarize the carrying amounts and fair values of the Company's financial instruments carried at fair value, analyzed based on the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

	2025				Total Fair Value
	Carrying Value	Level 1	Level 2	Level 3	
<i>Assets measured at fair value:</i>					
Financial assets					
Financial assets at FVTPL					
Quoted equity securities	₱39,426,800	₱39,426,800	₱–	₱–	₱39,426,800
Unit investment trust funds	159,284,907	–	159,284,907	–	159,284,907
Financial assets at FVOCI	67,390,338	67,390,338	–	–	67,390,338
	₱266,102,045	₱106,817,138	₱159,284,907	₱–	₱266,102,045
<hr/>					
	2024				Total Fair Value
	Carrying Value	Level 1	Level 2	Level 3	
<i>Assets measured at fair value:</i>					
Financial assets					
Financial assets at FVTPL					
Quoted equity securities	₱47,217,490	₱47,217,490	₱–	₱–	₱47,217,490
Unit investment trust funds	57,409,414	–	57,409,414	–	57,409,414
Financial assets at FVOCI	65,282,998	65,282,998	–	–	65,282,998
	₱169,909,902	₱112,500,488	₱57,409,414	₱–	₱169,909,902

There were no transfers between the three levels in the fair value hierarchy in 2025 and 2024.

5. Financial Risk Management Objectives and Policies

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated with its management, in close coordination with the BOD, and focuses on actively securing the Company's short-to-medium term cash flows by minimizing the exposure to financial markets.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's business activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.



The Company does not actively 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.

The Company has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit Risk

Credit risk is the non-recovery of credit exposures (on-and-off balance sheet exposures). Managing credit risk also involves monitoring of migration risk, concentration risk, country risk and settlement risk. Credit risk to a broker dealer normally arises from unsettled customer and principal trades, loans and other dues, free deliveries, securities lending and borrowing, margin lending and underwriting arrangements.

Maximum exposure to credit risk before collateral held or credit enhancements

The Company trades only with recognized and creditworthy third parties. It is the Company’s policy that all customers are subjected to credit verification procedures. In accordance with Risk Based Capital Adequacy (RBCA) requirement, a limit is imposed to avoid large exposures on single client or counterparty, single debt issue and single equity relative to particular issuer company and its group of companies. As a result, the maximum credit risk is the carrying amount of each class of financial assets in the statements of financial condition except for ‘Receivable from customers’ wherein the Company holds collateral as security as discussed below.

Collateral and other credit enhancements

The securities purchased by the customers serve as the collateral. Management monitors the market value of collateral and the exposures on a daily basis.

In addition, the Securities Clearing Corporation of the Philippines (SCCP) requires collateral on negative exposure, which is computed based on outstanding unsettled trades calculated at current market price and compared with the original value of the trades calculated at their original contracted price. Negative exposure has to be covered by collateral such as cash, PSE index securities and PSE shares.

The effects of offsetting arrangements (including impact of collateral) are disclosed in the succeeding tables.

	2025					
Financial assets recognized at end of reporting period by type	Gross carrying amount (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial condition	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure
Financial assets						
Receivable from:						
Customers	P49,616,843	P-	P49,616,843	P33,721,715		P15,895,128
Clearing House	30,667,171	26,638,077	4,029,094	4,029,094		-
Financial liabilities						
Payable to:						
Customers	272,311,902	-	272,311,902	30,009,446		242,302,456
Clearing House	33,707,439	26,638,077	7,069,362	4,029,094		3,040,268



	2024					
Financial assets recognized at end of reporting period by type	Gross carrying amount (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial condition	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria		Net exposure
Financial assets						
Receivable from:						
Customers	₱129,600,412	₱-	₱129,600,412	₱113,602,734		₱15,997,678
Clearing House	48,704,447	48,704,447	-	-		-
Financial liabilities						
Payable to:						
Customers	131,223,791	-	131,223,791	31,581,430		99,642,361
Clearing House	144,373,609	48,704,447	95,669,162	-		95,669,162

The Company does not have financial guarantees, loan commitments and other credit-related liabilities.

Risk concentrations

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Company's credit exposure by geographic location is concentrated in the Philippines.

The Company is also subject to daily calculation of Counterparty Risk Requirement (CRR) by the SEC. The Company calculates its CRR for any of the following counterparty exposures:

- a) Unsettled customer trades (arising from customer-to-broker agency relationship);
- b) Unsettled principal trades (arising from broker-to-broker or broker-to-exchange/clearing agency relationship);
- c) Loans and other dues;
- d) Securities lending and borrowing; and
- e) Other exposures as may be determined by the PSE or SEC.

Risk concentrations of the maximum exposure to credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The following tables show the concentration by industry of the Company's financial assets:

	December 31, 2025					
	Cash and cash equivalents and short-term investments	Financial assets at FVTPL and FVOCI	Trade receivables*	Other receivables and other assets**	Total	%
Financials (Banks)	₱174,346,737	₱226,675,245	₱4,029,855	₱5,759,493	₱410,811,330	82.19%
Industrial (Food and Energy)	-	18,062,500	-	-	18,062,500	3.61%
Holding companies	-	8,519,500	13,892,756	-	22,412,256	4.48%
Property	-	9,014,800	-	-	9,014,800	1.80%
Services (IT)	-	3,830,000	-	-	3,830,000	0.77%
Others – Individuals	-	-	35,723,326	-	35,723,326	7.15%
	₱174,346,737	₱266,102,045	₱53,645,937	₱5,759,493	₱499,854,212	100.00%

*Trade receivables consist of receivables from clearing house and receivable from customers

**Other assets pertain to contributions to clearing and trade guarantee fund



December 31, 2024						
	Cash and cash equivalents	Financial assets at FVTPL and FVOCI	Trade receivables*	Other receivables and other assets**	Total	%
Financials (Banks)	₱128,758,408	₱137,763,752	₱1,007,185	₱5,006,083	₱272,535,428	62.90%
Industrial (Food and Energy)	–	10,892,000	–	–	10,892,000	2.51%
Holding companies	–	12,790,450	13,892,756	–	26,683,206	6.16%
Property	–	–	–	–	–	–
Services (IT)	–	8,463,700	–	–	8,463,700	1.95%
Others – Individuals	–	–	114,700,471	–	114,700,471	26.47%
	₱128,758,408	₱169,909,902	₱129,600,412	₱5,006,083	₱433,274,805	100.00%

*Trade receivables consist of receivables from clearing house and receivable from customers

**Other assets pertain to contributions to clearing and trade guarantee fund

The Company's credit exposure by geographic location is concentrated in the Philippines. Identified concentration of credit risks is managed and controlled.

Credit quality per class of financial assets

As of December 31, 2025 and 2024, the Company's financial assets classified according to credit quality are as follows:

December 31, 2025				
	High grade	Standard grade	Substandard grade	Total
Cash and cash equivalents	₱154,346,737	₱–	₱–	₱154,346,737
Short-term investments	20,000,000	–	–	20,000,000
Trade receivables*	27,839,524	9,985,693	55,791,234	93,616,451
Financial assets at FVTPL	198,711,707	–	–	198,711,707
Financial assets at FVOCI	67,390,338	–	–	67,390,338
Other receivables	1,536,541	–	–	1,536,541
Other noncurrent assets	4,222,952	–	–	4,222,952
	474,047,799	9,985,693	55,791,234	539,824,726
Allowance for expected credit losses	–	–	(39,970,514)	(39,970,514)
	₱474,047,799	₱9,985,693	₱15,820,720	₱499,854,212

*Trade receivables consist of receivables from clearing house and receivable from customers

December 31, 2024				
	High grade	Standard grade	Substandard grade	Total
Cash and cash equivalents	₱128,758,408	₱–	₱–	₱128,758,408
Trade receivables*	17,975,705	95,803,987	55,791,234	169,570,926
Financial assets at FVTPL	104,626,904	–	–	104,626,904
Financial assets at FVOCI	65,282,998	–	–	65,282,998
Other receivables	1,041,437	–	–	1,041,437
Other noncurrent assets	3,964,646	–	–	3,964,646
	321,650,098	95,803,987	55,791,234	473,245,319
Allowance for expected credit losses	–	–	(39,970,514)	(39,970,514)
	₱321,650,098	₱95,803,987	₱15,820,720	₱433,274,805

*Trade receivables consist of receivables from clearing house and receivable from customers

The Company's bases in grading its financial assets are as follows:

High grade

Financial assets at amortized cost - Cash and cash equivalents, Short-term investments, Trade receivables and Other receivables

The Company's financial assets at amortized cost, which are neither past due nor impaired, are classified as high grade, due to their high probability of collection (i.e. the counterparty has the evident ability to satisfy its obligation and the security on the receivables are readily enforceable).



Cash and cash equivalents and short-term investments are considered high grade since these are deposited and/or invested with reputable banks duly approved by the BOD and have low probability of insolvency. Accordingly, cash and cash equivalents and short-term investments are classified under Stage 1 as of December 31, 2025 and 2024.

Trade receivables or accounts that fall within T+2 and with high probability of collection due to apparent ability of the counterparty to settle the obligation and fully secured by financial collateral are considered as high grade. As at December 31, 2025 and 2024, ₱23.81 million and ₱17.98 million of the total receivables from customers are fully secured by collaterals comprising of cash and equity securities of listed companies with a total fair value of ₱686.93 million and ₱578.62 million, respectively (Note 9).

Other receivables are accounts from counterparties such as the Parent Company and other financial institutions with no history of default and are not past due as at the end of the reporting period.

For trade and other receivables, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses.

Financial assets at FVOCI

The investment is classified as high grade since this is a retail treasury bond issued by the Philippine government and there is a high probability of collecting the principal and coupon payments. This is assessed as low credit risk financial asset in view of the Philippine's investment grade credit rating. Accordingly, as of December 31, 2025 and 2024, the financial assets at FVOCI are classified under Stage 1.

Standard grade

Trade receivables

Standard grade trade receivables are accounts that are beyond the T+2 but the corresponding collateral valuation is sufficient to cover the overdue amount.

Substandard grade

These are accounts that are beyond the T+2 and partially secured or unsecured by collateral.

Impairment assessment

The Company recognizes an ECL for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (i.e., a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. The Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for the financial effect of the financial collaterals, forward-looking factors specific to the debtors and the economic environment. Considering the limited historical default experience and the level of collateral, the ECL calculated by the Company for receivables from customers is ₱39.97 million as of December 31, 2025 and 2024, respectively (Note 9).



The Company applies the low credit risk simplification provided under PFRS 9 in the staging assessment of its cash and cash equivalents and financial assets at FVOCI. Based on the Company's assessment, the expected credit losses (ECL) on these financial assets are not material.

Aging Analyses of Financial Assets

The aging analyses of the Company's receivable from customers as at December 31, 2025 and 2024 are summarized in the following tables (gross of allowance for credit losses):

	December 31, 2025					Total
	Current	Days past due			Specifically Impaired	
		4-14 days	15-31 days	More than 31 days		
Receivable from customers	₱49,616,843	₱-	₱-	₱-	₱39,970,514	₱89,587,357

	December 31, 2024					Total
	Current	Days past due			Specifically impaired	
		4-14 days	15-31 days	More than 31 days		
Receivable from customers	₱129,600,412	₱-	₱-	₱-	₱39,970,514	₱169,570,926

Liquidity risk

Liquidity risk is generally defined as the current and prospective risk to earnings or capital arising from the Company's inability to meet its obligations when they come due without incurring unacceptable losses or costs.

The Company manages liquidity risk by preparing daily projected and actual cash flows. Controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements.

In addition, the Company's liquidity position is assessed and managed by maintaining limits on ratio of aggregate indebtedness (AI) to net liquid capital (NLC), which should not exceed 2,000.0%. NLC is the equity of the Company adjusted for unrealized gains (losses) on proprietary accounts, subordinated liabilities, deferred tax assets, deposits for future stock subscription, minority interest, if any, contingencies and guarantees, and the total ineligible assets.

The NLC of the Company amounted to ₱198.40 million and ₱185.91 million as of December 31, 2025 and 2024, respectively (Note 18). The Company's AI amounted to ₱263.41 million and ₱216.82 million as of December 31, 2025 and 2024, respectively (Note 18). The ratio of the Company's AI to NLC are 133% and 117% as of December 31, 2025 and 2024, respectively.

Analysis of financial instruments by remaining contractual maturities

The financial assets and financial liabilities are due within one year from the reporting date except for financial assets at FVOCI and CTGF amounting to ₱67.39 million and ₱4.22 million, respectively, as of December 31, 2025 and ₱65.28 million and ₱3.96 million, respectively, as of December 31, 2024, which are due beyond one year from the reporting date.

Market risk

Market risk is the risk that the value of an investment will decrease due to movements in market factors such as, but not limited to, interest rate risk or the risk that interest rates will change; currency risk or the risk that foreign exchange rates will change; commodity risk or the risk that commodity prices will change; equity price risk or the risk that stock and other index prices will change.



The Company's market risk originates from its securities in proprietary account which are held for trading purposes and financial instruments classified as FVOCI investments. In accordance with RBCA requirements, limit is imposed for all equity, debt and foreign exchange positions of the Company.

Equity price risk

Equity price risk is the risk that the fair values of equity securities increase or decrease as a result of changes in the levels of equity indices and the value of individual stocks.

The following tables set forth the impact of changes in the Philippine Stock Exchange index (PSEi) on the Company's net unrealized gain on financial assets at FVTPL in 2025 and 2024 (amounts are in millions):

	2025		2024	
	+10.00%	-10.00%	+10.00%	-10.00%
Changes in PSEi				
Increase (decrease) in net unrealized gain on FVTPL investments	₱7.42	(₱10.41)	₱4.46	(₱4.46)

As of December 31, 2025 and 2024, the impact of changes in the NAV per unit of investments in UITF held as financial assets at FVTPL are as follows (amounts are in millions)

	2025		2024	
	+10.00%	-10.00%	+10.00%	-10.00%
Changes in NAV				
Increase (decrease) in net unrealized gains on FVTPL investments	₱15.93	(₱15.93)	₱5.74	(₱5.74)

Interest rate risk

Interest rate risk arises from the possibility that changes in the interest rates will affect future cash flows of the financial instruments. Interest rate risk of the Company arises from financial assets at FVOCI with fixed interest rates. Potential changes in interest rates would impact equity as follows:

	2025			
	Change in interest rates (in basis points [bp])			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in Equity	(₱1,164,727)	(₱468,920)	₱473,003	₱1,190,250
	2024			
	Change in interest rates (in basis points)			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in Equity	(₱593,036)	(₱237,958)	₱238,955	₱599,268

6. **Cash and Cash Equivalents and Short-Term Investments**

Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash in banks	₱76,655,530	₱75,287,077
Short-term placements	77,691,207	53,471,331
Petty cash	10,000	10,000
	₱154,356,737	₱128,768,408



In compliance with Securities Regulation Code (SRC) Rule 49.2-1, Physical Possession or Control of Securities, which covers customer protection and custody of securities, the Company maintains a special reserve bank account for the exclusive benefits of its customers amounting to ₱12.73 million and ₱4.91 million as of December 31, 2025 and 2024, respectively. These amounts are included in the Company's cash in banks. The Company's reserve requirement is determined monthly based on SEC's prescribed computations. As of December 31, 2025 and 2024, the Company is in compliance with SRC Rule 49.2-1.

Cash in banks bear annual interest rates ranging from 0.05% to 0.63% in 2025 and 2024. Interest income earned from the deposit in banks amounted to ₱0.32 million and ₱0.26 million in 2025 and 2024, respectively.

Short-term placements refer to special savings deposits with original terms to maturity of three months or less and interest rates ranging from 5.15% to 5.80% in 2025 and from 0.15% to 6.05% in 2024. Interest income recognized from short-term placements amounted to ₱3.90 million and ₱1.45 million in 2025 and 2024, respectively.

Short-Term Investments

The Company held short-term peso-denominated investments with original maturities ranging from 91 days to 182 days, and with annual interest rates of 5.15% in 2025 and 6.05% in 2024. Interest income from short-term investments amounted to ₱0.27 million in 2025 and ₱1.55 million in 2024.

7. Financial Assets at FVTPL and Financial Assets at FVOCI

Financial Assets at FVTPL

As of December 31, 2025 and 2024, financial assets at FVTPL of the Company are as follows:

	2025	2024
Unit investment trust funds	₱159,284,907	₱57,409,414
Quoted equity securities	39,426,800	47,217,490
	₱198,711,707	₱104,626,904

Dividend income recognized from quoted equity securities amounted to ₱1.09 million and ₱0.60 million in 2025 and 2024, respectively.

Net realized and unrealized gains on financial assets at FVTPL recognized in the statements of income under 'Trading gains (losses) – net' amounted to:

	2025	2024
Sold securities	₱1,776,124	(₱6,294,577)
Outstanding securities	2,583,228	1,688,329
	₱4,359,352	(₱4,606,248)

Financial Assets at FVOCI

Financial assets at FVOCI pertain to the Company's investment in government debt securities.

	2025	2024
Current portion	₱–	₱–
Non-current portion	67,390,338	65,282,998
	₱67,390,338	₱65,282,998



These securities bear annual interest rates of 6.38% and 6.25% in 2025 and 2024, with remaining maturities of 9.33 years and 4.16 years in 2025 and 2024, respectively. Interest income earned from the debt securities amounted to ₱4.12 million and ₱4.26 million in 2025 and 2024, respectively.

The movements of net unrealized gain (loss) on financial assets at FVOCI are as follows:

	2025	2024
Balance at beginning of year	₱282,997	(₱588,116)
Unrealized gains (losses) during the year	1,822,224	(306,671)
Realized loss (gain) on sale of securities	(714,883)	1,177,784
Balance at end of year	₱1,390,338	₱282,997

The Company recognized a realized gain of ₱0.71 million in 2025 and a realized loss of ₱1.18 million in 2024 on the sale of financial assets at FVOCI. These amounts are presented in the statements of income under 'Trading gains (losses) – net'.

8. Receivable from and Payable to Clearing House

Outstanding balances of receivable and payable to clearing house consist of the following:

	2025	2024
Receivable from clearing house	₱4,029,094	₱–
Payable to clearing house	7,069,362	95,669,162
	(₱3,040,268)	(₱95,669,162)

Amounts outstanding as of December 31, 2025 and 2024 were subsequently collected or settled in January 2026 and 2025, respectively.

9. Receivable from Customers

This account consists mainly of receivable from customers for purchase transactions that are expected to be settled within 2 trading days after the reporting date for 2025 and 2024. Details of receivable from customers follow:

	2025			2024		
	Money Balance	Security Valuation		Money Balance	Security Valuation	
		Long	Short		Long	Short
Fully secured accounts:						
More than 250%	₱23,332,699	₱686,255,086	₱–	₱17,286,850	₱577,393,469	₱–
Between 100% to 250%	477,731	679,539	–	688,855	1,230,600	–
Less than 100%	9,985,693	9,911,285	–	95,803,987	95,627,029	–
Unsecured accounts	55,791,234	–	–	55,791,234	–	–
	89,587,357	696,845,910	–	169,570,926	674,251,098	–
Less allowance for credit losses	(39,970,514)	–	–	(39,970,514)	–	–
	₱49,616,843	₱696,845,910	₱–	₱129,600,412	₱674,251,098	₱–

Purchase transactions for the last 2 trading days of December 2025 and 2024, included in the receivable from customers as of December 31, 2025 and 2024, were collected in January 2026 and 2025, respectively.



An analysis of the allowance for credit losses for the Company's receivable from customers is as follows:

	2025				
	Days past due				
	Current	4-14 days	15-31 days	More than 31 days	Total
Balance at January 1	P-	P-	P-	₱39,970,514	₱39,970,514
Provision for (reversal of) credit losses	-	-	-	-	-
Balance at December 31	P-	P-	P-	₱39,970,514	₱39,970,514

	2024				
	Days past due				
	Current	4-14 days	15-31 days	More than 31 days	Total
Balance at January 1	P-	₱4,512	P-	₱39,970,514	₱39,975,026
Provision for (reversal of) credit losses	-	(4,512)	-	-	(4,512)
Balance at December 31	P-	P-	P-	₱39,970,514	₱39,970,514

10. Other Receivables

This account consists of:

	2025	2024
Accrued interest receivable	₱1,376,303	₱848,714
Others	160,238	192,723
	₱1,536,541	₱1,041,437

Others pertain primarily to a three-year loan granted to an employee as part of the financing plan of the Company.

11. Property and Equipment

The composition of and the movements in this account are as follows:

	2025			
	Condominium	Furniture and Fixture	Transportation Equipment	Total
Cost				
Balance at the beginning of the year	₱13,416,512	₱4,924,486	₱1,210,060	₱19,551,058
Acquisitions	-	613,418	700,000	1,313,418
Derecognitions	-	-	(714,286)	(714,286)
Balance at the end of the year	13,416,512	5,537,904	1,195,774	20,150,190
Accumulated Depreciation				
Balance at the beginning of the year	1,587,640	3,855,030	430,100	5,872,770
Depreciation	274,558	664,080	228,442	1,167,080
Derecognitions	-	-	(238,096)	(238,096)
Balances at the end of the year	1,862,198	4,519,110	420,446	6,801,754
Net Book Value	₱11,554,314	₱1,018,794	₱775,328	₱13,348,436



	2024			Total
	Condominium	Furniture and Fixture	Transportation Equipment	
Cost				
Balance at the beginning of the year	₱11,362,941	₱3,963,859	₱1,840,060	₱17,166,860
Acquisitions	2,053,571	960,627	–	3,014,198
Derecognitions	–	–	(630,000)	(630,000)
Balance at the end of the year	13,416,512	4,924,486	1,210,060	19,551,058
Accumulated Depreciation				
Balance at the beginning of the year	1,344,614	3,200,589	723,588	5,268,791
Depreciation	243,026	654,441	335,512	1,232,979
Derecognitions	–	–	(629,000)	(629,000)
Balances at the end of the year	1,587,640	3,855,030	430,100	5,872,770
Net Book Value	₱11,828,872	₱1,069,456	₱779,960	₱13,678,288

As of December 31, 2025 and 2024, the cost of fully depreciated items of property and equipment still in use amounted to ₱3.80 million and ₱2.56 million, respectively.

12. Intangible Assets

Exchange Trading Right

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

Republic Act (RA) No. 8799, entitled SRC, prescribed the conversion of the PSE into a stock corporation effective on August 8, 2001, pursuant to a conversion plan approved by the SEC. In August 2001, the SEC approved the conversion plan with the following salient features, among others:

- the existing 184 member-brokers as of August 8, 2001 are eligible to subscribe to the shares and to retain access to the trading facilities of the PSE;
- each member shall subscribe to 50,000 shares at a par value of ₱1.00;
- the balance of the members' contribution amounting to ₱277.40 million shall be treated as additional paid-in capital;
- the separation of ownership of the PSE from access to trading;
- issuance of certificate of trading right;
- policy of imposing a moratorium on the issuance of new trading right; and
- transferability of trading right.

As of December 31, 2025 and 2024, the carrying values of exchange trading right follows:

	2025	2024
Cost	₱12,000,000	₱12,000,000
Less: allowance for impairment losses	4,300,000	4,000,000
	₱7,700,000	₱8,000,000

The exchange trading right is regarded as having an indefinite useful life when it was acquired because it is expected to generate net cash inflows indefinitely. Thus, it shall not be amortized but shall be subject for impairment at every reporting date. The Company recognized an impairment loss of ₱0.30 million in 2025 and nil in 2024.



Computer Software

Movements in computer software are as follows:

	2025	2024
Cost		
Balance at beginning and end of year	₱5,516,216	₱5,516,216
Accumulated Amortization		
Balance at beginning year	4,879,216	4,292,470
Amortization	546,000	586,746
Balance at the end of the year	5,425,216	4,879,216
Net Book Value	₱91,000	₱637,000

13. Prepayments and Other Assets

This account consists of:

	2025	2024
Current assets		
Nonfinancial assets		
Prepaid taxes	₱8,757,213	₱6,674,267
Others	1,634,544	1,345,698
	10,391,757	8,019,965
Noncurrent asset		
Financial asset		
Contribution to Clearing and Trade Guarantee Fund (CTGF)	4,222,952	3,964,646
	14,614,709	11,984,611
Allowance for impairment losses	(938,675)	-
	₱13,676,034	₱11,984,611

Prepaid taxes pertain to excess tax payments and creditable withholding taxes.

Contributions to the CTGF are refundable to the clearing members upon cessation of their business and/or termination of their membership with the Securities Clearing Corporation of the Philippines.

14. Payable to Customers

This account consists mainly of payable to customers for sale transactions that are expected to be settled within 2 trading days after the reporting date in 2025 and 2024. Sale transactions for the last 2 trading days of December 2025 and 2024, included in the payable to customers as of December 31, 2025 and 2024, were paid in January 2026 and 2025, respectively.

Details of payable to customers follow:

	2025		2024	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
With money balances	₱272,311,902	₱2,356,782,507	₱131,223,792	₱2,733,737,368
Without money balances	-	39,549,948,831	-	44,095,822,508
	₱272,311,902	₱41,906,731,338	₱131,223,792	₱46,829,559,876



15. Accrued Expenses and Other Liabilities

This account consists of:

	2025	2024
Financial liabilities		
Accrued expenses	₱5,332,134	₱4,788,510
Central depository payable	85,317	725,042
	5,417,451	5,513,552
Nonfinancial liability		
Due to BIR	3,878,767	2,524,971
	₱9,296,218	₱8,038,523

Due to BIR consists of withholding tax payable, VAT payable, and stock transaction tax payable.

16. Retirement Liability

The Company has an unfunded non-contributory defined benefit retirement plan covering all its officers and regular employees. The retirement plan is administered by CBC's Trust Group which acts as the trustee of the plan. Under the plan, all covered officers and employees are entitled to cash benefits after satisfying certain age and service requirements. The latest actuarial valuation studies of the retirement plan were made as of December 31, 2025.

The principal actuarial assumptions used in 2025 and 2024 in determining the retirement liability for the Company's retirement plans are shown below:

	2025	2024
Discount rate	6.11%	6.02%
Salary increase rate	6.00%	6.00%
Average years of service	4.60	4.14
Turnover rate	7.19%	3.56%

As of December 31, 2025 and 2024, the present value of defined benefit obligation of the Company amounted to ₱6.74 million and ₱7.24 million, respectively. Changes in the defined benefit obligation follow:

	2025	2024
Balance at beginning of year	₱7,238,784	₱3,760,699
Retirement expense in profit or loss:		
Current service cost	1,647,109	1,037,177
Interest cost	435,775	225,266
	2,082,884	1,262,443
Remeasurement losses (gains) on defined benefit liability		
Changes in financial assumptions	(120,036)	(23,554)
Changes in demographic assumption	(1,060,236)	1,954,334
Deviations of experience from assumptions	(1,398,880)	284,862
	(2,579,152)	2,215,642
	₱6,742,516	₱7,238,784



As of December 31, 2025 and 2024, the company has remeasurement gains (losses) on retirement liability amounting to ₱0.44 million in 2025 and (₱2.14 million) in 2024.

The sensitivity analysis below has been determined based on the impact of reasonably possible changes of each significant assumption on the defined benefit obligation as of the reporting date, assuming all other assumptions were held constant:

	2025	2024
Discount rate:		
1%	(₱948,452)	(₱1,153,916)
-1%	1,180,622	1,444,593
Salary increase rate:		
1%	1,141,192	1,400,398
-1%	(935,540)	(1,142,469)

The maturity analysis of the undiscounted benefit payments as of December 31, 2025 and 2024 follows:

	2025	2024
More than 1 year to 5 years	₱1,746,138	₱1,510,252
More than 5 years to 10 years	12,166,903	8,322,837
More than 10 years to 15 years	–	2,447,502
More than 15 years to 20 years	–	14,866,850
More than 20 years	246,194,752	251,478,195

17. Income Taxes

Income taxes include corporate income tax and final tax paid. Final tax paid pertains to the 20.00% withholding tax on gross interest income from cash in bank, deposit substitutes and government securities.

Republic Act (RA) No. 9337, *An Act Amending National Internal Revenue Code*, as amended by RA No. 10963 otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN) and RA No. 11534 otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE), provides that Regular Corporate Income Tax (RCIT) rate shall be 25.00% while interest expense allowed as a deductible expense is reduced to 20.00% of interest income subject to final tax.

CREATE Law reduced the rate of Minimum Corporate Income Tax (MCIT) from 2.00% to 1.00%, however, Revenue Memorandum Circular (RMC) No. 69-2023 reverted (MCIT) to 2.00% starting July 1, 2023. An MCIT of 2.00% on gross income is computed and compared with the RCIT. Any excess MCIT over RCIT can be used as a tax credit against future income tax liability for the next three years. In addition, the Net Operating Loss Carry Over (NOLCO) is allowed as a deduction from taxable income in the next three years from the year of inception.

Optional standard deduction (OSD) equivalent to 40.00% of gross income may be claimed as an alternative deduction in computing for the RCIT. Gross income shall mean gross sales less sales returns, discounts and allowances and cost of services. The Company elected to claim itemized deductions instead of OSD in computing for the RCIT in 2025 and 2024.



CMEPA Law

RA No. 12214, otherwise known as *Capital Markets Efficiency Promotion Act (CMEPA)*, was signed into law last May 29, 2025. The law took effect on July 1, 2025, after complete publication in the Official Gazette or in a newspaper of general circulation.

The key changes to the Philippine tax law pursuant to the CMEPA Law which have an impact on the Company are the following:

- The STT rate is reduced from 0.6% to 0.1% for sale of shares of stock listed and traded through local or foreign stock exchange.
- Standardization of 20.00% final tax on any currency deposits, regardless of tenure (i.e., removing the previous tax exemption on interest income from long-term deposits), except for non-resident alien not engaged in trade or business (NRANETB) and non-resident foreign corporation (NRFC), whose interest income will still be subject to 25.00% final withholding tax (FWT);
- Gains realized from long-term bonds, debentures, or other certificate of indebtedness are now part of gross income, therefore, subject to 25.00% RCIT;
- Exclusion from gross income of gains from redemption of shares of units of participation in mutual fund and unit investment trust fund (UITF), thus, exempt from 25.00% RCIT, provided that prior to such redemption, final taxes due on realized gains have been withheld at the level of the underlying assets; and
- Revised Documentary Stamp Tax (DST) rate of 75.00% of 1.00% on original issuance of shares and debt instruments while original issuances of UITFs and mutual funds are now exempt from DST, as well as the sale, exchange, redemption or other disposition of shares of stock listed and traded through a foreign stock exchange.

Provision for income tax consists of:

	2025	2024
Current		
MCIT	₱748,069	₱679,558
Final tax	1,721,149	1,506,033
	₱2,469,218	₱2,185,591

The balances of excess MCIT over RCIT with their corresponding years of expiration are as follows:

Year Inception	Amount	Excess MCIT over RCIT		Excess MCIT over RCIT		Expiry Year
		Applied Previous Year/s	Excess MCIT over RCIT Expired	Applied Current Year	Excess MCIT over RCIT unapplied	
2023	₱208,960	₱-	₱-	₱-	₱208,960	2026
2024	679,558	-	-	-	679,558	2027
2025	748,069	-	-	-	748,069	2028
	₱1,636,587	₱-	₱-	₱-	₱1,636,587	

Details of the Company's NOLCO is as follows:

Year Incurred	Amount	NOLCO		Net Operating Loss		Expiry Year
		Applied Previous Year	NOLCO Expired	Applied Current Year	(Unapplied) /Balance	
2024	₱12,381,856	₱-	₱-	₱5,540,202	₱6,841,654	2027



As of December 31, 2025 and 2024, the Company's recognized deferred taxes are as follows:

	2025	2024
Deferred tax liability on:		
Unrealized foreign exchange gains	₱42,739	₱110,203
Unrealized fair value gains on financial asset at FVTPL	790,251	144,444
Deferred tax asset on:		
Accrued expenses	(350,000)	(254,647)
Allowance for credit losses	(482,990)	-
	₱-	₱-

The components of the Company's unrecognized deferred tax assets as at December 31, 2025 and 2024, respectively, are as follows:

	2025	2024
Allowance for credit losses	₱10,819,308	₱10,992,629
NOLCO	1,693,876	3,078,927
Retirement liability	1,685,629	1,809,696
Excess MCIT over RCIT	1,636,587	888,518
Accrued expenses	-	95,354
	₱15,835,400	₱16,865,124

The reconciliation between the statutory income tax and the effective income tax follows:

	2025	2024
Statutory income tax	₱3,092,415	(₱725,233)
Tax effects of:		
Application of NOLCO	(1,385,051)	-
Excess MCIT over RCIT	748,069	679,558
Tax paid and tax-exempt income	(702,141)	(523,240)
Nondeductible expenses	531,343	515,508
Change in other unrecognized deferred tax asset	184,583	2,238,998
Effective income tax	₱2,469,218	₱2,185,591

18. Equity

Details of the Company's share capital as of December 31, 2025 and 2024 are as follows:

	Shares	Amounts
Common stock - ₱10.00 par value		
Authorized, issued and outstanding	15,000,000	₱150,000,000
Preferred stock - ₱10.00 par value		
Authorized shares	5,000,000	
Issued and outstanding	1,250,000	12,500,000
Share premium		100,200,000
		₱262,700,000



On December 27, 2024, the Company's application for an increase in authorized capital stock was approved by the SEC. On the same date, the 1.25 million perpetual, non-voting, non-cumulative, non-participating, non-convertible, and redeemable preferred shares were issued to the Parent Company at a subscription price of ₱80.00 per share or an aggregate issue price of ₱100 million. The issued preferred shares are entitled to dividends as declared by the Parent Company's Board of Directors, subject to applicable laws, regulations, and the availability of unrestricted retained earnings. The Company may, upon approval of its Board of Directors, redeem the issued shares, in whole or in part, at any time by giving the Parent Company at least five (5) banking days prior written notice. The redemption amount shall be equal to the number of shares to be redeemed multiplied by the subscription price per share.

Centennial Stock Grant

In light of CBC's 100th anniversary, its BOD approved on August 5, 2020 a Centennial Stock Grant Plan to issue common shares to eligible grantees which was approved and ratified by the stockholders on October 1, 2020.

As of December 31, 2025 and 2024, the outstanding values of the stock grants awarded by CBC to the Company's employees amounted to ₱0.07 million recognized under 'Other equity' in the statement of financial condition.

Capital Management

The primary objectives of the Company's capital management are to ensure that it complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize stockholders' value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may increase its authorized capital stock and issue new shares or obtain temporary financial assistance from its Company as may be necessary.

Regulatory Qualifying Capital

The 2015 Implementing Rules and Regulations of the SRC effective in November 2015 include, among others, the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows:

- a) To require compliance with RBCA Rules for Broker Dealers, which requires net liquid capital of ₱5.00 million or 5.00% of AI, whichever is higher; or ₱2.50 million or 2.50% of AI, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities; and
- b) To require unimpaired paid-up capital of ₱100.00 million for broker dealers, which are either first time registrants or those acquiring existing broker dealer firms and will participate in a registered clearing agency; ₱30.00 million plus a surety bond for existing broker dealers not engaged in market making transactions; and ₱2.50 million for broker dealers dealing only in proprietary shares and not holding securities.

RBCA ratio of a broker dealer, computed by dividing the NLC by the Total Risk Capital Requirement (TRCR), should not be less than 110.00%. NLC and TRCR are computed based on the existing SRC. NLC consists of total equity adjusted for unrealized gains (losses) on proprietary accounts, subordinated liabilities, deferred tax assets, deposits for future stock subscription, minority interest, if any, contingencies and guarantees, and the total ineligible assets. Also, the AI of every stockbroker should not exceed 2,000.00% of its NLC and at all times shall have and maintain NLC of at least ₱5.00 million or 5.00% of the AI, whichever is higher.



As of December 31, 2025 and 2024, the Company is in compliance with the RBCA ratio. The RBCA ratio of the Company as reported to the SEC as of December 31, 2025 and 2024 is shown in the table below:

	2025	2024
Eligibility for NLC	₱235,036,733	₱221,449,799
Ineligible assets	(36,631,914)	(35,537,021)
NLC	198,404,819	185,912,778
Operational risk	11,133,657	12,144,438
Position risk	14,520,491	15,176,293
Counterparty risk	-	-
Large exposure risk	1,757,344	2,614,427
TRCR	27,411,492	29,935,158
AI	₱263,407,841	₱216,823,276
5.0% of AI	13,170,392	10,841,164
Required NLC	13,170,392	10,841,164
Net risk-based capital excess	185,234,427	175,071,614
Ratio of AI to NLC	133%	117%
RBCA ratio	724%	621%

Further, SEC Memorandum Circular No. 16 dated November 11, 2004 provides the guidelines on the adoption in the Philippines of the RBCA Framework for all registered brokers dealers in accordance with the SRC. These guidelines cover the following risks: (a) position or market risk, (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks, and (c) operational risk.

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

Ineligible assets

These pertain to fixed assets and assets which cannot be readily converted into cash.

Operational risk requirement

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

Position risk requirement

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

Counterparty risk requirements

This is the amount necessary to accommodate a given level of counterparty risk. Counterparty risk is the risk of a counterparty defaulting on its financial obligation to a broker dealer.

Aggregate Indebtedness (AI)

This is the total money liabilities of a broker dealer arising in connection with any transaction whatsoever, and includes, among other things, money borrowed, money payable against securities loaned and securities failed to receive, the market value of securities borrowed to the extent to which



no equivalent value is paid or credited (other than the market value of margin securities borrowed from customers and margin securities borrowed from non-customers), customers' and non-customers' free credit balances, and credit balances in customers' and non-customers' account having short positions in securities, but subject to certain exclusions.

Reserves

SRC Rule 49.1 (B), Reserve Fund, of the 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 appropriated retained earnings. Minimum appropriation shall be 30.00%, 20.00% and 10.00% of profit after tax for broker dealers with unimpaired paid-up capital between ₱10.00 million to ₱30.00 million, between ₱30.00 million to ₱50.00 million and more than ₱50.00 million, respectively.

Further, the Market Regulation Department of SEC issued a position paper relative to interpretation and implementation of RBCA rules dated October 30, 2006. This provides a guideline on how to apply the SRC Rule 49.1 (B), Reserve Fund particularly on a scenario where the trading participant has incurred a loss or has a deficit. When the Retained Earnings (RE) is in deficit, all the current and future earnings should be used to wipe out the deficit in RE, before any available surplus is used to determine appropriation.

The Company is in a deficit position of ₱29.57 million and ₱39.47 million as of December 31, 2025 and 2024, respectively. Accordingly, the Company has not made appropriations for the years 2025 and 2024. The cumulative appropriations amounted to ₱0.48 million as of December 31, 2025 and 2024.

As of December 31, 2025 and 2024, the Company has complied with all externally imposed capital requirements.

19. Commissions

This account consists of:

	2025	2024
Brokering commission	₱35,303,555	₱29,233,832
Initial public offering commission	3,234,666	1,314,744
	₱38,538,221	₱30,548,576

Brokering commission of ₱2.47 million and ₱2.43 million pertain to transactions with related parties in 2025 and 2024, respectively (Note 22).

20. Research and Marketing Fees

This account consists of:

	2025	2024
Marketing and promotional fees	₱13,790,856	₱15,155,301
Research fees	2,400,000	2,400,000
	₱16,190,856	₱17,555,301

These fees pertain to transactions with the Parent Company in 2025 and 2024, respectively (Note 22).



21. Miscellaneous Income and Operating Expenses

Miscellaneous Income

This account consists of:

	2025	2024
Custodianship	₱1,500,000	₱1,500,000
Service charges	500,000	–
Foreign exchange gains – net	170,955	440,811
Miscellaneous income	5,058	5,726
	₱2,176,013	₱1,946,537

Operating Expenses

Information technology expenses include software maintenance, computer services and subscription for computer firewall application and fees paid to PCCI (Note 22). Occupancy costs include expenses for office and parking space, utilities, and repairs and maintenance. Management and other professional fees pertain primarily to fees paid to the Ultimate Parent Company (Note 22), external auditor and actuary.

Miscellaneous expenses consist of:

	2025	2024
Advertising and promotions	₱677,965	₱904,449
Communication and supplies	183,254	163,720
Filing fees	121,567	1,239,064
Membership fees and dues	37,884	38,392
Trainings and seminars	13,357	11,850
Bank charges	3,510	5,896
Others	398,369	470,318
	₱1,435,906	₱2,833,689

22. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company's related parties include:

- Key management personnel, close family members of key management personnel and entities which are controlled, significantly influenced by or for which significant voting power is held by key management personnel or their close family members;
- The Parent Company;
- The Ultimate Parent Company; and
- Affiliates or other related parties, which are associated companies, subsidiaries, ventures, including subsidiaries of associates and joint ventures of the venturers.

In 2025 and 2024, total remunerations of key management personnel include short-term employee benefits amounting to ₱22.05 million and ₱20.79 million, respectively.



As of December 31, 2025 and 2024, transactions with related parties are as follows:

Category	2025		2024		Nature, Terms, and condition
	Amount/ Volume	Outstanding Balance	Amount/ Volume	Outstanding balance	
Statements of Financial Condition					
CBC					
Cash in bank (including special reserve)		₱66,232,120		₱60,834,005	Checking and savings deposit with annual interest rate of 0.13% and 0.63%, respectively
Deposits	15,677,304,776		16,109,535,690		
Withdrawals	15,671,906,661		16,131,878,880		
Unit investment trust fund		159,284,907		57,409,414	Placement in institutional money market and cash fund
Placement	149,652,170		148,314,968		
Withdrawals	47,776,677		144,344,425		
Short-term placements		77,691,207		812,008	Special savings deposit account managed by the CBC Trust and Asset Management Group
Placement	284,430,017		2,436,508		
Maturities	207,550,818		1,624,500		
Short-term investments		20,000,000		—	Special savings deposit account managed by the CBC Trust and Asset Management Group with interest rate of 5.15%
Placement	20,000,000		—		
Maturities	—		—		
Statements of Income					
CBC					
Interest income	3,617,041		266,617		Interest earned from cash in bank and special savings deposit account
Commission income	2,378,992		2,087,601		Commission income from brokerage services
Trading gains	2,223,323		3,413,941		Realized gains from money market and cash fund redemptions
Management and other professional fees	1,000,000		1,000,000		Payment for the services rendered by CBC as per service level agreement
Miscellaneous expense	20,000		20,000		
Parent Company					
Research and marketing fees (Note 20)	16,190,856		17,555,301		Marketing and research services fees received from the Parent Company
Commission income	90,659		345,136		
CBC Properties and Computer Center, Inc. (PCCI)					
Information technology	250,000		250,000		Payment for the services rendered by PCCI as per service agreement

Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured and settlement occurs in cash. There have been no guarantees provided for the related party receivables or payables. An impairment assessment is undertaken each financial year through a review of the financial position of the related party and the market in which the related party operates. No impairment losses were recognized in 2025 and 2024 for related party transactions.

Pursuant to the Service Level Agreement, CBC is entitled to ₱1.00 million per annum management fee for services rendered to the Company including human resources, accounting, internal audit, treasury operation, administrative services and corporate marketing units. The Service Level Agreement is effective for a period of three (3) years from September 18, 2017 to 2020, and deemed automatically renewed for another three (3) years if no written termination is received by either party within one (1) month from the expiration of the original term.

Pursuant to the Service Agreement, PCCI is entitled to ₱0.25 million per annum management fee for services rendered to the Company including technical services to run the Company's computer systems and other computer requirements. The Service Agreement is effective for a period of three (3) years from November 16, 2017 to November 15, 2020, and deemed automatically renewed for another three (3) years if no written termination is received by either party within three (3) months from the expiration of the original term.



23. Approval of Release of Financial Statements

The accompanying financial statements of the Company were authorized and approved for issue by the BOD on March 19, 2026.

24. Supplementary Information Required Under Revenue Regulation 15-2010

In compliance with the requirements set forth by RR No. 15-2010 hereunder are the details of Value-Added Tax (VAT) and other taxes paid or accrued by the Company in 2025.

VAT

The National Internal Revenue Code (NIRC) of 1997 provides for the imposition of VAT on sales of goods and services. Accordingly, the Company's sales are subject to output VAT while its importations and purchases from other VAT-registered individuals or corporations are subject to input VAT. VAT rate is 12.00% effective February 1, 2006.

In compliance with Revenue Regulations (RR) No. 3-2024 Section 2(A), which provides that the EOPT Act adopts the accrual basis of recognizing sales for both sales of goods and services, including transactions to government or any of its political subdivisions, instrumentalities or agencies, and government-owned or -controlled corporations (GOCCs). Hence, all references to "gross selling price", "gross value in money", and "gross receipts" shall now be referred to as the "GROSS SALES", regardless of whether the sale is for goods under Section 106, or for services under Section 108 of the Tax Code.

Under Section 3 of RR No. 3-2024, sale or exchange of services, as well as the use or lease of properties, as defined in Section 108(A) of the Tax Code shall be subject to VAT, equivalent to twelve percent (12.00%) of the gross sales (excluding VAT).

Sales and output VAT declared in the Company's VAT returns filed in 2025:

	Sales	Output VAT
Vatable sales and other income	₱60,997,062	₱7,319,647
VAT exempt sales	—	—
Zero-rated sales	—	—
Total	₱60,997,062	₱7,319,647

The amounts of input tax reported are broken down as follows:

Current year's domestic purchases for:	
Goods other than capital goods	₱37,243
Services	1,534,201
Current year's purchases of services from nonresidents	106,088
Total allowable input VAT	₱1,677,532

For the taxable year 2025, the Company made total net VAT payments amounting to ₱4.38 million. As of December 31, 2025, the Company has net VAT payable of ₱3.07 million.



Taxes and Licenses

This includes all other taxes, local tax, including licenses and permit fees lodged under “Taxes and Licenses” in the Company’s statement of income for the year ended December 31, 2025:

Local taxes and permits	₱171,470
Fringe benefit tax	36,619
Real property tax	45,637
DST	130,520
	<hr/>
	₱384,247

Withholding Taxes

	Total	
	Remittances	Balances
Withholding taxes on compensation and benefits	₱3,553,756	₱162,657
Expanded withholding taxes	653,805	49,577
Final withholding taxes	6,381	2,183
Fringe benefits tax	36,619	8,879

Tax Assessments

As of December 31, 2025, the Company has no tax assessments received from the BIR.



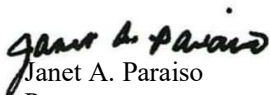
INDEPENDENT AUDITOR'S REPORT

The Stockholders and Board of Directors
China Bank Securities Corporation
5th Floor VGP Center, 6772 Ayala Avenue, San Lorenzo
1226 City of Makati

We have audited the accompanying financial statements of China Bank Securities Corporation as at December 31, 2025 and for the year then ended, on which we have rendered the attached report dated March 19, 2026.

In compliance with Revised Securities Regulations Code Rule 68, we are stating that the above Company has eight (8) stockholders owning one hundred (100) or more shares each.

SYCIP GORRES VELAYO & CO.


Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 92305-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

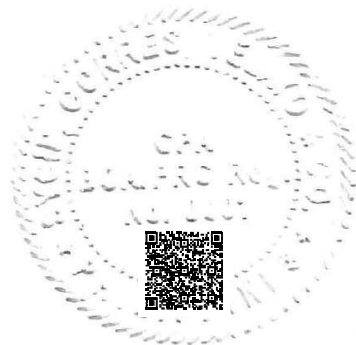
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765004, January 2, 2026, Makati City

March 19, 2026



INDEPENDENT AUDITOR'S REPORT

The Stockholders and Board of Directors
China Bank Securities Corporation
5th Floor VGP Center, 6772 Ayala Avenue, San Lorenzo
1226 City of Makati

We have audited in accordance with Philippine Standards on Auditing, the financial statements of China Bank Securities Corporation (the Company) as at December 31, 2025 and 2024, and have issued our report thereon dated March 19, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code (SRC) Rule 68 and SRC Rule 52.1, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.


Janet A. Paraiso

Partner

CPA Certificate No. 92305

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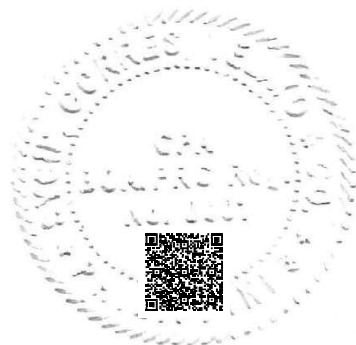
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CHINA BANK SECURITIES CORPORATION
INDEX TO THE SUPPLEMENTARY SCHEDULES

- Annex I: Supplementary Schedules Required by Securities Regulation Code 52.1
- Statement of changes in liabilities subordinated to claims of general creditors
 - Computation of risk-based capital adequacy requirement pursuant to SEC Memorandum Circular No. 16
 - Information relating to the possession or control requirements under SRC Rule 49.2 - Annex 49.2-A
 - Computation for determination of reserve requirements under SRC Rule 49.2 - Annex 49.2-B
 - A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit
 - Results of monthly securities count conducted pursuant to SRC Rule 52.1.10 as of balance sheet date

ANNEX I

SCHEDULE I

**CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
DECEMBER 31, 2025**

There are no liabilities subordinated to claims of general creditors.

SCHEDULE II

CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
RISK-BASED CAPITAL ADEQUACY WORKSHEET
PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 16
DECEMBER 31, 2025

Assets	498,444,574
Liabilities	263,407,841
Equity as per books	235,036,733
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	
Revaluation Reserves	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to remunerations per books	
Equity Eligible For Net Liquid Capital	235,036,733
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	7,791,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	13,348,437
d. Prepayment from Client for Early Settlement of Account	
e. All Other Current Assets	7,019,298
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	279,905
h. Notes Receivable (non-trade related)	
i. Interest and Dividends Receivables outstanding for more than 30 days	1,376,303
j. Ineligible Insurance claims	
k. Ineligible Deposits	
l. Short Security Differences	
m. Long Security Differences not resolved prior to sale	
n. Other Assets including Equity Investment in PSE	6,816,971
Total ineligible assets	36,631,914
Net Liquid Capital (NLC)	198,404,819
Less:	
Operational Risk Req't (Schedule ORR-1)	11,133,657
Position Risk Req't (Schedule PRR-1)	14,520,491
Counterparty Risk (Schedule CRR-1 and detailed schedules)	
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)	
LERR to a single client (LERR-1)	
LERR to a single debt (LERR-2)	1,757,344
LERR to a single issuer and group of companies (LERR-3)	
Total Risk Capital Requirement (TRCR)	27,411,492
Net RBCA Margin (NLC-TRCR)	170,993,327
Liabilities	263,407,841
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	
Others	
Total adjustments to AI	
Aggregate Indebtedness	263,407,841
5% of Aggregate Indebtedness	13,170,392
Required Net Liquid Capital (> of 5% of AI or P5M)	13,170,392
Net Risk-based Capital Excess / (Deficiency)	185,234,427
Ratio of AI to Net Liquid Capital	133%
RBCA Ratio (NLC / TRCR)	724%

SCHEDULE III

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
INFORMATION RELATING TO THE POSSESSION OR
CONTROL REQUIREMENTS UNDER SRC RULE 49.2
DECEMBER 31, 2025**

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

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

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

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

SCHEDULE IV

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
COMPUTATION FOR DETERMINATION OF
RESERVE REQUIREMENTS UNDER SRC RULE 49.2
DECEMBER 31, 2025**

Particulars	Credits	Debits
1. Free credit balance and other credit balance in customers' security accounts.	P239,397,725	
2. Monies borrowed collateralized by securities carried for the account of customers.		
3. Monies payable against customers' securities loaned.		
4. Customers' securities failed to receive.	3,040,267	
5. Credit balances in firm accounts, which are attributable to principal sales to customers.		
6. Market value of stock dividends stock splits and similar distribution receivable outstanding over 30 calendar days old.		
7. Market value of the short security count differences over 30 calendar days old.		
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.		
9. Market value of securities, which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.		
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		P21,346,899
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make deliver on customers' securities failed to delivery.		
12. Failed to delivery customers' securities not older than 30 calendar days.		
13. Others - sales/purchases of marketable securities.		
Total	P242,437,992	P21,346,899
Net Credit (Debit)	P221,091,093	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	P221,091,093	

SCHEDULE V

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
A REPORT DESCRIBING ANY MATERIAL INADEQUACIES
FOUND TO EXIST OR FOUND TO HAVE EXISTED
SINCE THE DATE OF THE PREVIOUS AUDIT
DECEMBER 31, 2025**

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

SCHEDULE VI

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
RESULTS OF MONTHLY SECURITIES COUNT
CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED
DECEMBER 31, 2025**

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

Note: The attached summary is prepared by the Company.

SCHEDULE VI

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
RESULTS OF MONTHLY SECURITIES COUNT
CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED
DECEMBER 31, 2025**

NAME OF ISSUER		LOCATION		TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
CODE	STOCK NAME	VAULT	TRANSFER OFFICE			
2GO	2GO GROUP, INC.	100		100		
AAA	ASIA AMALGAMATED HOLDINGS CORP.			36,500	1.6100	58,765
AB	ATOK BIG WEDGE CO., INC.			145,200	2.0600	299,112
ABA	ABACORE CAPITAL HOLDINGS, INC.			44,435,400	0.2600	11,553,204
ABG	ASIABEST GROUP INTERNATIONAL INC.			178,700	18.7800	3,355,986
ABS	ABS-CBN CORPORATION			1,201,305	4.2100	5,057,494
ABSP	ABS-CBN HLDGS.CORP "P"			407,190	3.4100	1,388,518
AC	AYALA CORPORATION			454,147	468.0000	212,540,796
ACE	ACESITE (PHIL.S.) HOTEL CORP.			3,000,000	1.2000	3,600,000
ACEN	ACEN CORPORATION			27,300,478	2.7200	74,257,300
ACENA	ACEN Corporation Series A Preferred Shares			365,000	1,010.0000	368,650,000
ACENB	ACEN Corporation Series B Preferred Shares			740,430	1,070.0000	792,260,100
ACPAR	AYALA CORP. CLASS "A" PREFERRED SHARES			377,535	2,540.0000	958,938,900
ACPB3	AYALA CORPORATION CLASS "B" PREFERRED SHARES			386,005	1,988.0000	767,377,940
ACPB4	AYALA CORPORATION CLASS "B" PREFERRED SHARES			541,080	1,989.0000	1,076,208,120
ACR	ALSONS CONSOLIDATED RESOURCES, INC.			4,452,000	0.4700	2,092,440
AEV	ABOITIZ EQUITY VENTURES, INC.			2,364,080	28.0000	66,194,240
AGI	ALLIANCE GLOBAL GROUP, INC.			2,612,800	8.1900	21,398,832

NAME OF ISSUER		LOCATION					
CODE	STOCK NAME	TRANSFER OFFICE	VAULT	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
AGIW	ALLIANCE GLOBAL GROUP, INC WARRANTS			5,750	5,750	1.1700	6,728
ALC	ALSONS CEMENT CORP.			8	8		
ALCO	ARTHALAND CORPORATION			1,772,958	1,772,958	0.4200	744,642
ALCPD	Arthaland Corporation - Series D Preferred Shares			303,540	303,540	485.0000	147,216,900
ALCPF	ARTHALAND CORPORATION SERIES F PREFERRED SHARES			764,880	764,880	500.0000	382,440,000
ALHI	ANCHOR LAND HLDGS INC.			22,100	22,100	3.8700	85,527
ALI	AYALA LAND, INC.			18,600,408	18,600,408	22.4500	417,579,160
ALLDY	AllDay Martis, Inc.			236,627,568	236,627,568	0.0310	7,335,455
ALLHC	AYALALAND LOGISTICS HOLDINGS CORP.			42,263,500	42,263,500	1.3000	54,942,550
ALTER	ALTERNERGY HOLDINGS CORPORATION			13,116,000	13,116,000	0.8400	11,017,440
ANI	AGRINURTURE, INC.			2,101,753	2,101,753	0.5400	1,134,947
ANS	A. SORIANO CORP.			19,722,179	19,722,179	14.4000	283,999,378
AP	ABOITIZ POWER CORPORATION			1,431,923	1,431,923	44.0000	63,004,612
APC	APC GROUP, INC.			2,470,000	2,470,000	0.1060	261,820
APL	APOLLO GLOBAL CAPITAL, INC.			714,037,956	714,037,956	0.0050	3,570,190
APO	ANGLO PHIL. HLDGS. CORP.			718,650	718,650	0.7000	503,055
APVI	ALTUS PROPERTY VENTURES, INC.			10,015	10,015	8.4000	84,126
APX	APEX MINING CO., INC.			1,375,187	1,375,187	12.4400	17,107,326
AR	ABRA MNG & IND. CORP.			297,000,000	297,000,000	0.0046	1,366,200
ARA	ARANETA PROPERTIES, INC.			788,372	788,372	0.4000	315,349
AREIT	AREIT, INC.			4,935,583	4,935,583	43.5000	214,697,861
ASLAG	Raslag Corp.			160,010,001	160,010,001	0.8200	131,208,201
AT	ATLAS CONS. MNG. & DEVT. CORP.			2,267,317	2,267,317	6.0300	13,671,922
ATI	ASIAN TERMINALS, INC.			89,200	89,200	34.5000	3,077,400
ATN	ATN HOLDINGS, INC. "A"			6,532,000	6,532,000	0.4950	3,233,340

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
ATNB	ATN HOLDINGS, INC. "B"			174,000	174,000	0.4950	86,130
AUB	ASIA UNITED BANK CORPORATION			299,612	299,612	39.2000	11,744,790
AXLM	AXELUM RESOURCES CORP.			1,424,900	1,424,900	2.3600	3,362,764
BALAI	Balai Ni Fruitas Inc.			707,000	707,000	0.3500	247,450
BC	BENGUET CORP. "A"			39,266	39,266	5.0000	196,330
BCP	BENGUET CORP. PREFERRED			344	344	25.1500	8,652
BDO	BDO UNIBANK, INC.			1,886,014	1,886,014	134.6000	253,857,484
BEL	BELLE CORPORATION			1,245,362	1,245,362	1.3200	1,643,878
BHI	BOULEVARD HOLDINGS, INC.			33,170,000	33,170,000	0.0390	1,293,630
BKR	BRIGHT KINDLE RES. INV. INC.			288,200	288,200	0.6500	187,330
BLOOM	BLOOMBERRY RESORTS CORPORATION			28,056,008	28,056,008	2.5400	71,262,260
BNCOM	Bank of Commerce			1,373,000	1,373,000	9.2000	12,631,600
BPI	BANK OF THE PHIL. ISLANDS			1,542,128	1,542,128	116.1000	179,041,061
BRN	A BROWN COMPANY, INC.			1,277,132	1,277,132	0.9300	1,187,733
BRNP	A Brown Company, Inc. Series A Pref Shares			28,810	28,810	97.0000	2,794,570
BRNPB	A BROWN COMPANY INC. SERIES B PREFERRED SHARES			556,470	556,470	100.4000	55,869,588
BRNPC	A BROWN COMPANY, INC. SERIES C PREFERRED SHARES			178,350	178,350	105.5000	18,815,925
BSC	BASIC ENERGY CORPORATION			14,665,861	14,665,861	0.1170	1,715,906
C	CHELSEA LOGISTICS AND INFRA HOLDING			3,291,800	3,291,800	0.9500	3,127,210
CAB	CONCRETE AGGREGATES CORPORATION.			100	100	52.9000	5,290
CAL	CALATA CORPORATION	14,560		14,560	14,560	9.7100	979,739
CAT	CENTRAL AZUCARERA DE TARLAC, INC.			100,900	100,900	57.0000	1,459,767,948
CBC	CHINA BANKING CORPORATION	55,141		25,554,823	25,609,964	0.5900	6,303,509
CDC	CITYLAND DEV. CORP.			10,683,914	10,683,914	32.0000	16,239,360
CEB	CEBU AIR, INC.			507,480	507,480		

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
CEBCP	CEBU AIR, INC CONVERTIBLE PREF SHARE			235,654	235,654	35.0000	8,247,890
CEI	CROWN EQUITIES, INC.			2,030,200	2,030,200	0.0720	146,174
CEU	CENTRO ESCOLAR UNIVERSITY			14,790	14,790	15.7000	232,203
CHP	CONCREAT HOLDINGS PHILIPPINES, INC.			1,934,000	1,934,000	1.0900	2,108,060
CIC	CONCEPCION INDUSTRIAL CORP.			14,900	14,900	13.6000	202,640
CLI	CEBU LANDMASTERS, INC.			6,162,213	6,162,213	2.3500	14,481,201
CLIA1	CEBU LANDMASTERS, INC. SERIES A-1 PREFERRED SHARES			131,475	131,475	1,000.0000	131,475,000
CLIA2	CEBU LANDMASTERS, INC. SERIES A-2 PREFERRED SHARES			184,650	184,650	1,073.0000	198,129,450
CNPF	CENTURY PACIFIC FOOD, INC.			255,846	255,846	39.0000	9,977,994
CNVRG	CONVERGE ICT SOLUTIONS INC.			7,129,323	7,129,323	15.3200	109,221,228
COAL	COAL ASIA HOLDINGS, INC.			43,304,990	43,304,990	0.0280	1,212,540
COL	COL FINANCIAL GROUP, INC.			3,000	3,000	1.4200	4,260
COSCO	COSCO CAPITAL, INC.			6,729,200	6,729,200	6.9900	47,037,108
CPG	CENTURY PROPERTIES GROUP, INC			12,727,637	12,727,637	0.6900	8,782,070
CPGPB	CENTURY PROPERTIES GROUP, INC SERIES B PREF SHARES			2,767,710	2,767,710	102.0000	282,306,420
CREC	CITICORE RENEWABLE ENERGY CORPORATION			560,000	560,000	4.2800	2,396,800
CREIT	Citicore Energy REIT Corp.			51,268,002	51,268,002	3.5700	183,026,767
CROWN	CROWN ASIA CHEMICALS CORP.			20,000	20,000	1.6800	33,600
CTS	CTS Global Equity Group, Inc.			1,797,000	1,797,000	0.3600	646,920
CYBR	CYBER BAY CORPORATION			1,005,500	1,005,500	0.3300	331,815
DD	DOUBLEDRAGON CORPORATION			227,600	227,600	9.2800	2,112,128
DDMPR	DDMP REIT, INC.			160,972,000	160,972,000	1.0200	164,191,440
DDPR	DOUBLEDRAGON PERPETUAL PREFERRED			608,300	608,300	97.0000	59,005,100
DELM	DEL MONTE PACIFIC LIMITED			497,370	497,370	4.7000	2,337,639

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
DFNN	DIVERSIFIED FINL. NETWORK, INC.			565,900	565,900	0.8000	452,720
DHI	DOMINION HOLDINGS, INC.			342,590	342,590	1.3900	476,200
DITO	DITO CME HOLDINGS CORP.			26,995,255	26,995,255	0.6800	18,356,773
DIZ	DIZON COPPER SILVER MINES, INC.			85,000	85,000	5.0000	425,000
DMC	DMCI HOLDINGS, INC.			6,141,031	6,141,031	10.5400	64,726,467
DMW	D.M. WENCESLAO AND ASSOCIATES, INC.			576,900	576,900	5.0000	2,884,500
DNA	PHILAB HOLDINGS CORPORATION			26,900	26,900		
DNL	D & L INDUSTRIES, INC.			5,282,260	5,282,260	3.8500	20,336,701
DWC	DISCOVERY WORLD CORP.			27,000	27,000	1.0800	29,160
EAGLE	EAGLE CEMENT CORPORATION			31,784	31,784		
ECP	EASYCALL COMM. PHILS., INC. "COMMON"			28,000	28,000	2.6000	72,800
ECVC	EAST COAST VULCAN MINING CORPORATION			1,595,000	1,595,000	0.2700	430,650
EEL	EEL CORPORATION			181,050	181,050	2.8400	514,182
EELPB	EEL Corporation Series B Preferred Shares			4,001,330	4,001,330	98.4000	393,730,872
EG	IP E-GAME VENTURES INC.			5,540,000	5,540,000	0.0094	52,076
EGRN	EVERWOODS GREEN RESOURCES AND HOLDINGS INC.			685,000	685,000	0.2000	137,000
EIBA	EXPORT IND. BANK, INC.			600,000	600,000		
ELI	EMPIRE EAST LAND HLDGS., INC.			31,625,905	31,625,905	0.1040	3,289,094
EMI	EMPERADOR INC.			290,100	290,100	16.0000	4,641,600
ENEX	ENEX ENERGY CORP			102,201	102,201	3.3400	341,351
ETON	ETON PROP. PHIL., INC.			7,996	7,996		
EURO	EURO-MED LAB., PHILS. INC.			59,000	59,000	1.0000	59,000
EW	EAST WEST BANKING CORP.			2,076,017	2,076,017	11.6000	24,081,797
FB	SAN MIGUEL FOOD AND BEVERAGE, INC.			286,610	286,610	55.0000	15,763,550
FCG	FIGARO CULINARY GROUP, INC.			43,507,000	43,507,000	0.5800	25,234,060

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
FDC	FILINVEST DEVT. CORP.			1,369,078	1,369,078	4.5500	6,229,305
FDCPA	FILINVEST DEVELOPMENT CORP SERIES A PREF SHARES			182,410	182,410	1,010.0000	184,234,100
FDCPB	FILINVEST DEVELOPMENT CORP SERIES B PREF SHARES			289,000	289,000	1,004.0000	290,156,000
FERRO	FERRONOUX HOLDINGS, INC.			5,000	5,000	5.0000	25,000
FEU	FAR EASTERN UNIVERSITY, INC.			3,818	3,818	800.0000	3,054,400
FFI	FILIPINO FUND, INC.			615	615	7.5000	4,613
FGEN	FIRST GEN CORPORATION			4,048,686	4,048,686	17.7400	71,823,690
FILRT	FILINVEST REIT, CORP.			75,985,364	75,985,364	3.1000	235,554,628
FLI	FILINVEST LAND INC.			265,036,908	265,036,908	0.7700	204,078,419
FMETF	FIRST METRO PHIL. EQUITY EXCHANGE			350,760	350,760	101.0000	35,426,760
FNI	GLOBAL FERRONICKEL HOLDINGS, INC.			254,230	254,230	1.3500	343,211
FOOD	ALLIANCE SELECT FOODS INTL., INC.			106,000	106,000	0.3700	39,220
FPH	FIRST PHIL. HOLDINGS			413,105	413,105	77.0000	31,809,085
FPI	FORUM PACIFIC, INC.			100,000	100,000	0.2400	24,000
FRUIT	FRUITAS HOLDINGS, INC.			2,366,000	2,366,000	0.6400	1,514,240
FYN	FILSYN CORP. "A"			56,446	56,446	2.1200	119,666
GEO	GEOGRACE RES. PHILS., INC.			10,136,118	10,136,118	0.0870	881,842
GERI	GLOBAL-ESTATE RESORTS, INC.			677,192	677,192	0.6900	467,262
GLO	GLOBE TELECOM, INC.			107,145	107,145	1,584.0000	169,717,680
GMA7	GMA NETWORK, INC.			1,983,800	1,983,800	5.4100	10,732,358
GMAP	GMA HOLDINGS, INC. "PDR"			5,000	5,000	5.2900	26,450
GO	GOTESCO LAND, INC. "A"			12,632	12,632		
GOB	GOTESCO LAND, INC. "B"			66,591	66,591		
GREEN	GREENENERGY HOLDINGS, INC.			4,937,710	4,937,710	0.1800	888,788
GSMI	GINEBRA SAN MIGUEL INC.			17,200	17,200	295.0000	5,074,000

CODE	NAME OF ISSUER		LOCATION			TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
	STOCK NAME		TRANSFER OFFICE	VAULT	PCD			
GTCAP	GT CAPITAL HOLDINGS, INC.				142,126	595.0000	84,564,970	
GTPPB	GT CAPITAL HOLDINGS, INC. PREF. "B"				33,440	1,000.0000	33,440,000	
HI	HOUSE OF INVESTMENT				884,000	4.5000	3,978,000	
HLCM	HOLCIM PHILIPPINES, INC.				7,000			
HOME	ALLHOME CORPORATION				16,355,798	0.2370	3,876,324	
HTI	Haus Talk, Inc.				385,000	1.1000	423,500	
HVN	GOLDEN MV HOLDINGS, INC.				1,000	1,000.0000	1,000,000	
I	I-REMIT, INC.				48,000	0.1990	9,552	
ICT	INTL. CONTAINER TERML. SERV.				407,038	567.0000	230,790,546	
IDC	ITAL PINAS DEVELOPMENT CORP.				322,045	0.8700	280,179	
IMI	INTEGRATED MICRO-ELECTRONICS, INC.				756,887	3.4700	2,626,398	
IMP	IMPERIAL RES., INC. "A"				162,000	0.7000	113,400	
INFRA	PHILIPPINE INFRADEV HOLDINGS INC.				509,500	0.3150	160,493	
ION	IONICS, INC.				2,295,050	1.0200	2,340,951	
IPO	IPEOPLE, INC.				13,166	6.0000	78,996	
IS	ISLAND INFORMATION & TECH. INC				2,790,000	0.1230	343,170	
JAS	JACKSTONES, INC.				1,000,000	1.1200	1,120,000	
JFC	JOLIBEE FOODS CORP.				738,079	180.0000	132,854,220	
JFCPB	Jollibee Foods Corporation Series B Pref Shares				242,609	994.0000	241,153,346	
JGS	JG SUMMIT HOLDINGS, INC.				2,959,902	23.6500	70,001,682	
KEEPR	THE KEEPERS HOLDINGS, INC.				54,192,428	2.4800	134,397,221	
KPH	KEPPEL PHIL. HLDGS "A"				11			
KPPI	KEPWEALTH PROPERTY PHILS., INC				65,000	1.1900	77,350	
LAND	CITY AND LAND DEVELOPERS, INC.				2,609,205	0.5300	1,382,879	
LC	LEPANTO CONS. MNG. "A"				29,472,195	0.1850	5,452,356	

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
LCB	LEPANTO CONS. MNG. "B"			1,062,027	1,062,027	0.1870	198,599
LFM	LIBERTY FLOUR MILLS, INC.			34,000	34,000	33.8000	1,149,200
LMG	LMG CORP.			790,000	790,000	0.2500	197,500
LODE	LODESTAR INV HLDGS.CORP.			153,000	153,000	0.3500	53,550
LOTO	PACIFIC ONLINE SYSTEMS			52,000	52,000	1.7000	88,400
LPZ	LOPEZ HOLDINGS CORP.			28,855,426	28,855,426	3.7200	107,342,185
LRW	LEISURE & RES. WORLD - WARRANT	8,000			8,000		
LSC	LORENZO SHIPPING CORP.			2,500	2,500	0.6100	1,525
LTG	LT GROUP, INC.			8,010,980	8,010,980	14.7800	118,402,284
MA	MANILA MINING CORPORATION "A"			215,734,086	215,734,086	0.0073	1,574,859
MAB	MANILA MINING CORPORATION "B"			771,349	771,349	0.0072	5,554
MAC	MACROASIA CORPORATION			1,955,960	1,955,960	4.3400	8,488,866
MACAY	MACAY HOLDINGS, INC.			4,356	4,356	6.9900	30,448
MAH	METRO ALLIANCE HLDGS EQUITIES "A"			86,000	86,000	0.3700	31,820
MAHB	METRO ALLIANCE HLDGS EQUITIES "B"			3,188	3,188	0.6900	2,200
MARC	MARCVENTURES HOLDINGS, INC.			1,243,226	1,243,226	0.7000	870,258
MAXS	MAXS GROUP, INC.			476,800	476,800	2.4500	1,168,160
MB	MANILA BULLETIN PUBLISHING CORP.			80,899	80,899	0.1640	13,267
MBT	METROPOLITAN BANK TRUST CO.			3,671,136	3,671,136	68.5000	251,472,816
MC	MARSTEEL CONS., INC. "A"			1,300,000	1,300,000		
MCB	MARSTEEL CONS., INC. "B"			8,119,607	8,119,607		
MEDIC	Medifines Distributors Incorporated			12,197,000	12,197,000	0.2600	3,171,220
MEG	MEGAWORLD CORPORATION			48,307,882	48,307,882	2.0800	100,480,395
MER	MANILA ELECTRIC COMPANY			229,669	229,669	574.0000	131,830,006
MFC	MANULIFE FINANCIAL CORPORATION			195	195	1,880.0000	366,600

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
MFIN	MAKATI FINANCE CORPORATION			161	161	1.5100	243
MG	MILLENNIUM GLOBAL HLDGS., INC.			2,240,000	2,240,000	0.0600	134,400
MGH	METRO GLOBAL HOLDINGS CORP.			26,252	26,252	1.0000	26,252
MHC	MABUHAY HOLDINGS CORP.			90,000	90,000	0.1150	10,350
MJC	MANILA JOCKEY CLUB, INC.			44,000	44,000	1.2700	55,880
MM	MERRYMART CONSUMER CORP.			10,231,600	10,231,600	0.4000	4,092,640
MONDE	MONDE NISSIN CORPORATION			26,366,000	26,366,000	5.8000	152,922,800
MRC	MRC ALLIED, INC.			6,879,000	6,879,000	0.8700	5,984,730
MREIT	MREIT, Inc.			16,806,700	16,806,700	14.0000	235,293,800
MRSGI	METRO RETAIL STORES GROUP, INC.			938,500	938,500	1.1500	1,079,275
MVC	MABUHAY VINYL CORPORATION			53,400	53,400	5.1900	277,146
MWC	MANILA WATER COMPANY, INC.			2,527,740	2,527,740	40.3000	101,867,922
MWIDE	MEGAWIDE CONSTRUCTION CORP.			2,857,800	2,857,800	2.9900	8,544,822
MWP5	MEGAWIDE CONSTRUCTION CORP. SERIES 5 PREF SHARES			253,000	253,000	103.0000	26,059,000
MWP6A	MEGAWIDE CONSTRUCTION CORP. SERIES 6A PREF SHARES			1,252,200	1,252,200	100.0000	125,220,000
MWP6B	MEGAWIDE CONSTRUCTION CORP. SERIES 6B PREF SHARES			758,780	758,780	100.2000	76,029,756
MWP6C	MEGAWIDE CONSTRUCTION CORP. SERIES 6C PREF SHARES			864,000	864,000	103.8000	89,683,200
MWP7A	MEGAWIDE CONSTRUCTION CORP. SERIES 7A PREF SHARES			423,410	423,410	100.4000	42,510,364
MWP7B	MEGAWIDE CONSTRUCTION CORP. SERIES 7B PREF SHARES			1,257,280	1,257,280	105.0000	132,014,400
MYNLD	MAYNILAD WATER SERVICES, INC			5,712,700	5,712,700	16.9000	96,544,630
NAS	NAS			13	13		
NASB	NASIPIT LUMBER COMPANY INC. "B"			50	50		
NI	NIHAO MINERAL RESOURCES INTL INC.			370,000	370,000	0.3150	116,550
NIKL	NICKEL ASIA CORPORATION			9,639,765	9,639,765	3.8900	37,498,686

NAME OF ISSUER		LOCATION					
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
NOW	NOW CORPORATION			5,661,500	5,661,500	0.6800	3,849,820
NRCP	NATL REINSURANCE CORP OF THE PHILS			1,950,000	1,950,000	0.7700	1,501,500
NXGEN	NEXTGENESIS CORPORATION			15,450	15,450	7.0000	108,150
OGP	OCEANAGOLD (PHILIPPINES), INC.			550,500	550,500	32.2000	17,726,100
OM	OMICO CORPORATION			633,333	633,333	0.1010	63,967
OPM	ORIENTAL PETROLEUM & MINERALS "A"			223,395,522	223,395,522	0.0120	2,680,746
OPMB	ORIENTAL PETROLEUM & MINERALS "B"			180,671,282	180,671,282	0.0120	2,168,055
ORE	ORIENTAL PENINSULA RESOURCES GRP.			394,250	394,250	0.3700	145,873
OV	THE PHILODRILL CORP.			78,008,096	78,008,096	0.0089	694,272
PA	PACIFICA HOLDINGS, INC.			92,500	92,500	0.9500	87,875
PAL	PAL HOLDINGS, INC.			71,946	71,946	3.8000	273,395
PBB	PHILIPPINE BUSINESS BANK			346,785	346,785	7.7000	2,670,245
PBC	PHIL. BANK OF COMMUNICATIONS			300	300	16.7000	5,010
PCOR	PETRON CORPORATION			4,563,524	4,563,524	2.4800	11,317,540
PCP	PCOP RESOURCES, INC.			453,420	453,420		
PERC	PETROENERGY RESOURCES CORP.			39,224	39,224	3.5000	137,284
PGOLD	PUREGOLD PRICE CLUB, INC.			1,270,600	1,270,600	38.0000	48,282,800
PHA	PREMIERE HORIZON ALLIANCE CORP.			11,198,000	11,198,000	0.2370	2,653,926
PHC	PHILCOMSAT HOLDINGS CORP.			25,000	25,000	1.8400	46,000
PHES	PHILIPPINE ESTATES CORP.			867,000	867,000	0.2800	242,760
PHN	PHINMA CORPORATION			2,295,129	2,295,129	16.7000	38,328,654
PHR	PH RESORTS GROUP HOLDINGS, INC.			13,640,000	13,640,000	0.1330	1,814,120
PIZZA	SHAKEYS PIZZA ASIA VENTURES, INC.			312,500	312,500	6.8000	2,125,000
PLUS	DIGIPLUS INTERACTIVE CORP			5,875,280	5,875,280	16.2000	95,179,536
PMPC	PANASONIC MFG. PHILIPPINES CORP.			366,400	366,400	10.8000	3,957,120

CODE	NAME OF ISSUER		LOCATION		TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
	STOCK NAME	VAULT	TRANSFER OFFICE	PCD			
PMT	PRIMETOWN PROPERTY GROUP, INC.			2,000			
PNB	PHILIPPINE NATIONAL BANK			959,831	54.4000	52,214,806	
PNC	PHIL. NATL. CONSTRUCTION CORP.			7,102	4.9000	34,800	
PNX	PHOENIX PETROLEUM PHILS., INC.			37,759	4.1700	157,455	
PNX3B	PHOENIX PET. PHILS. - SUBSERIES 3B			16,510	24.9500	411,925	
PNX4	P-H-O-E-N-I-X PETROLEUM PHILS., INC			436,455	177.9000	77,645,345	
PPC	PRYCE CORPORATION			664,000	13.2000	8,764,800	
PPI	PHILTOWN PROPERTIES, INC.		1,008,177	1,008,177			
PREIT	PREMIERE ISLAND POWER REIT CORPORATION			32,495,000	1.0200	33,144,900	
PRF3B	PETRON SERIES 3B PREFERRED SHARES			311,899	1,005.0000	313,458,495	
PRF4A	PETRON CORPORATION SERIES 4A PREFERRED SHARES			345,410	979.5000	338,329,095	
PRF4B	PETRON CORPORATION SERIES 4B PREFERRED SHARES			116,020	995.0000	115,439,900	
PRF4C	PETRON CORPORATION SERIES 4C PREFERRED SHARES			521,000	1,009.0000	525,689,000	
PRF4D	PETRON CORPORATION SERIES 4D PREFERRED SHARES			374,000	990.0000	370,260,000	
PRF4E	PETRON CORPORATION SERIES 4E PREFERRED SHARES			215,700	1,000.0000	215,700,000	
PRIM	PRIME MEDIA HOLDINGS			3,222,100	1.3000	4,188,730	
PRMX	PRIMEX CORPORATION			9,532,000	1.2800	12,200,960	
PSB	PHILIPPINE SAVINGS BANK			78,880	54.0000	4,259,520	
PSE	THE PHIL. STOCK EXCHANGE, INC.			6,550	205.4000	1,347,424	
PTT	PT&T CORP			37,219	0.3300	12,282	
PX	PHILEX MINING CORP.			9,306,857	9.9000	92,137,884	
PXP	PXP ENERGY CORPORATION			8,411,347	2.3800	20,019,006	
RCB	RIZAL COMMERCIAL BANKING CORP.			314,808	25.9500	8,169,268	
RCI	ROXAS AND COMPANY, INC.			424,409	2.6800	1,137,416	

NAME OF ISSUER		LOCATION					
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
RCR	RL Commercial REIT, Inc.			60,552,690	60,552,690	8.0200	485,632,574
REDC	REPOWER ENERGY DEVELOPMENT CORPORATION	1		160,035,899	160,035,900	6.3500	1,016,227,965
REG	REPUBLIC GLASS HLDGS CORP.			2,010	2,010	2.3000	4,623
RFM	RFM CORPORATION			4,034,359	4,034,359	4.7500	19,163,205
RLC	ROBINSONS LAND CORP.			3,078,645	3,078,645	16.1600	49,750,903
RLT	PHIL. REALTY HLDGS CORP.			325,345	325,345	0.1090	35,463
ROCK	ROCKWELL LAND CORP.			495,820	495,820	1.8500	917,267
ROX	ROXAS HOLDINGS, INC.			1,144,956	1,144,956	1.4500	1,660,186
RPC	REYNOLDS PHILS. CORP.			4,285	4,285		
RRHI	ROBINSONS RETAIL HLDGS., INC.			392,240	392,240	33.0500	12,963,532
SBS	SBS PHILIPPINES CORP.			1,215,486	1,215,486	3.8900	4,728,241
SCC	SEMIRARA MINING AND POWER CORP.			3,225,700	3,225,700	28.2500	91,126,025
SCM	SCM			2,174	2,174		
SECB	SECURITY BANK CORP.			1,765,616	1,765,616	65.6500	115,912,690
SEVN	PHIL. SEVEN CORPORATION			15,350	15,350	37.0000	567,950
SFI	SWIFT FOODS, INC.			1,652,193	1,652,193	0.0470	77,653
SFIP	SWIFT FOODS, INC. CONVERTIBLE PREF.			408	408	1.6900	690
SGI	SOLID GROUP, INC.			27,630,000	27,630,000	1.2700	35,090,100
SGP	SYNERGY GRID DEVT. PHILS. INC.			2,586,800	2,586,800	16.5600	42,837,408
SHLPH	SHELL PILIPINAS CORPORATION			470,450	470,450	6.9300	3,260,219
SHNG	SHANG PROPERTIES, INC.			196,045	196,045	3.5400	693,999
SLF	SUN LIFE FINANCIAL INC.			1,399	1,399	3,440.0000	4,812,560
SLI	STA. LUCIA LAND, INC.			5,000	5,000	2.6000	13,000
SM	SM INVESTMENTS CORP.			169,072	169,072	699.5000	118,265,864
SMC	SAN MIGUEL CORPORATION			531,143	531,143	82.0000	43,553,726

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
SMC2I	SMC SERIES 2 PREF. SUBSERIES "2-I"			824,950	824,950	74.5000	61,458,775
SMC2L	SMC SERIES 2 PREF. SUBSERIES "2-L"			8,382,410	8,382,410	77.6500	650,894,137
SMC2N	SMC SERIES 2 PREF. SUBSERIES "2-N"			2,229,400	2,229,400	80.5000	179,466,700
SMC2O	SMC SERIES 2 PREF. SUBSERIES "2-O"			9,245,440	9,245,440	81.0000	748,880,640
SMC2P	SAN MIGUEL CORPORATION SERIES 2-P PREFERRED SHARES			482,290	482,290	77.0000	37,136,330
SMC2Q	SAN MIGUEL CORPORATION SERIES 2-Q PREFERRED SHARES			849,880	849,880	77.8000	66,120,664
SMC2R	SAN MIGUEL CORPORATION SERIES 2-R PREFERRED SHARES			387,440	387,440	77.5000	30,026,600
SMC2S	SAN MIGUEL CORPORATION SERIES 2S PREFERRED SHARES			11,673,100	11,673,100	77.8000	908,167,180
SMC2T	SAN MIGUEL CORPORATION SERIES 2T PREFERRED SHARES			4,626,670	4,626,670	76.5000	353,940,255
SMC2U	SAN MIGUEL CORPORATION SERIES 2U PREFERRED SHARES			5,029,090	5,029,090	76.0000	382,210,840
SMPH	SM PRIME HOLDINGS, INC.			6,450,012	6,450,012	22.7500	146,737,773
SOC	SOCRESOURCES, INC.			368,000	368,000	0.1820	66,976
SPC	SPC POWER CORPORATION			587,000	587,000	9.7400	5,717,380
SPM	SEAFRONT RESOURCES CORP.			14,322	14,322	2.3600	33,800
SPNEC	SP NEW ENERGY CORPORATION			14,245,070,321	14,245,070,321	1.1700	16,666,732,276
SRDC	SUPERCITY REALTY DEVT CORPORATION			10,000	10,000	9.1000	91,000
SSI	SSI GROUP, INC.			677,000	677,000	2.6300	1,780,510
STI	STI EDUCATION SYSTEMS HLDGS., INC.			5,221,000	5,221,000	1.4100	7,361,610
STN	STENIEL MANUFACTURING CORP.			161,651	161,651	2.1800	352,399
STR	VISTAMALLS, INC.			161,000	161,000	1.2500	201,250
SUN	SUNTRUST RESORT HOLDINGS, INC.			3,697,546,795	3,697,546,795	0.7600	2,810,135,564
SWM	SANITARY WARES MFG. CORP.			800	800		
T	TKC METALS CORP.			200,000	200,000	0.4400	88,000
TBGI	TRANSPACIFIC BROADBAND			10,716,000	10,716,000	0.1330	1,425,228

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
TCB2A	CIRTEK HOLDINGS PH CORPORATION			3,698,740	3,698,740	2.9395	10,872,446
TCB2C	CIRTEK HLDGS PHL CORP. Subseries 2C Pref Class			896,700	896,700	13.0000	11,657,100
TCB2D	CIRTEK HLDGS PHL CORP. Subseries 2D Pref Class			3,999,700	3,999,700	8.2600	33,037,522
TECH	CIRTEK HOLDINGS PHILS. CORP			6,371,205	6,371,205	0.6300	4,013,859
TEL	PLDT INC.			221,431	221,431	1,260.0000	279,003,060
TFHI	TOP FRONTIER INV. HLDGS., INC.			14,421	14,421	61.0000	879,681
TOP	TOP LINE BUSINESS DEVELOPMENT CORP			397,000	397,000	1.6000	635,200
TUGS	HARBOR STAR SHIPPING SERVICES, INC.			105,000	105,000	0.5900	61,950
UBP	UNION BANK OF THE PHILS. INC.			871,777	871,777	26.6000	23,189,268
UNI	UNIOIL RESOURCES & HLDGS CO.,INC		201,000		201,000		
UP	UNIVERSAL RIGHTFIELD PROP.			148,000	148,000		
UPM	UNITED PARAGON MNG.CORP.			25,587,500	25,587,500	0.0058	148,408
UPSON	UPSON INTERNATIONAL CORP.			601,000	601,000	0.7000	420,700
URC	UNIVERSAL ROBINA CORP.			1,363,787	1,363,787	67.3000	91,782,865
UW	UNIWIIDE HOLDINGS, INC.	1,008,000			1,008,000		
V	VANTAGE EQUITIES, INC.			410,250	410,250	0.8900	365,123
VITA	VITARICH CORPORATION			39,359,734	39,359,734	0.5300	20,860,659
VLL	VISTA LAND & LIFESCAPES, INC.			3,850,000	3,850,000	1.0400	4,004,000
VLL2A	VISTA LAND & LIFESCAPES, INC SERIES 2A PREF SHARES			2,485,310	2,485,310	91.9500	228,524,255
VLL2B	VISTA LAND & LIFESCAPES, INC SERIES 2B PREF SHARES			1,243,670	1,243,670	90.0000	111,930,300
VMC	VICTORIAS MILLING CO., INC.			1,420,204	1,420,204	1.7300	2,456,953
VREIT	VistaREIT, Inc.			107,824,395	107,824,395	1.3700	147,719,421
VVT	VIVANT CORPORATION			11,700	11,700	19.4400	227,448
WEB	PHILWEB CORPORATION			804,800	804,800	6.2000	4,989,760

CODE	NAME OF ISSUER	LOCATION				TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
		STOCK NAME	VAULT	TRANSFER OFFICE	PCD			
WHI	WISE HOLDINGS, INC. "A"		116,249		116,249			
WIN	WELLEX INDUSTRIES, INC.		452,000		452,000	0.2600	117,520	
WLCON	WILCON DEPOT, INC.		4,662,200		4,662,200	6.9600	32,448,912	
X	XURPAS INC.		860,500		860,500	0.2480	213,404	
XG	NEXGEN ENERGY CORP.		264,000		264,000	3.1800	839,520	
ZHI	ZEUS HOLDINGS, INC.		230,000		230,000	0.0670	15,410	
TOTAL			1,008,111	1,286,878	22,171,146,611		42,643,004,048	
SUMMARY:								
			<u>SHARES</u>					
	VAULT 1		1,008,111					
	VAULT 2							
	VAULT 3							
	TRANSFER OFFICE		1,286,878					
	PCD		22,171,146,611					
	GRAND TOTAL		22,173,441,600					

CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS IN TWO COMPARATIVE
PERIODS UNDER REVISED SRC RULE 68 *
DECEMBER 31, 2025

Ratio	Formula	2025	2024
		Amounts in ₱ millions, except for the ratios	
Current ratio		151.62%	158.37%
	Current assets	438	372
	Current liabilities	289	235
Asset-to-equity ratio		225.69%	209.36%
	Total assets	530	464
	Total equity	235	221
Profitability ratios			
Return on capital		3.77%	(2.39%)
	Net income (loss)	10	(5)
	Average share capital**	263	213
Return on equity		4.34%	(2.91%)
	Net income (loss)	10	(5)
	Average total equity**	228	175
Return on asset		1.99%	(1.26%)
	Net income (loss)	10	(5)
	Average total assets**	497	404

**The financial ratios are computed before the components are subjected to rounding adjustments.*

***Average balance represents the sum of the balance of respective account at beginning and end of year divided by two*

The Company has no debt or borrowings as of December 31, 2025 and 2024. Accordingly, no solvency ratio and interest rate coverage ratio are presented.



Bureau of Internal Revenue
Republic of the Philippines

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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.

TIN	: 000-333-279-000
Name	: CHINA BANK SECURITIES CORPORATION
RDO	: 050
Form Type	: 1702
Reference No.	: 462600071831573
Amount Payable (Over Remittance)	: -7,513,898.00
Accounting Type	: C - Calendar
For Tax Period	: 12/31/2025
Date Filed	: 04/08/2026
Tax Type	: IT

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Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

For BIR Use Only: BCS/ BSM:

BIR Form No. 1702-RT January 2018 (ENCS) Page 1	Annual Income Tax Return For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate <small>Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". Two Copies MUST be filed with the BIR and one held by the taxpayer.</small>	 1702-RT 01/18ENCS P1			
1 For <input type="radio"/> Calendar <input type="radio"/> Fiscal 2 Year Ended (MM/20YY) 12/2025	3 Amended Return? <input type="radio"/> Yes <input type="radio"/> No 4 Short Period Return? <input type="radio"/> Yes <input type="radio"/> No	5 Alphanumeric Tax Code (ATC) IC055 <input type="checkbox"/> Minimum Corporate Income Tax (MCIT) IC010 <input checked="" type="checkbox"/> DOMESTIC CORPORATION IN GENERAL			
Part I - Background Information					
6 Taxpayer Identification Number (TIN) 000 - 333 - 279 - 000		7 RDO Code 000			
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) CHINA BANK SECURITIES CORPORATION					
9A Registered Address (Indicate complete registered address) 28TH FLOOR BDO EQUITABLE PASEO DE ROXAS CITY OF MAKATI, NCR, FOURTH DI					
9B Zipcode 1226					
10 Date of Incorporation/Organization (MM/DD/YYYY)		12/08/1978			
11 Contact Number 8855839	12 Email Address cbsecmarie@gmail.com				
13 Method of Deductions <input type="checkbox"/> Itemized Deductions (Section 34 (A-J), NIRC) <input type="checkbox"/> Optional Standard Deduction (OSD) - 40% of Gross Income (Section 34(L), NIRC as amended by RA No. 8504)					
Part II - Total Tax Payable (Do NOT enter Centavos)					
14 Total Income Tax Due (Overpayment) (From Part IV Item 43)		748,089			
15 Less: Total Tax Credits/Payments (From Part IV Item 55)		6,261,967			
16 Net Tax Payable (Overpayment) (Item 14 Less Item 15) (From Part IV Item 56)		(7,513,898)			
Add Penalties					
17 Surcharge		0			
18 Interest		0			
19 Compromise		0			
20 Total Penalties (Sum of Items 17 to 19)		0			
21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Item 16 and 20)		(7,513,898)			
If Overpayment, mark "X" one box only (Once the choice is made, the same is irrevocable)					
<input type="checkbox"/> To be refunded <input type="checkbox"/> To be issued a Tax Credit Certificate (TCC) <input type="checkbox"/> To be carried over as tax credit next year/quarter					
<small>We declare under the penalties of perjury that this annual return has been made in good faith, verified by us, and to the best of our knowledge and belief is true and correct pursuant to the provisions of the Internal Revenue Code, as amended, applicable regulations thereunder and other authority thereof. If Authorized Representatives, attach out-of-pocket receipts and indicate IRS.</small>					
MARISOL M. LEONARD - PRESIDENT & CEO <small>Signature over printed name of President/Principal Officer/Authorized Representative</small>		ANNABELLE C. CELSO - TREASURER <small>Signature over printed name of Treasurer/Assistant Treasurer</small>			
Title of Signatory TIN		Title of Signatory TIN 22 Number of Attachments 4			
Part III - Details of Payment					
Particulars		Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount
23 Cash/Bank Debit Memo					0
24 Check					0
25 Tax Debit Memo					0
26 Others (Specify Below)					0
Machine Validation/Revenue Official Receipts Details (if not filed with an Authorized Agent Bank)				Stamp of receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)	

BIR Form No. 1702-RT January 2018 (ENCS) Page 2		Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate			
Taxpayer Identification Number (TIN) 000 -333 -279 -000		Registered Name CHINA BANK SECURITIES CORPORATION			
Part IV - Computation of Tax <i>(Do NOT enter Centavos)</i>					
27 Sales/Receipts/Revenues/Fees		78,757,480			
28 Less: Sales Returns, Allowances and Discounts		0			
29 Net Sales/Receipts/Revenues/Fees (Item 27 Less Item 28)		78,757,480			
30 Less: Cost of Sales/Services		39,354,013			
31 Gross Income from Operation (Item 29 Less Item 30)		37,403,467			
32 Add: Other Taxable Income Not Subjected to Final Tax		0			
33 Total Taxable Income (Sum of Items 31 and 32)		37,403,467			
Less: Deductions Allowable under Existing Law					
34 Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)		31,863,295			
35 Special Allowable Itemized Deductions (From Part VI Schedule II Item 5)		0			
36 NOLCO (only for those taxable under Sec. 27(A to C); Sec. 28(A)(1) & (A)(6)(b) of the Tax Code) (From Part VI Schedule III Item 8)		5,540,202			
37 Total Deductions (Sum of Items 34 to 36)		37,403,467			
OR (in case taxable under Sec 27(A) & 28(A)(1))					
38 Optional Standard Deduction (40% of Item 33)		0			
39 Net Taxable Income(Loss) (If Itemized: Item 33 Less Item 37; If OSD: Item 33 Less Item 38)		0			
40 Applicable Income Tax Rate		25 %			
41 Income Tax Due other than Minimum Corporate Income Tax (MCIT) (Item 39 x Item 40)		0			
42 MCIT Due (2% of Item 33)		748,069			
43 Tax Due (Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher) (To Part II Item 14)		748,069			
Less: Tax Credits/Payments (attach proof)					
44 Prior Year's Excess Credits Other Than MCIT		5,713,850			
45 Income Tax Payment under MCIT from Previous Quarters		0			
46 Income Tax Payment under Regular/Normal Rate from Previous Quarters		0			
47 Excess MCIT Applied this Current Taxable Year (From Part VI Schedule IV Item 4)		0			
48 Creditable Tax Withheld from Previous Quarters per BIR Form No. 2307		895,232			
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		1,652,885			
50 Foreign Tax Credits, if applicable		0			
51 Tax Paid in Return Previously Filed, if this is an Amended Return		0			
52 Special Tax Credits (To Part V Item 58)		0			
Other Credits/Payments (Specify)					
53		0			
54		0			
55 Total Tax Credits/Payments (Sum of Items 44 to 54) (To Part II Item 15)		8,261,967			
56 Net Tax Payable (Overpayment) (Item 43 Less Item 55) (To Part II Item 16)		(7,513,896)			
Part V - Tax Relief Availment					
57 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)		0			
58 Add: Special Tax Credits (From Part IV Item 52)		0			
59 Total Tax Relief Availment (Sum of Items 57 and 58)		0			

BIR Form No. 1702-RT January 2018 (ENC5) Page 3	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18/ENC5 P3	
Taxpayer Identification Number (TIN) 000 -333 -279 -000		Registered Name CHINA BANK SECURITIES CORPORATION	
Schedule I - Ordinary Allowable Itemized Deductions <i>(Attach additional sheet/s, if necessary)</i>			
1	Amortizations	0	
2	Bad Debts	0	
3	Charitable Contributions	0	
4	Depletion	0	
5	Depreciation	1,167,078	
6	Entertainment, Amusement and Recreation	767,575	
7	Fringe Benefits	0	
8	Interest	0	
9	Losses	0	
10	Pension Trust	0	
11	Rental	0	
12	Research and Development	0	
13	Salaries, Wages and Allowances	0	
14	SSS, GSIS, Philhealth, HDMF and Other Contributions	0	
15	Taxes and Licenses	384,453	
16	Transportation and Travel	1,560,578	
17 Others (Deductions Subject to Withholding Tax and Other Expenses) <i>(Specify below; Add additional sheet/s, if necessary)</i>			
a	Janitorial and Messengerial Services	1,128,612	
b	Professional Fees	448,430	
c	Security Services	0	
d	MANAGEMENT FEES	1,000,000	
e	CONDOMINIUM DUES AND FEES	293,916	
f	REPAIRS AND MAINTENANCE	334,827	
g	INSURANCE	676,946	
h	TELEPHONE AND COMMUNICATION	4,401,170	
i	OTHERS	19,699,680	
18 Total Ordinary Allowable Itemized Deductions <i>(Sum of Items 1 to 17) (To Part IV Item 34)</i>		31,863,265	
Schedule II - Special Allowable Itemized Deductions <i>(Attach additional sheet/s, if necessary)</i>			
	Description	Legal Basis	Amount
1			0
2			0
3			0
4			0
5 Total Special Allowable Itemized Deductions <i>(Sum of Items 1 to 4) (To Part IV Item 35)</i>			0

BIR Form No. 1702-RT January 2018(ENCS) Page 4	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P4	
Taxpayer Identification Number (TIN) 000 - 333 - 279 - 000		Registered Name CHINA BANK SECURITIES CORPORATION	
Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)			
1 Gross Income (From Part IV Item 33)		0	
2 Less: Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)		0	
3 Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)		0	
Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) (DO NOT enter Carriover; If Carriover or Loss drop down; 50 or more round up)			
Net Operating Loss		B) NOLCO Applied Previous Year	
Year Incurred	A) Amount		
4	0	0	
5 2024	12,381,856	0	
6	0	0	
7	0	0	
Continuation of Schedule IIIA (Item numbers continue from table above)			
C) NOLCO Expired		D) NOLCO Applied Current Year	
E) Net Operating Loss (Unapplied) (E = A Less (B + C + D))			
4	0	0	
5	0	5,540,202	
6	0	0	
7	0	0	
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV, Item 36)	5,540,202	0	
Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)			
Year	A) Normal Income Tax as adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1 2023	202,508	411,468	208,960
2 2024	0	879,558	879,558
3	0	0	0
Continuation of Schedule IV (Item numbers continue from table above)			
D) Excess MCIT Applied/Used in Previous Years		E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year
G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s (G = C Less (D + E + F))			
1	0	0	208,960
2	0	0	879,558
3	0	0	0
Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV Item 42)		0	0
Schedule V - Reconciliation of Net Income per Books Against Taxable Income (attach additional sheet/s, if necessary)			
1 Net Income/(Loss) per books		9,900,442	
Add: Non-deductible Expenses/Taxable Other Income			
2 PROVISION FOR INCOME TAX		2,469,219	
3 OTHERS		5,617,864	
4 Total (Sum of Items 1 to 3)		17,987,545	
Less: A) Non-Taxable Income and Income Subjected to Final Tax			
5 INTEREST INCOME SUBJECT TO FINAL TAX		8,606,290	
6 OTHERS		9,381,255	
7 Special Deductions		0	
8		0	
9 Total (Sum of Items 5 to 8)		17,987,545	
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)		0	

SWORN DECLARATION

REPUBLIC OF THE PHILIPPINES
CITY OF MAKATI
METRO MANILA

I, **MARISOL M. TEODORO**, Filipino, of legal age, designated as President and CEO of China Bank Securities Corporation, with business address at 28th Floor BDO Equitable Tower, 8751 Pasco de Roxas, Brgy. Bel-Air, Makati City do hereby certify the following:

- That in compliance with the requirements of Revenue Regulations No. 02-2015, submitted herewith is **one DVD-R** containing **thirty scanned copies of BIR Form 2307** covering the quarter ended 12/31/2025.
- That the contents of DVD-R being submitted herewith conform to the conditions/specification requirements set by the Bureau of Internal Revenue.
- That the soft copies of the BIR Form 2307 contained in the DVD-R being submitted herewith are the complete and exact copies of the original thereof.

I HEREBY DECLARE UNDER THE PENALTIES OF PERJURY THAT THE FOREGOING ATTESTATIONS ARE TRUE AND CORRECT.


MARISOL M. TEODORO
President and CEO
123-466-958-000

Subscribed and sworn to before me, in the City/Municipality of CITY OF MAKATI, this day of APR 15 2026 by Marisol M. Teodoro, with Unified Multi-purpose ID CRN: 0003-7109134-0.

Doc No. 237
Page No. 49
Book No. 32
Series of 2026


RESINE C. YU
Notary Public for Makati City
Appt. No. 11-135 until 31 December 2028
2nd Floor VGP Center, 1077 Ayala Avenue, Makati City
NOTARY PUBLIC
PTR No. 10773632; 01-06-2026; Makati City
IBP Lifetime No. 916425; 05-29-2017; Makati City
MCLE Compliance No. VII-0009500; 05-16-2024
Roll of Attorney's No. 68181

Documentary Stamp Tax
P A I D
Filing Reference # 652600072070817
Payment Transaction # 266197407
Date 04/15/2026

HSAWT,H1702,000333279,0000,"CHINA BANK SECURITIES CORPORATION",,,,,,"",12/2025,050
DSAWT,D1702,1,009171347,0000,"CHINA BANK CAPITAL CORPORATION",,,,,12/2025,,WC140,15.00,28676.52,4301.48
DSAWT,D1702,2,009171347,0000,"CHINA BANK CAPITAL CORPORATION",,,,,12/2025,,WC160,2.00,10535909.60,210718.19
DSAWT,D1702,3,500339294,0000,"CHINA BANK HIGH DIVIDEND EQUITY FUND",,,,,12/2025,,WC140,15.00,13406.85,2011.02
DSAWT,D1702,4,000444210,0000,"CHINA BANKING CORPORATION",,,,,12/2025,,WC140,15.00,360433.03,54064.86
DSAWT,D1702,5,449257081,0000,"CHINA BANKING CORPORATION AS TRUSTEE FOR CBC BALAN",,,,,12/2025,,WC140,15.00,21128.18,3169.22
DSAWT,D1702,6,449257650,0000,"CHINA BANKING CORPORATION AS TRUSTEE FOR CBC EQUI",,,,,12/2025,,WC140,15.00,66964.29,10044.64
DSAWT,D1702,7,000766810,0000,"GOVERNMENT SERVICE INSURANCE SYSTEM",,,,,12/2025,,WC140,15.00,393503.60,59025.54
DSAWT,D1702,8,005393442,0000,"MAYNILAD WATER SERVICES INC",,,,,12/2025,,WC140,15.00,364526.79,54679.02
DSAWT,D1702,9,232715069,0000,"MEGAWIDE CONSTRUCTION CORPORATION",,,,,12/2025,,WC140,15.00,20950.89,3142.63
DSAWT,D1702,10,000338748,0000,"MERIDIAN SECURITIES INCORPORATED",,,,,12/2025,,WC140,15.00,6879526.53,1031928.98
DSAWT,D1702,11,010337254,0000,"MGEN RENEWABLE ENERGY INC",,,,,12/2025,,WC140,15.00,224503.94,33675.60
DSAWT,D1702,12,000244155,0000,"PAG ASA SALES INC",,,,,12/2025,,WC140,15.00,41507.79,6226.17
DSAWT,D1702,13,000902667,0000,"SAGITRO INC",,,,,12/2025,,WC140,15.00,970626.99,145594.05
DSAWT,D1702,14,000060741,0000,"SAN MIGUEL CORPORATION",,,,,12/2025,,WC160,2.00,500000.00,10000.00
DSAWT,D1702,15,000141166,0000,"SUNTRUST RESORT HOLDINGS INC",,,,,12/2025,,WC140,15.00,88603.79,13290.57
DSAWT,D1702,16,003741374,0000,"TRITON SECURITIES CORPORATION",,,,,12/2025,,WC140,15.00,64416.69,9662.50
DSAWT,D1702,17,003829892,0000,"UNITED FUND INC",,,,,12/2025,,WC140,15.00,1652885.30
CSAWT,C1702,000333279,0000,12/2025,20583691.03,1652885.30

eSubmission Validation Report

From eSubmission <esubmission@bir.gov.ph>
Date Mon 4/13/2026 4:46 PM
To CBSEC - TAX DEPARTMENT <cbsectaxdept@chinabank.ph>

ACKNOWLEDGEMENT RECEIPT NUMBER: 20260413-B287991

This is to confirm receipt of the file(s) as stated below:

Total attachment/file(s) received : 1

No. of valid file(s) : 1
No. of invalid file(s) : 0

We have validated your submission in compliance with existing BIR regulations.

Find below the details of your submission:

Date of Submission: 04/08/2026 11:03:12 AM

Filename(s):

- 1. Attachment : 00033327900001220251702.DAT
00033327900001220251702.DAT - VALID
CONFIRMATION RECEIPT NUMBER - 2026-0000691560

VALIDATION REPORT:

- 1. Attachment : 00033327900001220251702.DAT

TIN of Withholding Agent TIN: 000333279-0000
Alphalist Form : 1702
Taxable Month : 12/2025

LINE NUM	SCHEDULE	ERROR DESCRIPTION
0000000000		No Errors Encountered

PLEASE BE INFORMED THAT THIS IS THE FINAL EMAIL ON THE VALIDATION PROCESS OF YOUR SUBMISSION. HOWEVER, A VALIDATION OF THE TIN OF THE WITHHOLDING AGENT WILL STILL BE UNDERTAKEN. ACCORDINGLY, PLEASE ENSURE THAT THE TIN IS VALID FOR A SUCCESSFUL SUBMISSION OF YOUR ALPHALIST (OR SLSP, AS THE CASE MAY BE).

Thank You.

This is a system generated report. For inquiries, please email us at contact_us@bir.gov.ph or call us at (2) 8538-3200

ALPHALIST ATTACHMENT

From CBSEC - TAX DEPARTMENT <cbsectaxdept@chinabank.ph>
Date Wed 4/8/2026 11:02 AM
To eSubmission <esubmission@bir.gov.ph>
Cc Aimee-Cel A. De Leon <acadeleon@chinabank.ph>; Marie Catherine T. Manarpiis <mctmanarpiis@chinabank.ph>; Annabelle G. Celso <agcelso@chinabank.ph>

 1 attachment (2 KB)
00033327900001220251702.DAT;

TIN: 000-333-279-0000
REGISTERED NAME: CHINA BANK SECURITIES CORPORATION
LAST NAME:
FIRST NAME:
MIDDLE NAME:
ADDRESS: 28th Floor BDO Equitable Tower, Paseo De Roxas Bel Air 1209 City of Makati NCR, Fourth District Philippines
FILING REFERENCE NUMBER: 462600071831573
EMAIL1: cbsectaxdept@chinabank.ph

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

The Management of **CHINA BANK SECURITIES CORPORATION** (herein referred to as "the Company") is responsible for all information and representations contained in the **Annual Income Tax Return** for the year ended **December 31, 2025**. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period including, but not limited to, the value-added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2025 and the accompanying Annual Income Tax Return are in accordance with the books and records of the Company, complete and correct in all material respects. Management likewise affirms that:

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

Signature: _____



RYAN MARTIN L. TAPIA
Chairman of the Board

Date: _____

Signature: _____



MARISOL M. TEODORO
President and CEO

Date: _____