



SECURITIES AND EXCHANGE COMMISSION

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

The management of **BPI Securities Corporation** 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 **BPI Securities Corporation's** ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the **BPI Securities Corporation** or to cease operations, or has no realistic alternative but to do so.


The Board of Directors is responsible for overseeing the **BPI Securities Corporation's financial reporting process**.

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

Isla Lipana & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the **BPI Securities Corporation** in accordance with Philippine Standards on Auditing, and in their report to the stockholders, has expressed their opinion on the fairness of presentation upon completion of such audit.



LESTER ONG
Chairman



MARK ROME M. RACE
President



SIMON TRISTAN E. VALERIO
Treasurer

Signed this 29th day of April 2026

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Independent Auditor's Report

To the Board of Directors and Shareholder of
BPI Securities Corporation
23rd Floor, Ayala Triangle Gardens Tower Two
Paseo De Roxas corner Makati Avenue,
Makati City

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BPI Securities Corporation (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.

What we have audited

The financial statements of the Company comprise:

- the statements of financial position as at December 31, 2025 and 2024;
- the statements of income for the years ended December 31, 2025 and 2024;
- the statements of comprehensive income for the years ended December 31, 2025 and 2024;
- the statements of changes in equity for the years ended December 31, 2025 and 2024;
- the statements of cash flows for the years ended December 31, 2025 and 2024; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
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Independence

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 audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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 PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 21 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 supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Isla Lipana & Co.



Imelda dela Vega - Mangundaya
Partner

CPA Cert No. 0090670

PTR No. 0024586, issued on January 8, 2026, Makati City

SEC A.N. (individual) as general auditors 90670-SEC, Category A;
valid to audit 2019 to 2025 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2025 financial statements

T.I.N. 152-015-124

BIR A.N. 08-000745-047-2024, issued on October 30, 2024; effective until October 29, 2027

BOA/PRC Reg. No. 0142/P-004, effective until November 14, 2028

Makati City
April 29, 2026



Isla Lipana & Co.

Statements Required by Rule 52.1.5, Securities Regulation Code (SRC)

To the Board of Directors and Shareholder of
BPI Securities Corporation
23rd Floor, Ayala Triangle Gardens Tower Two
Paseo De Roxas corner Makati Avenue,
Makati City

We have audited the financial statements of BPI Securities Corporation (the “Company”) as at and for the year ended December 31, 2025, on which we have rendered the attached report dated April 29, 2026.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information shown in Schedules I to VI is presented for purposes of complying with SRC Rule 52.1.5 and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Isla Lipana & Co.

Imelda dela Vega - Mangundaya
Partner

CPA Cert No. 0090670

PTR No. 0024586, issued on January 8, 2026, Makati City

SEC A.N. (individual) as general auditors 90670-SEC, Category A;

valid to audit 2019 to 2025 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;

valid to audit 2020 to 2025 financial statements

T.I.N. 152-015-124

BIR A.N. 08-000745-047-2024, issued on October 30, 2024; effective until October 29, 2027

BOA/PRC Reg. No. 0142/P-004, effective until November 14, 2028

Makati City
April 29, 2026

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Isla Lipana & Co.

Statement required by Revised Rule 68, Securities Regulation Code (SRC)

To the Board of Directors and Shareholder of
BPI Securities Corporation
23rd Floor, Ayala Triangle Gardens Tower Two
Paseo De Roxas corner Makati Avenue,
Makati City

We have audited the financial statements of BPI Securities Corporation (the “Company”) as at and for the year ended December 31, 2025, on which we have rendered the attached report dated April 29, 2026.

In compliance with SRC Rule 68 and based on the certification received from the Company’s corporate secretary and the results of our work done, as at December 31, 2025, the said Company has one (1) shareholder owning one hundred (100) or more shares.

Isla Lipana & Co.

Imelda dela Vega - Mangundaya
Partner

CPA Cert No. 0090670

PTR No. 0024586, issued on January 8, 2026, Makati City

SEC A.N. (individual) as general auditors 90670-SEC, Category A;

valid to audit 2019 to 2025 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;

valid to audit 2020 to 2025 financial statements

T.I.N. 152-015-124

BIR A.N. 08-000745-047-2024, issued on October 30, 2024; effective until October 29, 2027

BOA/PRC Reg. No. 0142/P-004, effective until November 14, 2028

Makati City
April 29, 2026

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Isla Lipana & Co.

Statement required by Revised Rule 68, Securities Regulation Code (SRC)

To the Board of Directors and Shareholder of
BPI Securities Corporation
23rd Floor, Ayala Triangle Gardens Tower Two
Paseo De Roxas corner Makati Avenue,
Makati City

We have audited the financial statements of BPI Securities Corporation as at and for the year ended December 31, 2025, on which we have rendered the attached report dated April 29, 2026. The supplementary information shown in the Reconciliation of Retained Earnings Available for Dividend Declaration, as an additional component required by Part I, Section 5 of Rule 68 of the SRC, is presented for purposes of filing with the Securities and Exchange Commission and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with Part 1, Section 5 of Rule 68 of the SRC.

Isla Lipana & Co.

Imelda dela Vega - Mangundaya
Partner
CPA Cert No. 0090670

PTR No. 0024586, issued on January 8, 2026, Makati City
SEC A.N. (individual) as general auditors 90670-SEC, Category A;
valid to audit 2019 to 2025 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2025 financial statements

T.I.N. 152-015-124

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BOA/PRC Reg. No. 0142/P-004, effective until November 14, 2028

Makati City
April 29, 2026

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BPI Securities Corporation

Statements of Financial Position
December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	December 31, 2025			December 31, 2024		
		Book value	Long	Short	Book value	Long	Short
Current assets							
Cash	2	525,744,882	-	-	589,936,007	-	-
Trade receivables from							
Customers, net	3	116,498,720	4,666,525,627	7,260,587	245,126,103	5,681,196,579	24,451,354
Clearing house, net	4	-	-	-	-	-	-
Others		953,668	-	-	2,749,057	-	-
Financial assets at fair value through profit							
or loss (FVTPL)	5	182,539,939	182,539,939	-	175,141,669	175,141,669	-
Investment security at amortized cost	7	-	-	-	100,654,587	-	-
Prepaid expenses and other assets		2,678,653	-	-	2,516,700	-	-
Total current assets		828,415,862	4,849,065,566	7,260,587	1,116,124,123	5,856,338,248	24,451,354
Non-current assets							
Financial assets at fair value through other							
comprehensive income (FVOCI)	6	64,771	-	-	54,433	-	-
Investment security at amortized cost	7	102,822,685	-	-	-	-	-
Property and equipment, net	8	54,226,150	-	-	66,503,740	-	-
Trading right	9	440,000	-	-	440,000	-	-
Deferred income tax (DIT) assets, net	15	6,546,544	-	-	5,679,482	-	-
Other assets	10	128,385,007	-	-	108,098,456	-	-
Total non-current assets		292,485,157	-	-	180,776,111	-	-
Total assets		1,120,901,019	4,849,065,566	7,260,587	1,296,900,234	5,856,338,248	24,451,354
Securities							
In vault				477,067,477			38,824,573
With Philippine Depository and Trust Corporation				81,623,849,798			137,903,674,048
In transit				3,782,971,976			10,581,683,946

(forward)

(The notes on pages 1 to 36 are an integral part of these financial statements)

BPI Securities Corporation

Statements of Financial Position
December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	December 31, 2025			December 31, 2024		
		Book value	Long	Short	Book value	Long	Short
Current liabilities							
Trade payables to							
Customers, net	3	289,730,473	81,042,084,272	-	253,342,450	142,692,295,673	-
Clearing house, net	4	24,121,628	-	-	180,821,057	-	-
Lease liability	17	11,271,108	-	-	9,804,552	-	-
Accounts payable and other liabilities	11	143,028,012	-	-	166,443,693	-	-
Total current liabilities		468,151,221	81,042,084,272	-	610,411,752	142,692,295,673	-
Non-current liability							
Lease liability, net of current portion	17	51,564,211	-	-	62,835,319	-	-
Total liabilities		519,715,432	81,042,084,272	-	673,247,071	142,692,295,673	-
Equity	12						
Share capital		199,750,000	-	-	199,750,000	-	-
Share premium		2,611,610	-	-	2,611,610	-	-
Accumulated reserves		(14,001,466)	-	-	(11,088,676)	-	-
Retained earnings		412,825,443	-	-	432,380,229	-	-
Total equity		601,185,587	-	-	623,653,163	-	-
Total liabilities and equity		1,120,901,019	85,891,149,838	85,891,149,838	1,296,900,234	148,548,633,921	148,548,633,921

(The notes on pages 1 to 36 are an integral part of these financial statements)

BPI Securities Corporation

Statements of Income
For the years ended December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	2025	2024
Income			
Commission		218,003,393	199,112,345
Unrealized gain on financial assets at FVTPL	5	7,398,270	5,398,738
Interest	2,7	4,029,333	4,818,909
Other income, net	13	21,772,727	23,415,974
		251,203,723	232,745,966
Expenses			
Compensation and fringe benefits	14	93,010,828	86,544,005
Outsourcing services		67,648,949	56,269,189
Trading system charges		42,257,163	42,226,891
Repairs and maintenance		26,304,878	19,460,373
Depreciation	8	12,520,590	12,350,669
Interest expense	17	4,803,133	5,441,241
Communication, light and water		3,658,234	4,010,430
Marketing expense		3,188,575	4,225,761
Messengerial and other contractual services		3,139,148	2,846,418
Brokering expense	13	2,920,987	8,884,514
Management and other professional fees		1,685,164	1,637,977
Taxes and licenses		849,237	787,644
Representation and entertainment		463,549	421,826
Stationery and supplies		254,670	600,044
Transportation and travel		81,578	48,109
Other expenses		6,330,555	6,236,480
		269,117,238	251,991,571
Loss before income tax		(17,913,515)	(19,245,605)
Income tax (expense) benefit	15		
Current		(806,089)	(956,636)
Deferred		(807,006)	1,342,451
		(1,613,095)	385,815
Net loss for the year		(19,526,610)	(18,859,790)

(The notes on pages 1 to 36 are an integral part of these financial statements)

BPI Securities Corporation

Statements of Comprehensive Income
For the years ended December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	2025	2024
Net loss for the year		(19,526,610)	(18,859,790)
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Realized loss on sale of FVOCI	6	(28,176)	(35,286)
Net change in fair value reserve on equity instruments measured at FVOCI, net of tax	12	587	(6,925)
Remeasurement loss on retirement benefits, net of tax	14	(2,913,377)	(5,457,514)
		(2,940,966)	(5,499,725)
Total comprehensive loss for the year		(22,467,576)	(24,359,515)

(The notes on pages 1 to 36 are an integral part of these financial statements)

BPI Securities Corporation

Statements of Changes in Equity
For the years ended December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Note	Share capital	Share Premium	Accumulated reserves	Retained earnings		Total	Total equity
					Appropriated	Unappropriated		
Balances at January 1, 2024		199,750,000	2,611,610	(5,624,237)	73,615,968	377,659,337	451,275,305	648,012,678
Comprehensive income								
Net loss for the year		-	-	-	-	(18,859,790)	(18,859,790)	(18,859,790)
Other comprehensive loss		-	-	(5,499,725)	-	-	-	(5,499,725)
Total comprehensive income for the year		-	-	(5,499,725)	-	(18,859,790)	(18,859,790)	(24,359,515)
Transaction with owner								
Transfer of realized loss on disposal of financial assets at FVOCI to retained earnings	6	-	-	35,286	-	(35,286)	(35,286)	-
Total transactions with owner		-	-	35,286	-	(35,286)	(35,286)	-
Balances at December 31, 2024		199,750,000	2,611,610	(11,088,676)	73,615,968	358,764,261	432,380,229	623,653,163
Comprehensive income								
Net loss for the year		-	-	-	-	(19,526,610)	(19,526,610)	(19,526,610)
Other comprehensive loss		-	-	(2,940,966)	-	-	-	(2,940,966)
Total comprehensive loss for the year		-	-	(2,940,966)	-	(19,526,610)	(19,526,610)	(22,467,576)
Transaction with owner								
Transfer of realized loss on disposal of financial assets at FVOCI to retained earnings	6	-	-	28,176	-	(28,176)	(28,176)	-
Total transactions with owner		-	-	28,176	-	(28,176)	(28,176)	-
Balances at December 31, 2025		199,750,000	2,611,610	(14,001,466)	73,615,968	339,209,475	412,825,443	601,185,587

(The notes on pages 1 to 36 are an integral part of these financial statements)

BPI Securities Corporation

Statements of Cash Flows For the years ended December 31, 2025 and 2024 (All amounts in Philippine Peso)

	Notes	2025	2024
Cash flows from operating activities			
Loss before income tax		(17,913,515)	(19,245,605)
Adjustments for:			
Depreciation	8	12,520,590	12,350,669
Interest expense	17	4,803,133	5,441,241
Retirement benefit expense	14	707,623	540,218
Amortization of other assets		-	19,679
Amortization of discount of investment at amortized cost	7	(585,688)	(639,537)
Unrealized gains on financial assets at FVTPL	5	(7,398,270)	(5,398,738)
Interest income	2,7	(4,029,333)	(4,818,909)
Dividend income	6	(3,645)	(12,915)
Provision for impairment losses		290,845	3,828,293
Operating loss before changes in operating assets and liabilities		(11,608,260)	(7,935,604)
Changes in operating assets and liabilities			
Decrease (increase) in:			
Trade receivables from			
Customers		128,627,383	(181,614,218)
Clearing house		-	99,055,772
Others		1,795,389	(1,190,752)
Prepaid expenses		128,892	2,142
Other assets		(23,394,563)	(19,990,563)
(Decrease) increase in:			
Trade payables to			
Customers		36,388,023	(83,408,165)
Clearing house		(156,699,429)	180,821,057
Accounts payable and other liabilities		(20,806,807)	10,591,135
Cash generated used in operations		(45,569,372)	(3,669,196)
Dividend received	6	3,645	12,915
Interest received on deposits with banks	2	532,677	554,372
Contributions to retirement benefit fund	14	(4,622,125)	(3,821,201)
Payment of interest portion of lease liability	17	(4,803,133)	(5,441,241)
Income taxes paid		(1,561,780)	(281,127)
Net cash generated used in operating activities		(56,020,088)	(12,645,478)
Cash flows from investing activities			
Interest received on investment security at amortized cost	7	3,947,698	4,264,537
Acquisition of investment security at amortized cost	7	(102,033,452)	-
Proceeds from maturities of investment securities at amortized cost	7	100,000,000	-
Disposal of financial assets at FVOCI	6	101,445,656	10,069,890
Acquisition of financial assets at FVOCI	6	(101,483,387)	(10,086,563)
Acquisitions of property and equipment	8	(243,000)	(59,040)
Net cash from investing activities		1,633,515	4,188,824
Cash flows from financing activity			
Payment of lease liability	17	(9,804,552)	(8,470,809)
Net decrease in cash		(64,191,125)	(16,927,463)
Cash			
At January 1		589,936,007	606,863,470
At December 31	2	525,744,882	589,936,007

(The notes on pages 1 to 36 are an integral part of these financial statements.)

BPI Securities Corporation

Notes to the Financial Statements

As at and for the years ended December 31, 2025 and 2024

(All amounts are shown in Philippine Peso unless otherwise stated)

1 General information

BPI Securities Corporation (the "Company") was established in the Philippines primarily to engage in the brokerage business for the purchase and sale of any and all kinds of shares, bonds, debentures, securities and any and all kinds of properties, either in the Philippines or in any foreign country; to underwrite and distribute securities issued by another person, firm, corporation or association, whether domestic or foreign; and to sell the aforesaid securities to customers and/or to act as broker and/or dealer of securities. The Company was registered with the Securities and Exchange Commission (SEC) on August 26, 1980 and is a registered trading participant of the Philippine Stock Exchange, Inc. (PSE).

In July 2000, the Company launched "bpitrade.com", an on-line stock trading facility via internet or through wireless access protocol which enables clients to view live stock market information, do online buying and selling of stocks and access its research reports.

The Company is a wholly-owned subsidiary of BPI Capital Corporation (BPI Capital). BPI Capital, in turn, is a wholly-owned subsidiary of Bank of the Philippine Islands (BPI or the "Parent Bank"), a domestic commercial bank with an expanded banking license and is publicly listed with the Philippine Stock Exchange (PSE). Both BPI Capital and BPI are registered and domiciled in the Philippines.

The Company has 61 employees as at December 31, 2025 (2024 - 60 employees).

These financial statements have been approved and authorized for issuance by the Company's Board of Directors (BOD) on April 29, 2026.

2 Cash

The account at December 31, 2025 and 2024 consists of regular savings and demand deposits bearing interest at prevailing market rates.

Interest income earned from cash as at December 31, 2025 amounts to P0.53 million (2024 - P0.55 million).

3 Trade receivables from/Trade payables to customers

The accounts at December 31 consist of:

	2025	2024
Trade receivables from customers		
Cash and fully secured accounts	101,517,979	214,380,615
Partly secured accounts	7,322,315	24,674,310
Unsecured accounts	9,052,514	7,465,266
	117,892,808	246,520,191
Allowance for impairment	(1,394,088)	(1,394,088)
	116,498,720	245,126,103
Trade payables to customers	289,730,473	253,342,450

Securities owned by customers are held as collateral for trade receivables from customers. The fair value of such collateral is disclosed in the statement of financial position.

Except for a few impaired accounts sufficiently covered by allowance, trade receivables from customers at December 31, 2025 and 2024 are fully performing and with low credit risk.

Allowance for impairment on trade receivables from customers as at December 31, 2025 and 2024 amount to P1,394,088.

The provision for impairment is recorded as part of Other expenses in the statement of income.

Critical accounting estimate - Impairment of trade receivables

The Company has applied the simplified approach in determining the recoverable amount of trade and other receivables based on the expected credit losses (ECL) of the portfolio of receivables as a whole. In arriving at the ECL for a particular period, management considers both historical loss experience and certain macroeconomic factors.

In these cases, management uses judgments based on the best available facts and circumstances, including but not limited, to the length of relationship with the related parties and whether there had been payment defaults in the past. An evaluation of receivables designed to identify potential charges to the provision is performed on a continuous basis throughout the year. The carrying value of receivables at the end of each reporting period and the amount and timing of recorded provision for any period could differ based on actual experience and changes in judgments made.

The detailed accounting policy for credit losses is disclosed in Note 20. Likewise, information on the credit quality of trade receivables is presented in Note 18.

4 Trade receivables from/Trade payables to clearing house

Trade receivables from/trade payables to clearing house represent amount receivable from/owing to the Securities Clearing Corporation of the Philippines (SCCP) arising from buying and selling transactions during the last two trading days of the year. These are collectible/payable within two trading days from the date of transaction.

5 Financial assets at FVTPL

The account at December 31 consists of investment in mutual fund composed of high-grade fixed-income investments and securities. In compliance with Securities Regulation Code (SRC) Rule 49.2 - Customer Protection Reserves and Custody of Securities, the Company designated all of its investment in mutual fund as special reserve account.

	2025	2024
Beginning balance	175,141,669	169,742,931
Fair value adjustment	7,398,270	5,398,738
Ending balance	182,539,939	175,141,669

6 Financial assets at FVOCI

The account at December 31, 2025 and 2024 consists of equity shares issued by Philippine corporations that are traded in the PSE. Dividend income incurred from investments in equity securities for the year ended December 31, 2025 amounts to P3,645 (2024 - P12,915) and is presented as part of Other income in the statement of income (Note 13).

The movements in the account as at December 31 are as follows:

	2025	2024
Beginning balance	54,433	82,023
Additions	101,483,387	10,086,563
Disposals	(101,473,832)	(10,105,176)
Fair value adjustment	783	(8,977)
Ending balance	64,771	54,433

The realized loss on sale of these securities as at December 31, 2025 is amounting to P28,176 (2024 - P35,286).

7 Investment security at amortized cost

The account at December 31 consists of:

	2025	2024
Government security	102,156,018	99,536,879
Accrued interest receivable	666,667	1,117,708
	102,822,685	100,654,587

During 2025, an investment security with fair value of P94.7 million matured on September 20, 2025, resulting in proceeds of P100 million. In the same year, the Company acquired a new investment security with a face value of P100 million for a purchase price of P102 million. The newly acquired investment security at amortized cost matures on August 20, 2030 and is classified as non-current.

For the years ended December 31, 2025 and 2024, the investment security at amortized cost bear an effective interest rate of 4.38% and 4.31%, respectively. Interest income earned from investment security at amortized cost as at December 31, 2025 amounts to P3.50 million (2024 - P4.26 million).

Critical accounting judgment - Impairment of investment security at amortized cost

Government securities at amortized cost are deemed by the Company to have low credit risk. Debt instruments are considered as low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The Company uses external ratings in assessing the credit risk arising from these exposures. Low credit risk assets are at the minimum subject to 12-month ECL. Based on management's assessment, the corresponding 12-month ECL is not material.

The detailed accounting policy for ECL is disclosed in Note 20. Likewise, information on the credit quality of the investment security at amortized cost is presented in Note 18.

8 Property and equipment, net

Details and movements of the account follow:

	Computer equipment	Furniture, fixtures and equipment	Office space and leasehold improvements (Note 17)	Total
Cost				
January 1, 2024	9,896,011	5,751,841	84,919,997	100,567,849
Additions	59,040	-	-	59,040
Retirement	(7,381,120)	(3,701,049)	-	(11,082,169)
December 31, 2024	2,573,931	2,050,792	84,919,997	89,544,720
Additions	-	243,000	-	243,000
Retirement	-	-	-	-
December 31, 2025	2,573,931	2,293,792	84,919,997	89,787,720
Accumulated depreciation				
January 1, 2024	9,881,629	5,751,625	6,138,794	21,772,048
Depreciation	73,079	-	12,277,590	12,350,669
Retirement	(7,380,867)	(3,700,870)	-	(11,081,737)
December 31, 2024	2,573,841	2,050,755	18,416,384	23,040,980
Depreciation	-	243,000	12,277,590	12,520,590
Retirement	-	-	-	-
December 31, 2025	2,573,841	2,293,755	30,693,974	35,561,570
Net book value, December 31, 2024	90	37	66,503,613	66,503,740
Net book value, December 31, 2025	90	37	54,226,023	54,226,150

Critical accounting estimate - Useful lives of property and equipment

The Company determines the estimated useful lives of its property and equipment based on the period over which the assets are expected to be available for use. The Company annually reviews the estimated useful lives of property and equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental and anticipated use of assets tempered by related industry benchmark information. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

The Company considers that it is impracticable to disclose with sufficient reliability the possible effects of sensitivities surrounding the carrying values of property and equipment.

Critical accounting judgement - Impairment of property and equipment

The Company assesses whether there are any indicators of impairment for property and equipment at the end of each reporting period. Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized whenever evidence exists that the carrying value is not recoverable.

Management believes that there are no impairment indicators, such as events or changes in circumstances, that indicate the carrying amount of property and equipment may not be recoverable as at December 31, 2025 and 2024.

9 Trading right

The Company has assessed that the trading right is an intangible asset with an indefinite useful life since it allows the Company to operate as a broker/dealer in securities as long as it is legally allowed to do so. Such assessment, however, is re-evaluated annually in conformity with Philippine Accounting Standard (PAS) 38, Intangible Assets.

The latest transacted price of the trading right as provided by the PSE amounts to P7,700,000 as at December 31, 2025 (2024 – P8,000,000).

As at December 31, 2025 and 2024, management believes, based on its assessment and judgement, that there are no indications of impairment or changes in the circumstances indicating that the carrying value of its trading right may not be recoverable.

10 Other assets

The account at December 31 consists of:

	Note	2025	2024
Creditable withholding tax		87,372,516	68,976,541
Clearing and trade guaranty fund		18,995,249	22,193,810
Retirement benefit plan asset	14	16,239,771	12,934,499
Input value-added tax		4,604,402	4,375,996
Security deposit		277,439	277,439
Miscellaneous assets		895,630	1,610,864
		128,385,007	110,369,149
Allowance for probable losses		-	(2,270,693)
		128,385,007	108,098,456

The movements in the Company's allowance for probable losses on creditable withholding tax follow:

	2025	2024
January 1	2,270,693	-
Provision for probable losses	-	2,270,693
Write-off	(2,270,693)	-
	-	2,270,693

The clearing and trade guaranty fund pertains to the monthly contribution as made by the Company to the SCCP amounting to 1/500 of 1% of the clearing member's total monthly turnover value net of block sales and cross transactions. This acts as a fund to cover the member's obligations in case of default.

Miscellaneous assets include tax credits and prepaid expenses for employee related benefits.

11 Accounts payable and other liabilities

The account at December 31 consists of:

	Notes	2025	2024
Due to Parent Bank	16	99,888,963	127,477,746
Accrued manpower		14,478,365	13,572,096
Accounts payable		8,099,753	2,937,031
Output value-added tax	21	7,769,417	6,586,055
Accrued expenses		6,139,503	5,973,322
Withholding taxes payable	21	4,088,196	4,947,140
Accrued taxes and licenses		941,715	1,313,759
Accrued income tax payable		454,586	403,271
Miscellaneous		1,167,514	3,233,273
		143,028,012	166,443,693

Accrued manpower mainly pertains to performance bonus.

Accounts payable pertains to the obligation related to the Initial Public Offering (IPO) subscription and stock rights offering.

Accrued expenses include accrued brokerage and system fees while Miscellaneous liabilities mainly pertain to SSS, HDMF and final pay for employees.

12 Equity

(a) Share capital

Share capital as at December 31, 2025 and 2024 consists of:

	Number of shares	Amount
Authorized capital stock at P10 par value per share	20,000,000	200,000,000
Issued and outstanding	19,975,000	199,750,000

The excess amount received over the par value of the issued shares amounting to P2.6 million was recognized as share premium in the statement of financial position as at December 31, 2025 and 2024.

(b) Retained earnings

Under Section 43 of the Corporation Code of the Philippines, stock corporations are prohibited from retaining surplus profits in excess of one hundred percent (100%) of their paid-in capital stock, except:

- When justified by definite corporate expansion projects or programs approved by the BOD;
- When the Corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not yet been secured; or
- When it can be clearly shown that such retention is necessary under special circumstances, such as when there is a need for reserve for probable contingencies.

The risk-based capital adequacy (RBCA) framework also requires, among other things, that every broker/dealer with more than P50,000,000 unimpaired paid-up capital appropriate, at a minimum, 10% of its audited net income to appropriated retained earnings. Accordingly, no appropriation was made in 2025 and 2024 since the Company is in a net loss position.

As at December 31, 2025 and 2024, the Company has retained earnings in excess of its paid-up capital amounting to P136.85 million and P156.40 million, respectively. Management intends to retain these excess retained earnings to fund enhancements to the new BPI Trade web and mobile application, supporting continued growth in the online retail segment.

(c) *Accumulated reserves*

The details and movements of the account for the years ended December 31 are summarized as follow:

	Note	2025	2024
Fair value reserve on FVOCI			
Beginning of year		(331,477)	(324,552)
Unrealized fair value gain (loss)		783	(9,234)
DIT effect		(196)	2,309
End of year		(330,890)	(331,477)
Remeasurement loss on retirement benefit plan			
Beginning of year		(11,088,676)	(5,299,685)
Remeasurement loss	14	(3,442,533)	(7,276,685)
DIT effect		860,633	1,819,171
End of year		(13,670,576)	(10,757,199)
		(14,001,466)	(11,088,676)

13 Other income, net

The account for the years ended December 31 consists of:

	Note	2025	2024
Exchange fee income		21,708,990	21,908,211
Dividend income	6	3,645	12,915
Foreign exchange gain		7,294	207,225
Loss on client trades		(220,266)	(14,368)
Other miscellaneous (expense) income		273,064	1,301,991
		21,772,727	23,415,974

Exchange fee income represents fees charged to clients in relation to trading transactions, including fees from PSE, SCCP, and PDTC, and other administrative fees.

The related exchange fee expense of exchange fee income amounts to P2.92 million in 2025 (2024 - P8.88 million) and is presented as part of Brokering expense in the statement of income.

14 Retirement benefit plan

BPI and its subsidiaries (the "BPI Group"), which includes the Company, have trustee, non-contributory retirement benefit plan (the "BPI unified plan") covering all qualified officers and employees.

Effective January 1, 2016, the Plan is divided into two separate funds from which the retirement benefits shall be obtained; the defined benefit (DB) fund and defined contribution (DC) fund which is accounted for as a defined benefit plan with minimum guarantee. These funds are administered by a trustee, governed by local regulations and practice in the Philippines.

All non-unionized employees hired on or after the effective date are automatically under the new DC plan. Employees hired prior to the effective date shall have the option to elect to become members of the new DC plan. The normal retirement age under the BPI unified plan is 60.

Under the DB plan, normal retirement benefit consists of a lump sum benefit equivalent to 200% of the basic monthly salary of the employee at the time of retirement for each year of service, and if it have rendered at least 10 years of service, or to 150% of its basic monthly salary, if it has rendered less than 10 years of service. For voluntary retirement, the benefit is equivalent to 112.50% of the employee's basic monthly salary for a minimum of 10 years of service with the rate factor progressing to a maximum of 200% of basic monthly salary for service years of 25 or more. Death or disability benefit, on the other hand, shall be determined on the same basis as in normal or voluntary retirement.

The DC fund is a separate and allocated fund established to hold contributions made by the members and the Company for the members' behalf, and the corresponding investment earnings and losses on such contributions. The Company contributes monthly to the DC fund based on a certain percentage of each member's monthly basic salary. A member shall not be allowed to withdraw his individual account balance prior to separation from the Company. The defined benefit is the total of a) greater of the balance under the Fund or minimum benefit guarantee based on the provisions of Republic Act ("RA") No. 7641 and b) 100% of the updated member balance (Employee contributions Fund).

An independent actuary conducts a periodic actuarial valuation of the DB plan using the projected unit credit method. The amount recognized in the statement of financial position under the DB plan as at December 31 follows:

	Note	2025	2024
Fair value of plan assets		30,139,904	25,420,453
Present value of defined benefit obligation		(8,224,236)	(6,688,577)
Excess of plan assets over defined benefit obligation		21,915,668	18,731,876
Asset ceiling limit		(7,854,696)	(5,797,377)
Retirement benefit asset	10	14,060,972	12,934,499

The movements in the present value of defined benefit obligation for the years ended December 31 follow:

	2025	2024
Beginning of year	6,688,577	5,098,951
Current service cost	1,294,827	586,993
Interest cost	409,341	307,467
Remeasurement (gain) loss	(168,509)	695,166
End of year	8,224,236	6,688,577

The movements in fair value of plan asset for the years ended December 31 are as follows:

	2025	2024
Beginning of year	25,420,453	21,753,969
Interest income	1,569,282	1,321,451
Contributions	489,685	-
Remeasurement gain	2,660,484	2,345,033
End of year	30,139,904	25,420,453

The components of retirement benefit expense recognized in the statement of income for the years ended December 31 consist of:

	2025	2024
Current service cost	1,294,827	586,993
Net interest income	(1,159,941)	(1,013,984)
Interest on the effect of the asset ceiling	354,799	437,403
Retirement expense	489,685	10,412

Retirement benefit expense is presented as part of Compensation and fringe benefits account for the years ended December 31, 2025 and 2024.

The movements in reserve for remeasurement of defined benefit obligation as at December 31 are as follows:

	2025	2024
Beginning of year	(3,172,758)	(514,998)
Remeasurement (gain) loss recognized in OCI		
Remeasurement (gain) loss on DBO	(168,509)	695,166
Remeasurement gain on plan assets	(2,660,484)	(2,345,033)
Changes in the effect of asset ceiling	1,702,519	(1,893,813)
	(1,126,474)	(3,543,680)
	(4,299,232)	(4,058,678)
DIT effect	281,618	885,920
End of year	(4,017,614)	(3,172,758)

The composition of the plan assets at fair value as at December 31 are as follows:

	2025		2024	
	Amount	%	Amount	%
Debt securities	18,499,873	61	16,436,865	65
Equity securities	6,959,304	23	5,396,762	21
Others	4,680,727	16	3,586,826	14
	30,139,904	100	25,420,453	100

Pension plan assets of the unified retirement plan include investment in BPI's common shares.

The actual return on plan assets attributable to the Company for the year ended December 31, 2025 was a loss of P4,229,766 (2024 - P3,666,484 loss).

The Company has no other transactions with the fund other than the contributions presented above.

The principal actuarial assumptions used as at December 31 are as follows:

	2025	2024
Discount rate	6.09%	6.12%
Future salary increases	6.00%	6.00%

Assumptions regarding future mortality and disability experience are based on published statistics generally used for local actuarial valuation purposes.

The defined benefit plan typically exposes the Company to a number of risks such as investment risk, interest rate risk and salary risk. The most significant of which relate to investment and interest rate risk. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. A decrease in government bond yields will increase the defined benefit obligation although this will also be partially offset by an increase in the value of the plan's fixed income holdings. Hence, the present value of defined benefit obligation is directly affected by the discount rate to be applied by the Company. However, the Company believes that due to the long-term nature of the pension liability and the strength of the Company itself, the mix of debt and equity securities holdings of the plan is an appropriate element of the Company's long term strategy to manage the plan efficiently.

The Company ensures that the investment positions are managed within an asset-liability matching framework that has been developed to achieve long-term investments that are in line with the obligations under the plan. The Company's main objective is to match assets to the defined benefit obligation by investing primarily in long-term debt securities with maturities that match the benefit payments as they fall due. The asset-liability matching is being monitored on a regular basis and potential change in investment mix is being discussed with the trustor, as necessary to better ensure the appropriate asset-liability matching.

For the year ended December 31, 2025, the weighted average duration of the defined benefit obligation is 8.68 years (2024 - 8.73 years). The expected contribution for the year ending December 31, 2025 amounts to P1,086,079.

Critical accounting estimate and assumption: Principal assumptions and estimation of retirement obligation

The present value of the retirement benefit obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for pensions include the discount rate and future salary increases. Any changes in these assumptions will impact the carrying amount of the retirement benefit obligation.

The Company determines the appropriate discount rate at the end of each period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefit obligation. In determining the appropriate discount rate, the Company considers the interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related retirement obligation.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is presented as follows:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
<i>December 31, 2025</i>			
Discount rate	+/- 1.0%	(765,635)	662,635
Salary increase rate	+/- 1.0%	758,642	(669,037)
<i>December 31, 2024</i>			
Discount rate	+/- 1.0%	(541,056)	626,477
Salary increase rate	+/- 1.0%	620,925	(546,625)

The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the retirement benefit obligation recognized in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

DC plan

As discussed above, the Company maintains a DC plan that promises a DB minimum guarantee.

Following are the details of the Company's DB obligation for the DB minimum guarantee:

The amount recognized in the statement of financial position under the DC plan as at December 31 follows:

	2025	2024
Fair value of plan assets	30,128,577	21,364,488
Present value of defined benefit obligation	(27,949,778)	(21,282,241)
Retirement benefit asset	2,178,799	82,247
Asset ceiling limit	-	(82,247)
	2,178,799	-

Management expects that retirement benefits of the DC plan will remain adequate to meet the DB minimum guarantee.

The movements in the present value of minimum DB obligation for the year ended December 31 are as follows:

	2025	2024
Beginning of year	21,282,241	3,670,237
Current service cost	425,482	543,892
Interest cost	1,121,674	224,986
Transfer from the plan	(1,940,281)	(4,906,126)
Remeasurement loss	7,060,662	21,749,252
End of year	27,949,778	21,282,241

The movements in the fair value of plan asset for the year ended December 31, 2025 are as follows:

	2025	2024
Beginning of year	21,364,488	18,210,385
Contributions	4,132,440	3,821,201
Interest income	1,329,218	1,130,383
Remeasurement gain (loss)	3,302,431	(1,797,481)
End of year	30,128,577	21,364,488

The components of retirement benefit expense recognized in the statement of income for the years ended December 31 consist of:

	2025	2024
Current service cost	425,482	543,892
Net interest income	(207,544)	(905,397)
Interest on the effect of the asset ceiling	-	891,311
Retirement expense	217,938	529,806

The movements in reserve for remeasurement of net defined contribution asset as at December 31 are as follows:

	2025	2024
Beginning of year	15,872,525	7,757,251
Remeasurement loss recognized in OCI		
Remeasurement loss (gain) on defined benefit obligation	7,060,662	21,749,252
Remeasurement loss (gain) on plan assets	(3,302,431)	1,797,480
Changes in the effect of asset ceiling	-	(12,726,367)
	3,758,231	10,820,365
	19,630,756	18,577,616
DIT effect	(939,558)	(2,705,091)
End of year	18,691,198	15,872,525

Expected maturity analysis of undiscounted retirement benefits as at December 31:

	2025	2024
Between 1 to 5 years	4,736,452	4,981,667
Over 5 years	48,144,073	17,286,056

15 Income taxes

DIT assets, net as at December 31 represent the tax effects of the following temporary differences, including the period in which the temporary differences are expected to be recovered or settled:

	2025	2024
DIT assets		
Provision for short-term employee benefits	3,619,591	3,393,024
Unamortized past service cost	722,113	894,341
Retirement benefit liability	-	(885,920)
Allowance for impairment losses	348,522	1,305,595
Fair value loss on FVOCI	105,917	106,114
Audit accrual fee	82,335	-
Minimum corporate income tax	5,183,309	3,227,427
	10,061,787	8,040,581
DIT liabilities		
Retirement benefit asset	(3,515,243)	(2,361,099)
	6,546,544	5,679,482

Critical accounting judgment: Realization of DIT assets

Management reviews at each reporting date the carrying amounts of DIT assets. The carrying amount of DIT assets is reduced to the extent that the related tax assets cannot be utilized due to insufficient taxable profit against which the DIT losses will be applied. Management believes that sufficient taxable profit will be generated to allow all the DIT assets to be utilized.

The movement in the DIT assets, net for the year ended December 31 are as follows:

	2025	2024
Beginning of year	5,679,482	3,800,290
(Charged against) credited to statement of income	(807,006)	(1,342,451)
Charged against (credited to) other comprehensive income	1,674,068	3,221,643
End of year	6,546,544	5,679,482

The reconciliation between income tax benefit (expense) at the statutory rate and the actual income tax presented in the statement of comprehensive income for the years ended December 31 follows:

	2025		2024	
	Amount	Rate	Amount	Rate
Statutory income tax	(4,478,379)	(25.00%)	(4,811,401)	(25.00)
Income subjected to lower tax rates, net	(286,006)	(1.60%)	(369,741)	(1.92)
Tax-exempt income	83,851	0.47%	(1,231,264)	(6.40)
Others, net	6,293,629	35.13%	6,026,591	31.32
Effective income tax expense (benefit)	1,613,095	9.00	(385,815)	(2.00)

The Company has unrecognized DIT assets on NOLCO incurred in the taxable year 2025 and 2024 which will expire in 2027 and 2026 amounting to P27.98 million and P19.74 million, respectively.

In 2025, the Company is subject to minimum corporate income tax (MCIT) which is computed at 2.00% of gross income, as defined under the tax regulations. MCIT amounted to P1.95 million (2024 - P1.73 million).

16 Related party transactions

In the normal course of the business, the Company transacts with its Parent Bank and other related entities and with its directors, officers, shareholders and related interest (DOSRI).

These transactions such as loans and advances, deposit arrangements, underwriting/advisory services and advances for operating expenses are made in the normal operating activities and have terms and conditions that are generally comparable to those offered to non-related parties and to similar transactions in the market.

Significant related party transactions and outstanding balances as at and for the years ended December 31 are summarized below:

	2025		
	Transactions for the year	Outstanding balances	Terms and conditions
<i>Payables to:</i>			
<i>Affiliates</i>			
Ayala Land, Inc.	1,350,120	-	- These are unsecured, non-interest bearing, payable in cash on demand arising from the Company's lease arrangement entered into in 2023, which includes payments for lease and common area charges.
AREIT, Inc.	14,607,691	-	- These are unsecured, non-interest bearing, payable in cash on demand arising from the Company's lease arrangement entered into in 2024, which includes payments for lease, common area charges and utilities.
<i>Parent Bank</i>	28,145,085	99,825,630	These are unsecured, non-interest bearing, payable in cash on demand arising from various shared costs with the Parent Bank.
<i>Entities under common control</i>			
BPI AIA Life Assurance Corporation	519,156	-	- This refers to the group life insurance expense of the Company.
BPI MS Insurance Corporation	2,367	-	- This refers to the building insurance expense of the Company.
<i>Deposits to:</i>			
Parent Bank	(20,233,373)	414,494,527	These are demand deposits bearing an average annual interest rates of 0.125%.

	2024		
	Transactions for the year	Outstanding balances	Terms and conditions
Payables to:			
<i>Affiliates</i>			
Ayala Land, Inc.	6,834,201	-	These are unsecured, non-interest bearing, payable in cash on demand arising from the Company's lease arrangement entered into in 2023, which includes payments for lease and common area charges.
AREIT, Inc.	7,077,869	-	These are unsecured, non-interest bearing, payable in cash on demand arising from the Company's lease arrangement entered into in 2024, which includes payments for lease, common area charges and utilities.
<i>Parent Bank</i>	12,536,867	127,477,746	These are unsecured, non-interest bearing, payable in cash on demand arising from various shared costs with the Parent Bank.
<i>Entities under common control</i>			
BPI AIA Life Assurance Corporation	1,582,080	-	This refers to the group life insurance expense of the Company.
BPI MS Insurance Corporation	2,367	-	This refers to the building insurance expense of the Company.
Deposits to:			
Parent Bank	(22,997,810)	540,761,656	These are demand deposits bearing an average annual interest rates of 0.125%.

The aggregate amounts included in the determination of income before income tax that resulted from transactions from related parties are as follows:

	2025	2024
Interest income		
Parent Bank	499,940	511,937
Outsourcing services*		
Parent Bank	35,524,214	20,449,272
Retirement benefits**		
Key management personnel	1,779,059	2,139,345

*Recorded as part of outsourcing services in the statement of comprehensive income

**Recorded as part of compensation and fringe benefits in the statement of comprehensive income

	2025	2024
Commission income and Fees		
BPI Asset Management and Trust Corporation	43,848,103	45,092,075
Ayala Land Inc.	6,354,155	6,481,351
BPI Investments Inc.	3,475,732	5,234,580
Ayala Corporation	2,256,109	9,268,406
BPI Capital Corporation	1,574,847	40,978
AC Energy and Infrastructure Corporation	846,741	333,362
BPI International Finance Ltd	811,801	571,272
BPI MS Insurance Corporation	89,784	-
BPI Century Tokyo Lease and Finance Corporation	-	1,618
Salaries, allowances and other short-term benefits		
Key management personnel	26,826,132	21,474,821
Directors' remuneration	1,150,000	1,250,000

Outsourcing services being provided by the Parent Bank include data processing fees, computer service fees, software costs and other shared division expenses.

Commission income are income earned on the execution of trade transactions.

There are no loans of any kind granted to directors in 2025 and 2024.

17 Leases

The Company had an assignment of lease contract with the Parent bank and Ayala Land, Inc. for its office space renewable under certain terms and conditions and for a period of 4 years with lease term commencing on January 16, 2019 until April 30, 2023. The lease agreement was renewed for another three (3) months from May to July 2023.

On July 2023, the Company has entered into a new lease contract with AREIT, Inc. and has relocated to its new office located on the 23rd Floor, Ayala Triangle Gardens Tower 2, Paseo De Roxas corner Makati Avenue, Makati City 1226. The lease term is for July 1, 2024 until May 31, 2030.

The balances arising from these leases are presented below:

a) Right-of-use assets and lease liability

The statement of financial position shows the following amounts relating to leases as at December 31:

Details of right-of-use asset and lease liability at December 31 are as follows:

	Note	2025	2024
<i>Right-of-use asset</i>	8		
Office space and leasehold improvements		54,226,023	66,503,613
<i>Lease liability</i>			
Current		11,271,108	9,804,552
Non-current		51,564,211	62,835,319
		62,835,319	72,639,871

The movement in lease liability is shown below:

	2025	2024
At January 1	72,639,871	81,110,680
Interest expense	4,803,133	5,441,241
Cash outflows for principal and interest payments	(14,607,685)	(13,912,050)
At December 31	62,835,319	72,639,871

There are no variable lease payments as at December 31, 2025 and 2024.

Amounts recognized in the statement of income relating to leases as at December 31 are as follows:

	Note	2025	2024
Depreciation expense - Right-of-use asset	8		
Office space and leasehold improvements		12,277,590	12,277,590
Interest expense		4,803,133	5,441,241
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in "Other expenses")		1,701,109	1,603,214
		18,781,832	19,322,045

Critical accounting judgment - Determining the lease term

In determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Company did not consider the extension option in determining the lease term as the Company is not reasonably certain to extend the lease contract.

Critical accounting judgment - Determining the incremental borrowing rate

The Company's incremental borrowing rate applied to the lease liability arising from the lease contract entered into in 2019 and 2023 were 8.3077% and 7.0347%, respectively. The rate was determined in reference to the prevailing bank lending rates that are reflective of the Company's own credit risk taking into consideration the nature of the leased asset and other terms and conditions of the lease contracts.

18 Financial risk and capital management

The Company's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Company's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

The BOD provides written principles for overall risk management, as well as specific areas, such as, credit risk, market risk, liquidity risk and operational risk, among others.

The Risk Management Committee (RMC) is responsible for the management of market and liquidity risks. Its objective is to minimize adverse impacts on the Company's financial performance due to the unpredictability of financial markets. Market and credit risks management is carried out through policies approved by the Company's BOD. In addition, Internal Audit is responsible for the independent review of risk assessment measures and procedures and the control environment.

The most important type of risk that the Company manages are credit risk, market risk and liquidity risk. Market risk includes foreign exchange risk, interest rate risk and price risk.

18.1 Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will cause a financial loss for the Company by failing to discharge an obligation. Management therefore carefully manages its exposure to credit risk.

18.1.1 Credit risk management

The Company manages limits and controls concentrations of credit risk wherever they are identified, in particular, to individual counterparties and groups. Credit exposures arise principally in cash and cash equivalents, trade receivables from customers, clearing house and others, financial assets at fair value through profit or loss, and debt securities at amortized cost.

As mandated by SRC, trade receivables from customers and clearing house are settled within two days from transaction date. If full payment is not received within the required time and the amount of receivable is P10,000 and above, the broker dealer shall liquidate the transaction, or the unsettled portion thereof, starting on the next business day but not beyond 10 days following the last day for the customer to pay, unless such sale cannot be effected within said period for justifiable reasons in which case, notification in writing shall be made with the PSE and the SEC. If transaction is liquidated as a result of non-payment by the customer, prior to any subsequent purchase during the next ninety days, the customer shall be required to deposit sufficient funds in the account to cover each purchase transaction prior to execution of buy order. If amount from the sale is insufficient to fully settle the transaction, any other stock positions that the client may have will be disposed. These SRC provisions are likewise incorporated in the credit risk management policy of the Company and in effect, there is no significant exposure to credit risk in relation to trade receivables from customers and clearing house. Purchase transactions of clients are only allowed against available cash position or earmarked against current stock position. Securities owned by customers are held as collateral for amounts due from customers.

External ratings such as *Standard and Poor's* are used for purposes of evaluating risk exposure in relation to the government security held as financial assets at amortized cost.

18.1.2 Maximum exposure to credit risk before collateral held or other credit enhancements

The table below represents a maximum credit risk exposure to the Company without taking into account of any collateral held or other credit enhancements attached.

	2025	2024
Cash	525,744,882	589,936,007
Trade receivables from		
Customers, net	117,892,808	246,520,191
Clearing house, net	-	-
Others	953,668	2,749,057
Financial assets at FVTPL	182,539,939	175,141,669
Investment security at amortized cost	102,822,685	100,654,587
Clearing and trade guaranty fund*	18,995,249	22,193,810
Security deposit*	277,439	277,439
	949,226,670	1,137,472,760

*booked as part of Other assets

Credit quality of financial assets; impairment provisioning process

The following table contains an analysis of the credit risk exposure of each financial instrument.

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
Cash	525,744,882	-	-	525,744,882	589,936,007	-	-	589,936,007
Trade receivables from:								
Customers, net	117,892,808	-	-	117,892,808	246,520,191	-	-	246,520,191
Clearing house, net	-	-	-	-	-	-	-	-
Others	953,668	-	-	953,668	2,749,057	-	-	2,749,057
Financial assets at FVTPL	182,539,939	-	-	182,539,939	175,141,669	-	-	175,141,669
Investment security at amortized cost, net	102,822,685	-	-	102,822,685	100,654,587	-	-	100,654,587
Clearing and trade guaranty fund	18,995,249	-	-	18,995,249	22,193,810	-	-	22,193,810
Security deposit	277,439	-	-	277,439	277,439	-	-	277,439
Gross carrying amount	949,226,670	-	-	949,226,670	1,137,472,760	-	-	1,137,472,760
Loss allowance	(1,394,088)	-	-	(1,394,088)	(1,394,088)	-	-	(1,394,088)
Carrying amount	947,832,582	-	-	947,832,582	1,136,078,672	-	-	1,136,078,672

Trade receivables from customers, clearing house and other receivables

The Company applies the simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade and other receivables.

To measure the ECL, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of customers over a period of 36 month before December 31, 2025 and 2024, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified domestic GDP and the inflation rate as the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Company has trade receivables arising from transactions with customers and settled within two days. Substantially all of these receivables are considered current (not past due) as at December 31, 2025 and 2024. These receivables are backed by collateral in the form of customer's stockholdings. Trade receivables from clearing house are guaranteed by the SCCP. Likewise, there was no history of default or missed payment or write-offs during the observation period used for ECL measurement purposes, except for an insignificant portion which are considered as fully impaired amounting to P1.39 million as at December 31, 2025 and 2024.

(a) Cash in banks

The Company has cash deposited with local universal banks which carry a performing status (Stage 1). In the Philippines, universal banks are deemed of good credit and financial standing. Accordingly, management has assessed that credit risk is deemed minimal.

(b) Financial assets at FVTPL

The Company's financial assets at FVTPL are investments in mutual funds or open-end investment companies which are redeemable any time in accordance with their prospectus which carry a performing status (Stage 1).

(c) Investment security at amortized cost

As disclosed in Note 7, the Company has investments in Philippine government security which are fully performing (Stage 1). As at December 31, 2025 and 2024, the Philippines is rated "BBB" with a "stable" outlook by Fitch Ratings. Based on this credit rating, management has deemed that the ECL provision is insignificant for financial reporting purposes.

(d) Clearing and trade guaranty fund

Clearing and trade guaranty fund is the accumulated contribution of the Company to the SCCP. The clearing and trade guaranty fund shall be a risk management tool designed to protect clearing members against the default of a clearing member to deliver its committed securities and/or cash for settlement. This fund is refundable to the Company upon cessation of its business or termination of its membership with SCCP.

(e) Security deposit

Security deposit at December 31, 2025 and 2024 pertains to refundable deposit arising from the lease agreement related to the office premises, which is considered to be fully collectible.

18.2 Market risk management

The Company is exposed to market risk - the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk management is guided by policies and procedures reviewed by the Company's RMC and approved by the Executive Committee/BOD.

The Company reviews and controls market risk exposures in its trading operations. Trading portfolios include those positions arising from the Company's market-making transactions. The Company is not exposed to significant foreign exchange rate risk given its financial assets and liabilities are mostly denominated in Philippine peso.

To estimate its exposure to market risk relative to interest rates, the Company computes the statistical "value at risk" (VaR) on a monthly basis. The VaR measurement estimates, at 99% degree of confidence, the maximum loss, due to adverse market movements, that could be incurred by portfolios over assumed defeasance. As such, 99% of the time, the maximum loss in the value of the Company, given the historical volatility of rates will not exceed P2 million as at December 31, 2025 and 2024.

18.2.1 Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may also result in losses in the event that unexpected movements arise.

The Company is not exposed to significant interest rate risk as most of its financial instruments are either carried at amortized cost, carries fixed interest rate or short-term in nature and insensitive to the movements in market rates.

18.2.2 Price risk

The Company is exposed to price risk to the extent of its investment in mutual fund and equity securities. The assumed price volatilities used in the sensitivity analysis below represent the defined shift used by the Company to manage price risk based on the historical performance of the securities. Had the price of such investments increased/decreased, the Company's pre-tax income would approximately be higher/lower by:

	2025		2024	
	Increase/ decrease	Impact on pre-tax income	Increase/ decrease	Impact on pre- tax income
Investment in equity securities (pre-tax income)	2%	1,295	2%	1,089
Investment in mutual fund (pre-tax income)	2%	3,650,799	2%	3,502,833

18.3 Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations to customers. The Company's main objective in managing its liquidity profile is to ensure that adequate funding is available at all times to cover the settlement of the following financial liabilities:

	2025	2024
Trade payables to customers, net		
Customers, net	289,730,473	253,342,450
Clearing house	24,121,628	180,821,057
Lease liability	62,835,319	72,639,871
Accounts payable and other liabilities		
Due to Parent Bank	99,888,963	127,477,746
Accrued manpower	14,478,365	13,572,096
Accrued expenses	7,065,010	5,973,322
Accounts payable	6,139,503	2,937,031
Miscellaneous	1,148,821	3,233,273
	505,408,082	659,996,846

The Company's financial liabilities are mainly due within one (1) year from report dates. The Company's financial assets which can be unloaded within one month to cover the above financial liabilities are as follows:

	2025	2024
Cash	525,744,882	589,936,007
Trade receivables from		
Customers, net	116,498,720	245,126,203
Clearing house, net		-
Others	953,668	2,749,057
Clearing and trade guaranty fund	18,995,249	22,193,810
Miscellaneous assets	895,630	1,610,864
	663,088,149	861,615,941

The Company likewise does not accept margin accounts. Purchase transactions are required to be fully settled in cash and buy orders are only accepted when accounts are sufficiently funded.

18.4 Fair value hierarchy

The following table presents the fair value hierarchy of the Company's significant assets and liabilities at December 31:

2025	Fair value		Total
	Level 1	Level 2	
Recurring measurements			
Financial assets			
Financial assets at FVTPL	182,539,939	-	182,539,939
Financial assets at FVOCI	64,771	-	64,771
Fair value disclosed			
Financial assets			
Cash	-	525,744,882	525,744,882
Trade receivables from			
Customers, net	-	116,498,720	116,498,720
Clearing House	-	-	-
Others	-	953,668	953,668
Investment security at amortized cost	102,822,685	-	102,822,685
Clearing and trade guaranty fund	-	18,995,249	18,995,249
Security deposit	-	277,439	277,439
Financial liabilities			
Trade payables to customers, net	-	289,730,473	289,730,473
Lease liability	-	62,835,319	62,835,319
Accrued expenses and other liabilities	-	128,606,584	128,606,584

2024	Fair value		Total
	Level 1	Level 2	
Recurring measurements			
Financial assets			
Financial assets at FVTPL	175,141,669	-	175,141,669
Financial assets at FVOCI	54,433	-	54,433
Fair value disclosed			
Financial assets			
Cash	-	589,936,007	589,936,007
Trade receivables from			
Customers, net	-	245,126,103	245,126,103
Clearing House	-	-	-
Others	-	2,749,057	2,749,057
Investment security at amortized cost	100,654,587	-	100,654,587
Clearing and trade guaranty fund	-	22,193,810	22,193,810
Security deposit	-	277,439	277,439
Financial liabilities			
Trade payables to customers, net	-	253,342,450	253,342,450
Lease liability	-	72,639,871	72,639,871
Accrued expenses and other liabilities	-	149,960,195	149,960,195

There were no transfers between Level 1 and Level 2 during the years presented.

18.5 Offsetting of financial assets and liabilities

The following financial assets and liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements:

	2025		Net amount presented in the statement of financial position
	Gross amounts of recognized financial assets (liabilities)	Gross amounts of recognized financial assets (liabilities)	
Financial assets			
Trade receivables from Customers	181,149,409	(64,650,689)	116,498,720
Clearing house	(164,490,259)	164,490,259	-
Financial liabilities			
Trade payables to Customers	(312,595,686)	22,865,213	(289,730,473)
Clearing house	(188,611,887)	164,490,259	(24,121,628)
	2024		Net amount presented in the statement of financial position
	Gross amounts of recognized financial assets (liabilities)	Gross amounts of recognized financial assets (liabilities)	
Financial assets			
Trade receivables from Customers	283,376,415	(38,250,312)	245,126,103
Clearing house	101,842,756	(101,842,756)	-
Financial liabilities			
Trade payables to Customers	(291,592,762)	38,250,312	(253,342,450)
Clearing house	(282,663,813)	101,842,756	(180,821,057)

Trade receivable from customers in the statement of financial position are reported net of allowance for impairment as at December 31, 2025 and 2024 (Note 3).

For financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements above, each agreement between the Company and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

18.6 Capital management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern by maintaining a stable capital ratio so that it can continue to provide returns and benefits for shareholders and to maintain optimal capital structure to reduce cost of capital.

As part of its capital management strategy, the Company complies with the RBCA framework imposed by the SEC. RBCA is the ratio linking the net liquid capital to the broker dealer's total risk exposure calculated as the net liquid capital divided by total risk capital requirements (TRCR). TRCR is the sum of the following risks: (a) operational risk requirement, (b) credit risk requirement which include requirements for counterparty risk, settlement risk, large exposure risk and margin financing risk, and (c) position or market risk requirement.

As a rule for every trading participant, the Company is required to maintain an RBCA ratio of at least 110% and a net liquid capital of at least P5 million or five percent (5%) of its aggregate indebtedness, whichever is higher. Also, the Company's aggregate indebtedness should not exceed two thousand percent (2,000%) of its net liquid capital. In the event that the minimum RBCA ratio of 110% or the minimum NLC is breached, the Company shall immediately cease doing business as a broker and shall notify the PSE and the SEC.

As at December 31, 2025 and 2024, the Company's RBCA ratio is at 348% and 291%, respectively.

The Company is monitoring its capital structure, including the level of accumulated earnings to meet the required minimum RBCA ratio. Dividends are declared if there are excess accumulated earnings and a reasonable level of capital for operating and RBCA requirements has been established.

19 Contingencies

In the normal course of business, the Company has contingencies, including those that may arise from suits and claims under litigation, that are presently being contested. In the opinion of management, based on advice of legal counsels, the ultimate disposition of these contingencies will not have any significant effect on the statement of financial position and the statements of income, total comprehensive income and cash flows of the Company as at and for the years ended December 31, 2025 and 2024.

20 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

20.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with PFRS Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards
- PAS Standards; and
- interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and adopted by the SEC.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at FVTPL, financial assets at FVOCI, and plan assets of the Company's defined benefit plans.

The preparation of financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

Critical accounting estimates and judgment

- Impairment of trade receivables (Note 3)
- Impairment of investment security at amortized cost (Note 7)
- Useful lives of property and equipment (Note 8)
- Principal assumptions and estimation of retirement obligation (Note 14)
- Realization of DIT assets (Note 15)
- Determining the lease term (Note 17)
- Determining the incremental borrowing rate (Note 17)

Changes in accounting policy and disclosures

(a) Amendments to existing standards adopted by the Company

There are no new standards or amendments to existing standards effective January 1, 2025 that have a material impact to the Company.

(b) New standards, interpretations and amendments not yet adopted by the Company

The following new accounting standard are not mandatory for December 31, 2025 reporting period and has not been early adopted by the Company:

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

This is the new standard on presentation and disclosure in financial statements, which replaces PAS 1, with a focus on updates to the statement of profit or loss.

- The key new concepts introduced in PFRS 18 relate to:
 - The structure of the statement of profit or loss with defined subtotals;
 - Requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss
 - Required disclosures in a single note within the financial statements for certain profit or loss
 - performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
 - Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to PFRS 9 and PFRS 7

On May 30, 2024, the IASB issued targeted amendments to PFRS 9 Financial Instruments and PFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- (a) Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
- (c) Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- (d) Update the disclosures for equity instruments design

The adoption of PFRS 18, PFRS 19 and amendments to PFRS 9 and PFRS 7 are not expected to have a material financial effect to the financial statements of the Company.

There are no other new standards, amendments to existing standards, or interpretations that are effective for annual periods beginning on or after January 1, 2025 that are considered relevant or expected to have a material effect on the financial statements of the Company.

20.2 Financial instruments

20.2.1 Measurement methods

Amortized cost and effective interest rate

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortized cost before any impairment allowance) or to the amortized cost of a financial liability.

The calculation does not consider ECL and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

Initial recognition and measurement

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

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

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

- When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
- In all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

20.2.2 Financial assets

20.2.2.1 Classification and subsequent measurement

The Company classifies its financial assets in the following measurement categories: at FVTPL, FVOCI and at amortized cost. The classification requirements for debt and equity instruments are described below:

Debt instruments

Classification and subsequent measurement of debt instruments depend on the Company's business model for managing the asset and the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

- *Amortized cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any ECL allowance recognized and measured. Interest income from these financial assets is included in "Interest income" using the effective interest rate method. Amortized cost financial assets include cash, trade receivables and investment security at amortized cost, clearing and trade guaranty fund and security deposit.

- *FVOCI*

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in the statements of comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Interest income from these financial assets is included in "Interest income" using the effective interest rate method. Financial assets measured at FVOCI include various equity investments.

- *FVTPL*

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented in the statements of income within "Other expenses" in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case these are presented separately. Financial assets measured at FVTPL include investments in mutual funds or open-ended investment companies.

Business model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Bank considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Equity instruments

The Company subsequently measures all equity investments at FVTPL, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Company's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognized in other comprehensive income and are not subsequently reclassified to profit or loss, even on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in profit or loss as other income when the Company's right to receive payments is established. Gains and losses on equity investments at FVTPL are included in the "Other expenses" in the statement of income.

As at December 31, 2025, the Company has listed equity securities classified as FVOCI amounting to P64,771 (2024 - P54,433) (Note 6).

20.2.2.2 Impairment of financial assets

(a) Trade and other receivables

The Company applies the simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade and other financial receivables.

To measure the ECL, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of customers over a period of 36 month and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the domestic GDP and the inflation rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

(b) Debt investments

All of the Company's debt investments at amortized cost and FVOCI are considered to have low credit risk, and the loss allowance recognized is therefore limited to 12-month ECL. Management considers "low credit risk" for listed bonds to be an investment grade credit rating with at least one major rating agency. Other debt instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

20.2.3 Derecognition of financial assets

Financial assets are derecognized when the contractual right to receive cash flows from the financial assets has ceased to exist or the Company has transferred substantially all risks and rewards of ownership.

20.3 Financial liabilities

The Company classifies its financial liabilities as: (i) financial liabilities at FVTPL (including financial liabilities held for trading and those that are designated at fair value); and (ii) other financial liabilities measured at amortized cost.

20.3.1 Classification

(a) Financial liabilities at FVTPL

This category comprises two sub-categories: financial liabilities classified as held for trading, and financial liabilities designated by the Company as at FVTPL upon initial recognition.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller. The Company has no financial liabilities that are held for trading or designated at FVTPL.

(b) Other liabilities measured at amortized cost

The Company's other financial liabilities at amortized cost comprise mainly of trade payables, lease liability, accounts payable and other liabilities (except for payables to the Bureau of Internal Revenue and other government agencies for taxes and remittances and advances from a customer), which are carried at amortized cost using the effective interest rate method. These are included in current liabilities, except for maturities greater than 12 months after the reporting date or when the Company has an unconditional right to defer settlement for at least 12 months after the reporting date which are classified as non-current liabilities.

20.3.2 Recognition and measurement

(a) Recognition

Financial liabilities are recognized in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

(b) Measurement

Financial liabilities carried at FVTPL are initially recognized at fair value, and transaction costs are expensed in profit or loss. Other financial liabilities carried at amortized cost are initially recognized at fair value plus transaction cost.

Financial liabilities carried at FVTPL are subsequently carried at fair value. Other financial liabilities at amortized cost are subsequently measured at amortized cost using the effective interest rate method.

Gains or losses arising from changes in the fair value of financial assets and liabilities at FVTPL, including interest and dividend income and interest expense, are presented in profit or loss within other income (expenses) in the period in which they arise. Dividend income from financial assets at FVTPL is recognized in profit or loss as part of other income when the Company's right to receive payment is established.

(c) Derecognition

Financial liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires. When an existing financial liability is replaced by another financial liability from the same creditor with substantially different terms, or the terms of an existing liability are substantially modified, such modification is treated as a derecognition of the original financial liability and a recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in profit or loss within finance costs.

20.4 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Details of financial assets and liabilities subject to offsetting are disclosed in Note 18.5.

20.5 Determination of fair value of financial instruments

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfill an obligation.

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, Philippine Stock Exchange, Inc., Philippine Dealing and Exchange Corp., etc.).
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes the majority of the over-the-counter ("OTC") derivative contracts. The primary source of input parameters like LIBOR yield curve or counterparty credit risk is Bloomberg.

- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available.

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the most representative price within the bid-ask spread. These instruments are included in Level 1.

The fair value of assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the asset or liability is included in Level 2. If one or more of the significant inputs is not based on observable market data, the asset or liability is included in Level 3.

20.6 Property and equipment, net

Property and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of income during the year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate cost or residual values over the estimated useful lives of the assets as follows:

Computer equipment	3 years
Furniture, fixtures and equipment	3 to 5 years
Office space and leasehold improvements	5 years
Right-of-use assets	Shorter of lease term and useful life of 5 years

Major renovations are depreciated over the remaining useful life of the related asset.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

The Company derecognizes the carrying amount of an item of property and equipment on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the statement of income.

20.7 Other assets

Other assets are recognized in the event that payment has been made in advance of obtaining right of access to goods or receipt of services and measured at nominal amounts. These are derecognized upon delivery of goods or when services have been rendered, through amortization over a certain period of time, and use or consumption.

Creditable withholding tax is recognized as asset to the extent that it is probable that the benefit will flow to the Company. This are derecognized when applied against the related tax liability or refunded by the tax authorities as prescribed by the relevant tax laws.

Other assets are included in current assets, except when the related goods or services are expected to be received or rendered more than twelve (12) months after the reporting date, which are then classified as non-current assets.

20.8 Clearing and trade guaranty fund

Clearing and trade guaranty fund is the accumulated contribution of the Company to the SCCP. The clearing and trade guaranty fund shall be a risk management tool designed to protect clearing members against the default of a clearing member to deliver its committed securities and/or cash for settlement. This fund is refundable to the Company upon cessation of its business or termination of its membership with SCCP.

20.9 Trading right

Trading right, which has an indefinite useful life, is carried at cost less any accumulated impairment losses. The carrying value of trading right is reviewed for impairment annually and whenever there is an indication that it may be impaired. Trading right is deemed to have an indefinite useful life as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company.

Its useful life is reviewed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in accounting estimate. The Company does not intend to sell the trading right in the near future.

20.10 Impairment of non-financial assets

Assets that have an indefinite useful life, such as trading right, are not subject to amortization and are tested annually for impairment. Assets that have definite useful lives, such as property and equipment, are subject to depreciation or amortization and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount which is calculated at the higher of the asset's fair value less cost to sell and value in use. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

20.11 Accounts payable and other liabilities

Accounts payable and other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business. These are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established or when the corresponding assets and expenses are recognized. Accounts payable and other liabilities are classified as current liabilities if payment is due within one year or less. If not, these are presented as non-current liabilities. These are measured at the original invoice amount (as the effect of discounting is immaterial) and subsequently measured at amortized cost using the effective interest rate method.

Accounts payable and other liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires.

20.12 Share capital; retained earnings

Common shares are classified as equity and are measured at par value for all shares issued. The amount of proceeds from the issuance or sale of shares representing the aggregate par or stated value is credited to share capital. Proceeds in excess of the aggregate par or stated value of shares, if any, are credited to share premium. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

20.13 Dividends

Dividends are recognized as a liability in the Company's financial statements in the year in which they are approved by the BOD.

20.14 Income and expense recognition

(a) Commission

The Company has applied PFRS 15, Revenue from Contracts with Customers, where revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer (i.e. an asset). An asset is transferred when (or as) the customer obtains control of that asset.

The Company's commission income is recognized at a point in time upon the execution of the underlying trade transactions.

Revenue is recognized at the point in time at the point of transfer of control of the good or service to the customer. Otherwise, when control of a good or service is transferred over time, that is, when the customer simultaneously receives and consumes the benefits, the Company satisfies the performance obligation and recognizes revenue over time.

Variable consideration is measured using either the expected value method or the most likely amount method depending on which method the Company expects to better predict the amount of consideration to which it will be entitled. This is the estimated amount of variable consideration, or the portion, if any, of that amount for which it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Where there is a single performance obligation, the transaction price is allocated in its entirety to that performance obligation. Where there are multiple performance obligations, the transaction price is allocated to the performance obligation to which it relates based on stand-alone selling prices. There are no variable considerations and multiple performance obligations in relation to its revenue contracts.

The Company recognizes revenue based on the agreed rate, net of the estimated rebates/discounts and include variable consideration, if there is any. Accumulated experience is used to estimate and provide for the discounts and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

The Company does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

There are no warranties and other similar obligation and refunds agreed with customers.

Interest income

Interest income is recognized in the statement of income for all interest-bearing financial instruments using the effective interest rate method.

When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognized using the rate of interest used to discount future cash flows for the purpose of measuring impairment loss.

Expenses

Brokering expenses comprise primarily of commission expenses which are recognized as incurred in the period the related brokering services are rendered and completed. Other expenses are recognized as incurred.

20.15 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized in profit or loss.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized in the statement of financial position.

20.16 Income taxes

Income tax expense for the period comprises current and DIT. Income tax is recognized in profit or loss, except to the extent that that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

DIT assets are recognized for all deductible temporary differences, carry-forward of unused tax losses (net operating loss carryover or NOLCO) and unused tax credits (excess minimum corporate income tax or MCIT) to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. DIT assets arising from NOLCO and excess MCIT are recognized to the extent that it is probable that the Company will have future taxable profit before any unused tax losses or unused tax credits expire as prescribed by the relevant tax provisions.

DIT liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences. DIT liabilities are recognized in full for all taxable temporary differences. DIT assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the DIT assets and liabilities relate to income taxes levied by the same taxation authority on the taxable entity and where there is an intention to settle the balances on a net basis.

The Company has substantial income from its investment in government security subject to final withholding tax. Such income is presented at its gross amount and the tax paid or withheld is included in Current provision for income tax.

The Company re-assesses at each reporting date the need to derecognize a previously recognized DIT asset.

20.17 Employee benefits

(a) Retirement benefits

The Company has both defined benefit and defined contribution plans. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate fund. Under a defined contribution plan, the Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Defined benefit plan

The Company's defined benefit plan is funded through payments to a trustee-administered fund as determined by periodic actuarial calculations.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in Philippine Peso, and that have terms to maturity approximating the terms of the related retirement benefit obligation.

The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. In cases when the amount determined results in a surplus (being an excess of the fair value of the plan assets over the present value of the defined benefit obligation), the Company measures the resulting asset at the lower of the surplus in the defined benefit plan and the present value of future benefits in the form of refunds or reductions in future contributions to the plan.

Restricted or non-transferrable assets of the fund are excluded in the determination of the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited directly to other comprehensive income under remeasurement loss or gain in the period in which they arise.

All past service costs are recognized immediately in profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included as part of retirement benefit expense recognized in profit or loss.

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

Defined contribution plan

For the defined contribution plan, the Company pays contributions to a privately trustee-administered fund on a contractual or voluntary basis. Under its defined contribution plan, the Company pays fixed contributions based on the employees' monthly salaries. The Company, however, is covered under RA No. 7641, otherwise known as The Philippine Retirement Law, which provides for its qualified employees a defined benefit minimum guarantee. The defined benefit minimum guarantee is equivalent to a certain percentage of the monthly salary payable to an employee at normal retirement age with the required credited years of service based on the provisions of RA No. 7641. Accordingly, the Company accounts for its retirement obligation under the higher of the defined benefit obligation relating to the minimum guarantee and the obligation arising from the defined contribution plan. The Company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when these are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The plan is funded through payments to trustee-administered funds, determined by periodic actuarial calculations and compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in profit or loss.

Profit-sharing and bonus plans

The Company recognizes a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Share-based compensation

The Company's management awards high-performing employees bonuses in the form of options to purchase Parent Bank's common shares, from time to time, on a discretionary basis. The options are subject to certain service vesting conditions.

The fair value of the services received is measured by reference to the fair value of the shares or share options granted on the date of the grant. The grant by BPI of the options over its equity instruments to the employees of the Company is recorded in equity. The fair value of employee services received by the Company in respect of the options granted is recognized in profit or loss over the period that the services are received, which is the vesting period. The Company is recharged by BPI for the share-based payment when the award vests. The Company recognizes the recharge over the vesting period as a charge to equity.

The fair value of the options granted is determined using option pricing models which take into account the exercise price of the option, the current share price, the risk-free interest rate, the expected volatility of the share price over the life of the option and other relevant factors.

When the stock options are exercised, the proceeds received, net of any directly attributable transaction costs, are credited to share capital (par value) and share premium for the excess of exercise price over par value.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of PAS 37, '*Provisions, Contingent Liabilities and Contingent Assets*', and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

20.18 Leases (the Company is the lessee)

Measurement of lease liabilities

Lease liabilities include the present value of the fixed payments (including in-substance fixed payments). Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held for entities which do not have recent third party financing, and
- makes adjustments specific to the lease (i.e. term, currency and security).

Lease payments are allocated between principal and interest expense. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Measurement of right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are depreciated over the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the statements of income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

20.19 Related party relationships and transactions

Related party relationships exist when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholder. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

20.20 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Philippine Peso, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into Philippine Peso using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

21 Supplementary information required by Revenue Regulations No. 15-2010

The following information is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

(i) Output value added tax (VAT)

Output VAT declared for the year ended December 31, 2025 and the revenues upon which the same was based consist of:

	Gross amount of revenues	Output VAT
Beginning balance	54,883,792	6,586,055
Sale of services subject to 12% VAT	239,980,376	28,797,645
Less: Output VAT remitted as at December 31		(27,614,283)
Ending balance	294,864,168	7,769,417

Output VAT is included in Accounts payable and other liabilities in the statement of financial position.

(ii) Input VAT

Movements in input VAT for the year ended December 31, 2025 follow:

	Amount
Beginning balance	4,375,996
Add: Input VAT on domestic purchases	8,057,290
Input VAT on services rendered by non-residents and government	5,447,208
Total input VAT for the year	17,880,494
Less: Input VAT on domestic purchases claimed for the year	(8,132,052)
Input VAT on services rendered by non-residents and government claimed for the year	(5,144,040)
Ending balance	4,604,402

Input VAT is included in Other assets, net, in the statement of financial position.

(iii) *Documentary stamp taxes*

Documentary stamp taxes paid for the year ended December 31, 2025 amount to P240.

(iv) *Stock transaction taxes*

Stock transaction taxes paid/accrued for the year ended December 31, 2025 consist of:

	Paid	Accrued	Total
Sales taxes	188,064,972	644,211	188,709,183

The sales taxes were for the account of counterparties. The accrued stock transaction taxes form part of Accrued taxes and licenses within Accounts payable and other liabilities in the statement of financial position.

(v) *Withholding taxes*

Withholding taxes accrued and/or withheld and paid as at and for the year ended December 31, 2025 consists of:

	Paid	Accrued	Total
Final withholding taxes withheld on compensation	14,434,443	1,524,620	15,959,063
Final income taxes withheld on income payment	11,307,764	1,477,773	12,785,537
Creditable income taxes withheld (expanded)	2,367,580	264,589	2,632,169
Withholding VAT	5,552,752	766,217	6,318,969
Fringe benefit tax	161,588	54,997	216,585
	33,824,127	4,088,196	37,912,323

(vi) *All other local and national taxes*

All other local and national taxes paid for the year ended December 31, 2025 consist of:

	Amount
Municipal taxes and permits	487,931
Others	161,533
	649,464

There are no other local and national taxes accrued as at December 31, 2025.

(vii) *Tax assessment*

Taxable years 2022, 2023 and 2024 are open tax years as at December 31, 2025.

As at December 31, 2025, the Company does not have outstanding preliminary or final assessment.

(viii) *Tax cases*

As at December 31, 2025, the Company has no outstanding tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside the BIR.

BPI Securities 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 as at December 31, 2025.

BPI Securities Corporation

Computation of Risk-Based Capital Adequacy (RBCA) Ratio Under SRC Rule 49.1
December 31, 2025
(All amounts in Philippine Peso)

Total assets	1,120,901,019
Less: Total liabilities	<u>519,715,432</u>
Equity per books	<u>601,185,587</u>
Adjustment to equity per books	
Add (deduct): Deferred income tax assets, net	<u>(6,546,544)</u>
Equity eligible for net liquid capital	<u>594,639,043</u>
Less: Ineligible assets	
Other assets	128,220,815
Property and equipment	54,226,150
All other current assets	187,067,675
Negative exposure (SCCP)	-
Trading right	440,000
Total ineligible assets	<u>369,954,640</u>
Net Liquid Capital (NLC)	<u>224,684,403</u>
Less: Operational risk requirement	53,298,400
Position risk requirement	7,286,997
Counterparty risk	259
Large exposure risk to a single debt	1,508,701
Total risk capital requirement (TRCR)	<u>62,094,357</u>
Net RBCA margin (NLC - TRCR)	<u>162,590,047</u>
Liabilities	519,715,432
Less: Exclusions from aggregate indebtedness	-
Aggregate indebtedness (AI)	<u>519,715,432</u>
5% of Aggregate indebtedness	<u>25,985,772</u>
Required NLC (5% of AI or P5 million whichever is higher)	25,985,772
Net risk-based capital excess	<u>198,698,632</u>
Ratio of AI to NLC	<u>231%</u>
RBCA Ratio (NLC/TRCR)	<u>362%</u>

BPI Securities Corporation
Information Relating to the Possession or Control Requirements
Pursuant to SRC Rule 49.2 (Under Annex 49.2 - A)
December 31, 2025

1. Customers' fully paid securities and excess margin securities not in the broker's or dealer's possession or control as at December 31, 2025 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 (Annex 49.2-A):

Market valuation	Nil
Number of items	Nil

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

Market valuation	Nil
Number of items	Nil



Independent Auditor's Report

To the Board of Directors and Shareholder of
BPI Securities Corporation
23rd Floor, Ayala Triangle Gardens Tower 2,
Paseo De Roxas Cor. Makati Avenue
Makati City

In planning and performing our audit of the financial statements and supplemental schedules of BPI Securities Corporation (the "Company") as at and for the year ended December 31, 2025, we considered the Company's internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by the Securities Regulation Code (SRC) Rule 68-3.c.ii-iv of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including tests of such practices and procedures that we considered relevant to the objectives stated in SRC Rule 68-3.c, in the following:

1. Making the periodic computations of aggregate indebtedness (or aggregate debits) and net liquid capital under SRC Rule 49.1 and reserve requirement under SRC Rule 49.2.
2. Making the monthly securities examinations, counts, verifications, comparisons, reconciliation and reporting of differences required by SRC Rule 52.1.
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities as required by SRC Rule 49.2.

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1226 Makati City, Philippines
+63 (2) 8845 2728

Isla Lipana & Co. is the Philippine member firm of the PwC network. PwC refers to the Philippine group of member firms and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

Independent Auditor's Report
To the Board of Directors and Shareholder of
BPI Securities Corporation
Page 2

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures for safeguarding securities. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with Philippine Financial Reporting Standards.

Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the Auditing and Assurance Standards Council. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure, including procedures for safeguarding securities that we consider to be material weaknesses as defined above.

Independent Auditor's Report
To the Board of Directors and Shareholder of
BPI Securities Corporation
Page 3

We understand that the practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the SRC and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2025 to meet the SEC's objectives.

This report is intended solely for the use of the Board of Directors and Shareholder, Risk Management Group or its equivalent, management, the SEC and the Philippine Stock Exchange, Inc. in their regulation of registered Broker Dealers, and should not be used for any other purpose.

Isla Lipana & Co.



Imelda dela Vega - Mangundaya
Partner

CPA Cert No. 0090670

PTR No. 0024586, issued on January 8, 2026, Makati City

SEC A.N. (individual) as general auditors 90670-SEC, Category A;
valid to audit 2019 to 2025 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2025 financial statements

T.I.N. 152-015-124

BIR A.N. 08-000745-047-2024, issued on October 30, 2024; effective until October 29, 2027

BOA/PRC Reg. No. 0142/P-004, effective until November 14, 2028

Makati City
April 29, 2026

BPI Securities Corporation

Computation for Determination of Reserve Requirements
Pursuant To SRC Rule 49.2 (Under Annex 49.2 - B)
December 31, 2025
(All amounts in Philippine Peso)

	Credits	Debits
Free credit balances and other balances in customer securities accounts		
Trade payables to customers	289,730,473	
Trade payables to clearing house	24,121,628	
Credit balance in the accounts of non - customers	4,794,446	
Debit balances in customers cash accounts		
Trade receivables from customers		116,498,720
Trade receivables from clearing house		-
Unsecured accounts		(2,490,089)
Debit balance in the accounts of non - customers		-
Reduction by 1%		1,140,086
Total	<u>318,646,547</u>	<u>115,148,717</u>
Net credit balance	<u>203,497,830</u>	
Balance - Special Reserve Account	<u>630,269,001</u>	

BPI Securities Corporation

Results of the Monthly Securities Count Conducted
Pursuant to SRC Rule 52.1.10, as amended
December 31, 2025
(All amounts in Philippine Peso, except number of shares)

SECURITY NAME	Number of Shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
2GO Group, Inc.	296,554	-	-	-
ASIA AMALGAMATED HOLDINGS CORPORATION	89,050	325,701	-	667,749
ATOK-BIG WEDGE CO., INC.	610	2,889,858	-	5,954,364
ABACORE CAPITAL HOLDINGS, INC.	5,000	81,900,528	1,970,000	21,807,637
ASIABEST GROUP INTERNATIONAL INC.	-	118,575	200	2,230,595
ABS-CBN CORPORATION	340	18,857,859	(37,782)	79,233,956
ABS-CBN HOLDINGS CORPORATION - PHILIPPINE DEPOSIT RECEIPTS	-	22,217,048	(50)	91,089,692
AYALA CORPORATION	494	7,351,351	(282)	3,440,531,484
ACESITE (PHILS.) HOTEL CORPORATION	-	388,180	-	465,816
ACEN CORPORATION	4,250	2,346,089,364	118,037	6,381,695,691
ACEN CORPORATION PERPETUAL SERIES A PREFERRED SHARES	-	278,485	-	281,269,850
ACEN CORPORATION PERPETUAL SERIES B PREFERRED SHARES	-	616,310	-	659,451,700
AYALA CORPORATION NON-VOTING PERPETUAL PREFERRED A SHARES	-	241,909	(160)	614,042,460
AC PREF B3R	-	227,210	-	457,146,520
AC PREF B4R	-	205,560	(100)	421,193,000
ALSONS CONSOLIDATED RESOURCES, INC.	-	38,159,685	(70,000)	17,902,152
ACRMC	138,225	-	-	-
ACVP	5,840	-	-	-
ABOITIZ EQUITY VENTURES, INC.	5,840	8,835,663	101,495	250,403,944
ALLIANCE GLOBAL GROUP, INC.	-	18,640,064	(192,106)	151,088,776
AGI WARRANT	-	3,379,931	(14,000)	3,938,139
AJ	2,567,947	-	-	-
ARTHALAND CORPORATION	89,175	31,228,215	(20,000)	13,144,904
ARTHALAND CORPORATION SERIES ``D`` PREFERRED SHARES	-	44,520	-	21,814,800
ARTHALAND CORPORATION SERIES ``F`` PREFERRED SHARES	-	48,770	-	24,482,540
ANCHOR LAND HOLDINGS, INC.	-	99,254	-	384,113
AYALA LAND, INC.	19,420,862	147,158,327	4,517,820	3,841,127,852
ALLDAY MARTS, INC.	-	455,886,801	100,000	14,135,591
AYALALAND LOGISTICS HOLDINGS CORP.	-	62,091,881	42,000	80,774,045
ALPR	212,745	-	-	-
ALTERNERGY HOLDINGS CORPORATION	-	19,233,111	2,000	16,157,493
AMC	48,850	-	-	-
AGRINURTURE, INC.	-	11,381,625	5,000	6,148,778
A. SORIANO CORPORATION	12,528	2,628,833	400	38,041,358
ABOITIZ POWER CORPORATION	-	21,601,221	(30,067)	949,130,776
APC GROUP, INC.	10,000	34,592,045	-	3,667,817
APOLLO GLOBAL CAPITAL, INC.	-	5,147,406,536	(3,000,000)	25,722,033
ANGLO PHILIPPINE HOLDINGS CORPORATION	250	82,943,931	2,244,000	59,631,727
ALTUS PROPERTY VENTURES, INC.	-	1,429,461	68	12,008,044
APEX MINING CO., INC.	7,100	41,292,390	78	513,766,626
APXB	14,756	-	-	-
ABRA MINING & INDUSTRIAL CORPORATION	200,000	10,211,283,459	-	46,972,824
ARANETA PROPERTIES, INC.	150	9,546,068	930	3,818,859
AREIT, INC.	-	104,184,363	73,800	4,535,230,091
RASLAG CORP.	-	322,363,094	(160,000)	264,206,537

SECURITY NAME	VAULT	PDC	OTHERS	TOTAL MARKET VALUE
ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION	4,024	16,117,856	592,600	100,788,314
ASIAN TERMINALS, INC.	-	5,516,447	93,300	193,536,272
ATN HOLDINGS, INC. ``A``	-	137,141,040	-	67,884,815
ATN HOLDINGS, INC. ``B``	-	15,712,800	-	7,777,836
ASIA UNITED BANK CORPORATION	-	3,827,148	(3,800)	149,875,242
AXELUM RESOURCES CORP.	-	9,788,642	24,000	23,157,835
BALAI NI FRUITAS INC.	-	14,310,213	(10,000)	5,005,075
BASAY	8,808,500	-	-	-
BBG	1,933,425	-	-	-
BENGUET CORPORATION ``A``	3,013	5,206,522	170,000	26,897,675
BENGUET CORPORATION ``B``	-	712,999	2,100	3,453,928
BERJAYA PHILIPPINES, INC.	-	219,535	(2,100)	1,956,915
BENGUET CORPORATION - 8% CUMULATIVE CONVERTIBLE PREFERRED A	-	2,352	-	84,202
BDO UNIBANK, INC.	412	8,633,047	56,737	1,169,700,382
BE	10,483,170	-	-	-
BEB	12,580	-	-	-
BELLE CORPORATION	166	30,940,252	(2,000)	40,838,712
BELW	12,030	-	-	-
BF	-	805	-	-
BHI HOLDINGS, INC.	-	2	-	1,360
BOULEVARD HOLDINGS, INC.	-	389,121,697	-	15,175,746
BRIGHT KINDLE RESOURCES & INVESTMENTS INC.	-	1,382,914	-	898,894
BLOOMBERRY RESORTS CORPORATION	-	67,698,660	1,766,514	176,441,542
BOGO-MEDELLIN MILLING CO., INC.	-	1,967	-	102,284
BANK OF COMMERCE	-	1,750,601	(28,100)	15,847,009
BNRC	4,220,000	-	-	-
BANK OF THE PHILIPPINE ISLANDS	52,703	78,989,840	(14,218)	9,175,188,533
A BROWN COMPANY, INC.	5,378	12,045,849	5,063	11,212,350
A BROWN COMPANY, INC. SERIES A PREFERRED SHARES	-	353,650	-	35,188,175
A BROWN COMPANY, INC. SERIES B PREFERRED SHARES	-	108,175	40	11,200,253
A BROWN COMPANY, INC. SERIES C PREFERRED SHARES	-	213,000	1,000	22,577,000
BASIC ENERGY CORPORATION	76,329	167,337,658	(270,000)	19,555,846
CHELSEA LOGISTICS AND INFRASTRUCTURE HOLDINGS CORP.	-	22,645,340	1,000	21,514,023
CONCRETE AGGREGATES CORP. ``A``	-	31,899	-	1,540,722
CONCRETE AGGREGATES CORP. ``B``	-	2,860	-	151,294
Calata Corporation	177,360	14,953,021	-	-
CENTRAL AZUCARERA DE TARLAC, INC.	108	541,424	-	5,523,626
CITYLAND DEVELOPMENT CORPORATION	-	8,074,442	1	4,763,921
CEBU AIR, INC.	-	7,795,226	39,848	250,722,368
CEBU AIR, INC. CONVERTIBLE PREFERRED SHARES	-	1,092,066	161	38,227,945
CROWN EQUITIES, INC.	-	58,572,763	-	4,217,239
CENTRO ESCOLAR UNIVERSITY	-	4,684,337	(600)	73,534,671
CEBU HOLDINGS, INC.	39,250	-	-	-
CHICO	900,000	-	-	-
CHINA BANKING CORPORATION	-	3,975,316	(4,300)	226,347,912
CONCREAT HLDG	-	85,688,442	(19,402)	93,379,254
CHTR	2,200	-	-	-
CONCEPCION INDUSTRIAL CORPORATION	-	1,247,141	4,200	17,018,238
CEBU LANDMASTERS, INC.	-	75,467,768	1,000	177,351,605

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
CLI PREF A1	-	208,055	-	208,055,000
CLI PREF A2	-	93,580	420	100,862,000
CMP	5,000	-	-	-
CENTURY PACIFIC FOOD, INC.	-	5,313,563	(4,330)	207,060,087
CONVERGE INFORMATION AND COMMUNICATIONS	-	40,527,162	62,150	621,828,260
COAL ASIA HOLDINGS INCORPORATED	-	462,346,331	-	12,945,697
COL FINANCIAL GROUP, INC.	-	3,906,558	-	5,547,312
CONSB	38,096,582	-	-	-
CONTO	200,000	-	-	-
COSCO CAPITAL, INC.	200,000	22,542,756	665,300	163,622,311
COSMOS	42,822	-	-	-
CENTURY PROPERTIES GROUP INC.	-	86,827,720	(2,216,000)	58,382,087
CPG PREF B	-	139,480	-	14,226,960
CENTURY PEAK HOLDINGS CORPORATION	-	2,101,670	-	5,022,991
CPV	51,731	-	-	-
CITICORE RE	-	98,362,311	-	420,990,691
CITICORE ENERGY REIT CORP.	-	181,538,507	60,000	648,306,670
CROWN ASIA CHEMICALS CORPORATION	-	10,028,600	7,000	16,859,808
CITYSTATE SAVINGS BANK, INC.	-	14,702	-	250,816
CTS GLOBAL EQUITY GROUP, INC.	-	3,918,040	-	1,410,494
CYBER BAY CORPORATION	-	54,088,473	-	17,849,196
DOUBLEDRAGON CORPORATION	-	40,258,621	312	373,602,898
DDMP REIT, INC.	-	279,903,993	(3,652)	285,498,348
DOUBLEDRAGON PROPERTIES CORP. PREFERRED SHARES	-	11,499,289	(4,548)	1,114,989,877
DEL MONTE PACIFIC LIMITED	-	3,016,711	(6,000)	14,150,342
DFNN, INC.	-	2,018,848	-	1,615,078
DGTL	3,918,000	-	-	-
DOMINION HOLDINGS, INC.	-	4,730,842	370	6,576,385
DITO CME HOLDINGS CORP.	-	204,228,915	697,900	139,350,234
DIZON COPPER-SILVER MINES, INC.	178	744,022	25,000	3,846,000
DMCI HOLDINGS, INC.	-	67,687,541	105,040	714,533,804
D.M. WENCESLAO & ASSOCIATES, INCORPORATED	-	61,456,446	(2,000)	307,272,230
DNA	-	4,146,292	-	-
D&L INDUSTRIES, INC.	-	49,716,097	(549,000)	189,293,323
DISCOVERY WORLD CORPORATION	-	1,241,772	-	1,403,202
Eagle Cement Corporation	-	86,525	-	-
EASYCALL COMMUNICATIONS PHILIPPINES, INC.	-	575,758	-	1,807,880
EAST COAST VULCAN CORPORATION	102,500	18,438,373	-	5,006,036
EDC	98,646	-	-	-
EEI CORPORATION	96,419	9,196,881	(2,000)	26,387,292
EEI CORPORATION SERIES B PREFERRED SHARES	-	274,534	(200)	26,994,466
IP E-GAME VENTURES, INC.	-	501,138,289	-	4,710,700
EVERWOODS	-	25,526,423	-	5,105,285
Export and Industry Bank, Inc. "A"	-	9,525,227	-	-
Export and Industry Bank, Inc. "B"	-	1,490,000	-	-

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
EMPIRE EAST LAND HOLDINGS, INC.	17,067	57,349,320	(20,000)	5,964,024
EMPERADOR INC.	-	1,479,556	(23,360)	23,299,136
ENEX ENERGY CORP.	-	3,810,485	-	12,727,020
ETELECARE GLOBAL SOLUTIONS, INC.	75,000	-	-	-
ETON	248,186	-	-	-
EURO-MED LABORATORIES PHIL., INC.	-	5,939,468	3,000	5,942,468
EAST WEST BANKING CORPORATION	-	11,442,784	71,400	133,564,534
FIRST ABACUS FINANCIAL HOLDINGS CORP.	-	366,328	-	241,776
SAN MIGUEL FOOD AND BEVERAGE, INC.	-	4,147,610	15,908	228,993,490
FIGARO COFFEE GROUP, INC.	-	859,745,529	(87,001)	498,601,946
FILINVEST DEVELOPMENT CORPORATION	570	18,850,541	(10,000)	85,727,055
FDC PREF A	-	49,065	-	49,555,650
FDC PREF B	-	113,155	-	114,173,395
FERRONOUX HOLDINGS, INC.	-	511,988	-	2,559,940
FAR EASTERN UNIVERSITY, INCORPORATED	527	719,461	-	575,990,400
FILIPINO FUND, INC.	45,324	383,995	-	3,219,893
FIRST GEN CORPORATION	-	11,607,592	26,100	206,381,696
FILAM	10,062,590	-	-	-
FILINVEST REIT CORP.	-	202,827,779	(45,000)	628,626,615
F&J PRINCE HOLDINGS CORPORATION ``A``	-	246,025	-	639,665
F&J PRINCE HOLDINGS CORPORATION ``B``	-	100	-	218
FILINVEST LAND, INC.	22,269	144,720,580	(38,800)	111,422,118
FIRST METRO PHILIPPINE EQUITY EXCHANGE TRADED FUND, INC.	-	1,021,822	(5,495)	102,649,027
FMIC	3,120	-	-	-
GLOBAL FERRONICKEL HOLDINGS, INC.	390	32,012,742	(268,800)	42,854,848
ALLIANCE SELECT FOODS INTERNATIONAL, INC.	-	8,574,536	-	3,172,578
FIRST PHILIPPINE HOLDINGS CORPORATION	2,568	3,273,034	19,234	253,702,372
FORUM PACIFIC, INC.	-	7,700,040	-	1,848,010
FRUITAS HOLDINGS, INC.	-	33,968,094	(8,000)	21,734,460
FILSYN CORPORATION ``A``	-	1,370,580	-	3,974,682
GA	700,000	-	-	-
Global Business Holdings	-	1,228	-	-
GEOGRACE RESOURCES PHILIPPINES, INC.	-	44,914,677	10,000	3,908,447
GEO2	50,000	-	-	-
GLOBAL-ESTATE RESORTS, INC.	13,640	21,152,075	(8,000)	14,598,823
GLOBE TELECOM, INC.	222	1,796,607	(270)	2,845,749,456
GMA NETWORK, INC.	1,000	33,866,111	(11,400)	183,159,397
GMA HOLDINGS, INC. - PHILIPPINE DEPOSIT RECEIPTS	-	2,827,004	-	14,954,851
Gotesco Land, Inc. "A"	16	10,785,988	-	-
Gotesco Land, Inc. "B"	-	1,179,357	-	-
GRAND PLAZA HOTEL CORPORATION	-	35,683	-	206,961
GREENERGY HOLDINGS INCORPORATED	-	63,779,021	(190,002)	11,446,023
GINEBRA SAN MIGUEL, INC.	-	1,785,170	(320)	526,530,750
GT CAPITAL HOLDINGS, INC.	-	908,802	(41,092)	516,287,450
GT CAPITAL NON-VOTIN HOLDINGS, INC.	-	633,743	-	633,743,000
PERPETUAL PREFERRED SHARES SERIES ``B``	-	-	-	-

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
HOUSE OF INVESTMENTS, INC.	1,000	39,584,189	(135,000)	181,470,869
Holcim Philippines, Inc.	5,345	391,135	-	-
ALLHOME CORP.	-	46,742,830	-	11,078,051
HOUSE	-	-	165,577	-
HP	1,000	-	-	-
HAUS TALK, INC.	-	3,788,553	-	4,167,408
I-REMIT, INC.	-	2,248,984	-	447,548
INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.	617	2,315,032	71,397	1,353,455,082
ITALPINAS DEVELOPMENT CORPORATION	280	11,014,416	12,000	9,593,226
INTEGRATED MICRO-ELECTRONICS INC.	81,498	263,478,322	580,000	916,565,175
IMPERIAL RESOURCES, INC.	200,000	1,182,786	-	995,606
INCO	154,650,586	-	-	-
INCOB	29,936,837	-	-	-
INFAN	2,700,000	-	-	-
INFIN	78	-	-	-
PHILIPPINE INFRADEV HOLDINGS INC.	500,000	25,554,924	20,000	8,213,601
IONICS, INC.	-	11,187,030	1,000	11,411,791
IPM HOLDINGS, INC.	-	467,179	1,000	735,041
IPEOPLE, INC.	2,968	1,141,882	(200)	6,867,900
IRCB	500,000	-	-	-
ISLAND INFORMATION & TECHNOLOGY, INC.	70,000	59,373,026	(150,000)	7,293,042
JACKSTONES, INC.	-	398,102	-	617,058
JOLLIBEE FOODS CORPORATION	825	4,757,515	30,985	862,078,500
JOLLIBEE FOODS CORPORATION NON-VOTING PERPETUAL SERIES B PREFERRED SHARES	-	427,647	-	425,081,118
JG SUMMIT HOLDINGS, INC.	527	11,104,047	(42,850)	261,609,773
JOLLIVILLE HOLDINGS CORPORATION	-	25,102	2,000	83,474
KAPEC	2,500,000	-	-	-
THE KEEPERS HOLDINGS, INC.	-	31,135,434	80,000	77,414,276
KEPPEL PHILIPPINES PROPERTIES, INC.	647	1,642,518	-	3,614,963
KPH	80	12,526	-	-
KPHB	-	200	-	-
KPM	95,353	-	-	-
KEPWEALTH PROPERTY PHILS., INC.	-	690,363	-	821,532
CITY & LAND DEVELOPERS, INCORPORATED	-	4,798,480	-	2,543,194
LBC EXPRESS HOLDINGS, INC.	-	138,521	-	1,218,985
LEPANTO CONSOLIDATED MINING COMPANY ``A``	281,725	352,872,652	2,330,000	65,764,610
LEPANTO CONSOLIDATED MINING COMPANY ``B``	101,171	131,186,293	-	24,550,756
LIBERTY FLOUR MILLS, INC.	-	316,090	6,100	10,890,022
Liberty Telecoms Holdings, Inc.	-	1,216,492	-	-
LMG CORP.	-	1,798,390	-	449,598
LODESTAR INVESTMENT HOLDINGS CORPORATION	-	18,421,719	-	6,447,602
PACIFIC ONLINE SYSTEMS CORPORATION	-	2,159,953	-	3,671,920

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
LFM PROP	-	20,713,609	-	849,258
LOPEZ HOLDINGS CORPORATION	31,800	29,093,869	164,000	108,957,569
LRC	9,955,800	-	-	-
LRCB	1,306,000	-	-	-
LRI	1,270	-	-	-
LORENZO SHIPPING CORPORATION	-	705,641	1,000	431,051
LT GROUP, INC.	-	105,187,483	(287,915)	1,550,415,615
MANILA MINING CORPORATION ``A``	2,950,000	2,354,593,752	-	17,210,069
MANILA MINING CORPORATION ``B``	-	622,950,582	-	4,485,244
MACROASIA CORPORATION	-	24,742,848	-	107,383,960
MACAY HOLDINGS, INC.	17	669,886	-	4,682,622
METRO ALLIANCE HOLDINGS & EQUITIES CORP. ``A``	-	1,861,786	-	837,804
METRO ALLIANCE HOLDINGS & EQUITIES CORP. ``B``	4,100,000	-	-	159,712
MARCVENTURES HOLDINGS, INC.	-	16,153,005	92,000	11,371,504
MAREX	410,000	-	-	-
MAX`S GROUP, INC.	-	621,788,909	6,062	1,523,397,679
MANILA BULLETIN PUBLISHING CORPORATION	33,952	8,507,419	5,210	1,401,639
MANILA BROADCASTING COMPANY	-	45,240	-	227,557
METROPOLITAN BANK & TRUST COMPANY	-	22,583,556	(288)	1,546,953,858
Marsteel Consolidated, Inc. "A"	60,000,000	97,819,600	-	-
Marsteel Consolidated, Inc. "B"	2,500,000	166,365,400	-	-
MEDCO HOLDINGS, INC.	-	10,988,403	1,700	989,109
MEDILINES DISTRIBUTORS INCORPORATED	-	14,976,589	-	3,893,913
MEGAWORLD CORPORATION	1,593	173,053,629	148,259	360,263,240
MANILA ELECTRIC COMPANY	23,562	2,999,224	5,778	1,738,395,736
MANULIFE FINANCIAL CORPORATION	-	19,679	-	36,996,520
MAKATI FINANCE CORPORATION	-	10,670,489	-	19,206,880
MILLENNIUM GLOBAL HOLDINGS, INC.	3,870	43,688,237	400,000	2,645,526
METRO GLOBAL HOLDINGS CORPORATION	10,000	547,100	-	557,100
MABUHAY HOLDINGS CORPORATION	-	15,691,903	-	1,788,877
MICRO	4,915	-	-	-
MANILA JOCKEY CLUB, INC.	-	583,397	-	740,914
MJC INVESTMENTS CORPORATION	-	68,630	-	68,630
MERRYMART CONSUMER CORP.	-	2,207,091,230	49,710	882,856,376
Marcopper Mining Corporation	2,044	16,137	-	-
MNRDC	2,650,000	-	-	-
MOMR	10,050,000	-	-	-
MON	1,546,435	-	-	-
MONDE NISSIN CORPORATION	-	70,614,449	(69,375)	409,161,429
MONTA	15,580,000	-	-	-
MPC	9,965	-	-	-
MPI	5,499	-	-	-
MRC ALLIED, INC.	10,000	41,732,168	-	36,315,686
MREIT, INC.	-	57,892,711	(185,899)	807,895,368
MRP	378,395	-	-	-
METRO RETAIL STORES GROUP, INC.	-	90,734,932	8,000	104,354,372
MABUHAY VINYL CORPORATION	22,000	2,776,168	-	14,522,492
MANILA WATER COMPANY, INC.	21,700	55,932,504	(129,926)	2,249,718,403
MEGAWIDE CONSTRUCTION CORPORATION	-	29,017,535	(12,000)	86,726,550
MWIDE PREF 5	-	241,870	-	24,912,610
MWIDE PREF 6A	-	126,000	-	12,411,000
MWIDE PREF 6B	-	124,790	20	12,505,962
MWIDE PREF 6C	-	572,070	-	59,380,866
MWIDE PREF 7A	-	11,450	-	1,149,580
MWIDE PREF 7B	-	147,370	-	15,473,850
MAYNILAD	-	34,500,090	215,293,500	4,221,511,671

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
NIHAO MINERAL RESOURCES INTERNATIONAL, INC.	-	8,000,722	10,000	2,523,377
NICKEL ASIA CORPORATION NN	-	30,832,556	162,685	120,571,487
NOW CORPORATION	84,965	-	-	-
NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES	-	75,989,853	46,000	51,704,380
NEXTGENESIS CORPORATION	6,000	16,720,659	(10,000)	12,871,827
OCEANAGOLD	-	407,500	-	2,852,500
OMICO CORPORATION	-	4,994,492	34,705	161,940,143
ORIENTAL PETROLEUM AND MINERALS CORPORATION ``A``	3,500	8,872,179	-	896,444
ORIENTAL PETROLEUM AND MINERALS CORPORATION ``B``	767,645	1,234,642,336	53,028	14,825,556
ORIENTAL PENINSULA RESOURCES GROUP, INC.	774,564	257,887,251	-	3,103,942
ORTCO	-	14,014,049	-	5,185,198
THE PHILODRILL CORPORATION	110	-	-	-
PACIFICA HOLDINGS, INC.	2,788,591	2,614,843,034	2,000,000	23,314,721
PAL HOLDINGS, INC.	1,100,000	1,900,650	-	3,000,650
PAXYS, INC.	6,331	2,542,284	4,000	9,699,937
PHILIPPINE BUSINESS BANK, INC., A SAVINGS BANK	-	1,088,048	-	2,839,805
PHILIPPINE BANK OF COMMUNICATIONS	-	1,870,110	-	14,399,847
PCEV	200	3,686,245	-	61,563,632
PETRON CORPORATION	339,780	-	-	-
PCP	107,473	65,257,589	(5,609)	162,091,443
PECB	4,257	18,547,226	-	-
PETRON ENERGY RESOURCES CORPORATION	330	-	-	-
PGCM	19,717	7,317,788	-	25,681,268
	24,530	-	-	-

SECURITY NAME	Number of shares			TOTAL MARKET
	VAULT	PDC	OTHERS	VALUE
PUREGOLD PRICE CLUB, INC.	-	6,692,363	20,859	255,102,436
PREMIERE HORIZON ALLIANCE CORPORATION	-	99,360,056	(1,000)	23,548,096
PHILCOMSAT HOLDINGS CORPORATION	-	86,061	105	158,545
PHILIPPINE ESTATES CORPORATION	-	13,565,111	-	4,340,836
PHINMA CORPORATION	1,185	439,797	100	7,366,069
PH RESORTS GROUP HOLDINGS, INC.	-	30,614,448	-	4,071,722
PIOMI	450,000	-	-	-
PIP	203,100	1,001,439	-	-
PIRA	7,284,301	-	-	-
PIRB	3,987,110	-	-	-
SHAKEYS PIZZA	-	10,606,039	200	72,122,425
PLC	20,000	-	-	-
DIGIPLUS	8,940	13,421,105	(108,499)	215,809,045
PANASONIC	-	4,105,555	(5)	44,339,940
PMT	-	2,533,800	-	-
PHILIPPINE NATIONAL BANK	768	7,801,024	(5,747)	424,104,848
PNCC	1,066	32,392	-	163,944
P-H-O-E-N-I-X PETROLEUM	87,800	1,196,627	-	5,356,061
P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. NON-VOTING PERPETUAL - SERIES ``3B`` PREFERRED SHARES	-	183,090	-	4,568,096
P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. NON-VOTING PERPETUAL PREFERRED SHARES SERIES ``4``	-	116,996	-	20,813,588
POGEL	41,840,000	-	-	-
GLOBALPORT	-	14,480	-	105,704
PRYCE CORPORATION	-	3,515,685	(15,900)	46,197,162
PPI	272	-	-	-
PHILIPPINE RACING CLUB, INC.	-	1,339,582	-	8,841,241
PREMIERE RT	-	9,432,559	19,000	9,640,590
PETRON CORPORATION PERPETUAL PREFERRED SHARES SERIES ``3`` - SUBSERIES ``3B``	-	446,700	240	449,174,700
PETRON CORPORATION PERPETUAL PREFERRED SHARES SERIES ``4`` -SUBSERIES ``4A``	-	25,190	-	25,441,900
PETRON CORPORATION PERPETUAL PREFERRED SHARES SERIES ``4`` -SUBSERIES ``4B``	-	17,626	-	17,626,000
PETRON CORPORATION PERPETUAL PREFERRED SHARES SERIES ``4`` -SUBSERIES ``4C``	-	41,660	-	42,034,940
PETRON CORPORATION PERPETUAL PREFERRED SHARES SERIES ``4`` -SUBSERIES ``4D``	-	35,515	-	35,443,970
PETRON CORPORATION PERPETUAL PREFERRED SHARES SERIES ``4`` -SUBSERIES ``4E``	-	57,025	-	57,880,375
PRIME MEDIA HOLDINGS, INC.	-	1,220,384	(10,000)	1,573,499
PRIMEX CORPORATION	-	771,456	-	987,464
PHILIPPINE SAVINGS BANK	24,302	227,769	(89)	13,607,028
THE PHILIPPINE STOCK EXCHANGE, INC.	1	229,679	2,996	47,791,650

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
PHILIPPINE TRUST COMPANY	-	5,129	10	616,680
PHILIPPINE TELEGRAPH AND TELEPHONE CORPORATION	6,000	2,022,178	-	669,299
PHILEX MINING CORPORATION	115,118	38,399,008	127,997	382,557,018
PXP ENERGY CORPORATION	32,018	21,755,803	(73,675)	51,679,667
RAM	1,321	-	-	-
RIZAL COMMERCIAL BANKING CORPORATION	-	3,219,122	(700)	83,518,051
ROXAS AND COMPANY, INC.	62,940	4,362,902	-	11,861,257
RL COMMERCIAL REIT, INC.	-	282,662,561	(319,478)	2,264,391,526
REPOWER ENERGY	-	239,812	-	1,522,806
REPUBLIC GLASS HOLDINGS CORPORATION	-	341,420	-	1,092,544
RFM CORPORATION	6,250	11,171,045	7,000	53,125,401
ROBINSONS LAND CORPORATION	2,500	9,447,571	(21,900)	152,359,243
PHILIPPINE REALTY AND HOLDINGS CORPORATION	4,478	41,397,049	-	4,554,168
ROCKWELL LAND CORPORATION	1,882	33,803,279	116,436	62,754,954
ROXAS HOLDINGS, INC.	5,600	3,744,884	-	5,438,202
Reynolds Philippines Corporation	16,285	1,497,685	-	-
ROBINSONS RETAIL HOLDINGS, INC.	-	3,807,050	4,120	125,959,169
ASLAG PREF 1	-	10,000	-	10,000,000
RWM	106,300	1,497,951	-	-
SABMI	15,743,850	-	-	-
SAMMI	10,022,500	-	-	-
SBS PHILIPPINES CORPORATION	-	983,629	-	3,826,317
SEMIRARA MINING AND POWER CORPORATION	-	29,512,965	53,617	835,255,942
SDP	58	5,129	-	-
SECURITY BANK CORPORATION	-	5,766,825	409	378,618,912
SECURITY BANK CORPORATION-PREFERRED	2,153,059	-	-	-
PHILIPPINE SEVEN CORPORATION	-	954,749	4,300	35,484,813
SWIFT FOODS, INC.	1,250	75,041,079	233,623	3,537,970
SWIFT FOODS, INC. CONVERTIBLE PREFERRED	-	1,571,547	-	2,655,914
SOLID GROUP, INC.	8,000	4,680,669	21,000	5,981,280
SYNERGY GRID & DEVELOPMENT PHILS., INC.	-	34,549,864	(6,904)	572,031,418
SHELL PILIPINAS CORPORATION	-	28,836,328	358,580	202,320,712
SHANG PROPERTIES, INC.	10,145	155,011,785	(93,200)	548,447,704
STA. LUCIA LAND, INC.	-	6,990,150	3,000	18,182,190
SM INVESTMENTS CORPORATION	144	946,860	(11,670)	654,266,133
SMB	30,900	-	-	-
SAN MIGUEL CORPORATION	12,445	5,483,414	(10,690)	449,783,858
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-I``	-	4,446,737	-	331,281,907
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-L``	-	619,350	-	48,928,650
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-N``	-	1,362,740	(2,700)	109,483,220
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-O``	-	3,234,790	1,250	262,119,240
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-P``	-	1,646,170	50	126,758,940
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-Q``	-	434,940	-	33,838,332
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-R``	-	697,460	-	54,053,150
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-S``	-	1,675,940	-	130,388,132

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-T``	-	960,010	-	73,440,765
SAN MIGUEL CORPORATION SERIES ``2`` PREFERRED SHARES - SUBSERIES ``2-U``	-	1,949,750	710	148,234,960
SMDC	16,079	-	-	-
SAN MIGUEL PROPERTIES, INC.	110	-	-	-
SM PRIME HOLDINGS, INC.	-	34,193,732	(101,394)	775,600,690
SOCRESOURCES, INC.	-	11,400,002	-	2,097,600
SPC POWER CORPORATION	-	58,833,991	44,800	573,479,424
SPH	137,000	-	-	-
SEAFRONT RESOURCES CORPORATION	3,571,190	264,918	-	9,053,215
SP NEW ENERGY CORPORATION	-	146,781,499	(102,001)	171,615,013
SSI GROUP, INC.	-	48,438,565	(31,000)	127,311,896
SFA SEMICON PHILIPPINES CORPORATION	-	1,543,437	-	-
STI EDUCATION SYSTEMS HOLDINGS, INC.	-	97,740,357	(406,000)	137,241,443
STENIEL MANUFACTURING CORPORATION	11,125	7,034,635	140,000	15,664,957
SUNLIFE FINANCIAL, INC.	-	11,566	-	39,787,040
VISTAMALLS	-	3,105,555	21,000	3,908,194
SUNTRUST RESORT HOLDINGS, INC.	-	12,092,243	50,000	9,228,105
Sanitary Wares Manufacturing Corporation	-	120,650	-	-
TKC METALS CORPORATION	-	4,070,030	(230,000)	1,689,613
TRANSPACIFIC BR	-	159,011,905	-	21,148,583
USD TECH B2A	-	22,291,360	-	1,114,568
USD TECH B2B	-	9,400	-	4,136
TECH PREF B2C	-	98,330	-	1,278,290
TECH PREF B2D	-	418,500	-	3,456,810
CIRTEK HLDG	-	33,308,567	12,000	20,991,957
PLDT INC.	121	1,646,946	(435)	2,074,756,320
PLDT 10% Cumulative Convertible Pref. Series A	120	-	-	-
PLDT 10% Cumulative Convertible Pref. Series C	115	-	-	-
PLDT 10% Cumulative Convertible Pref. Series D	120	-	-	-
PLDT 10% Cumulative Convertible Pref. Series E	25	-	-	-
PLDT 10% Cumulative Convertible Pref. Series H	185	-	-	-
PLDT 10% Cumulative Convertible Pref. Series I	50	-	-	-
PLDT 10% Cumulative Convertible Pref. Series J	60	-	-	-
PLDT 10% Cumulative Convertible Pref. Series M	60	-	-	-
PLDT 10% Cumulative Convertible Pref. Series T	130	-	-	-
PLDT 10% Cumulative Convertible Pref. Series Z	180	-	-	-
PTFC REDEVELOPMENT CORPORATION	-	4,485	-	202,274
TOP FRONTIER INVESTMENT HOLDINGS, INC.	-	179,364	5	10,941,509
TOL	23,500	-	-	-
TOP LINE	1	23,127,990	130,000	37,212,786
HARBOR STAR SHIPPING SERVICES, INC.	-	14,437,697	-	8,518,241
UNION BANK	347	26,530,693	-	705,725,664
UNIONOIL RESOURCES & HOLDINGS COMPANY, INC.	-	6,303	-	882,420
UNI	6,732,292	-	-	-
UNIRE	54	-	-	-
UP	-	24,862,016	-	-

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
UNITED PARAGON MINING	-	845,510,006	9,000,000	4,956,158
CIRTEK HOLDINGS PHILIPPINES CORPORATION BONUS				
UPSON INTL CORP	-	3,214,855	-	2,250,399
UNIVERSAL ROBINA CORPORATION	-	8,510,537	103,800	579,744,880
UNIWIDE HOLDINGS, INC.	11,855,452	-	-	-
VANTAGE EQUITIES, INC.	-	5,642,720	-	5,022,020
VITARICH CORPORATION	3,000	25,758,023	100,000	13,706,342
VLC	-	8,133	(15)	-
VISTA LAND & LIFESCAPES, INC.	-	76,339,311	(211,800)	79,172,611
VLL PREF 2A	-	179,510	-	16,505,945
VLL PREF 2B	-	173,720	(20)	15,633,000
VICTORIAS MILLING COMPANY, INC.	160,895	4,697,081	-	9,910,271
VISTAREIT, INC.	-	48,988,204	57,000	67,191,929
VIVANT CORPORATION	-	116,404	10	2,263,088
PHILWEB CORPORATION	11,000	20,531,002	183,400	128,497,492
Wise Holdings, Inc. "A"	-	657,563	-	-
Wise Holdings, Inc. "B"	-	317,140	-	-
WHITE EAGLE OIL	13,543,500	-	-	-
WELLEX INDUSTRIES, INC.	2,600	11,343,729	-	2,950,046
WILCON DEPOT, INC.	-	6,600,539	14,700	46,042,063
WMCA	7,098,466	-	-	-
WMINB	22,576,390	-	-	-
WATERFRONT PHILIPPINES, INCORPORATED	-	24,388,252	-	9,999,183
XURPAS INC.	-	41,419,440	(2,200)	10,271,476
XAAO	55,000	-	-	-
XAM	1,970,000	-	-	-
XAOE	1,050,000	-	-	-
XBAIS	123	-	-	-
XBCG	1,400,000	-	-	-
XBFG	64	-	-	-
XBLMA	2,857,702	-	-	-
XBLMB	537,419	-	-	-
XBMD	100,000	-	-	-
XBPP	200	-	-	-
XBR	10,000,000	-	-	-
XBVI	112,500	-	-	-
XCB	4,259,000	-	-	-
XCM	10,340,000	-	-	-
XCME	7,000,000	-	-	-
XCMEC	10,000	-	-	-
XDRB	1,120	-	-	-
XESSO	200	-	-	-
XFAI	600	-	-	-
XFRM	5,970,000	-	-	-
XFWBC	306,510	-	-	-
NEXGEN ENERGY	-	331,451	-	1,054,014
XHM	29,570,000	-	-	-
XHX	18,634,227	-	-	-
XIMD	1,700,000	-	-	-

SECURITY NAME	Number of shares			TOTAL MARKET VALUE
	VAULT	PDC	OTHERS	
XIMR	52,600,000	-	-	-
XLBM	250,000	-	-	-
XLP	10	-	-	-
XLSRI	120,000	-	-	-
XMD	482,000	-	-	-
XMERW	2	-	-	-
XMI	74,389	-	-	-
XMINEXCO	307,800,000	-	-	-
XMRO	1,070,000	-	-	-
XMSC	1	-	-	-
XMTI	2,082	-	-	-
XMV	1,000,000	-	-	-
XOL	2,200,000	-	-	-
XORPA	400,000	-	-	-
XPMI	2,000,000	-	-	-
XPNRA	10,530,000	-	-	-
XPNRB	9,570,000	-	-	-
XPODCOA	56,513,494	-	-	-
XPODCOB	42,778,750	-	-	-
XPQ	28,082	-	-	-
XRFC	599	-	-	-
XRICHA	364,762,424	-	-	-
XRICHB	1,000,000	-	-	-
XRIZ	300,000	-	-	-
XSAT	8,950,000	-	-	-
XSB	1,701,850	-	-	-
XSBM	3	-	-	-
XSMI	300,000	-	-	-
XSSMR	1,970,000	-	-	-
XSTAR	280,000	-	-	-
XTELSW	202	-	-	-
XTMO	6,420,000	-	-	-
XVCC	438	-	-	-
XVGM	2,000,000	-	-	-
XZBM	18,366,550	-	-	-
ZEUS HLDG	-	37,527,002	-	2,514,309
TOTAL	1,550,524,524	39,663,278,597	236,100,138	85,883,889,251

BPI Securities Corporation

Collateral Valuation Summary
December 31, 2025 and 2024
(All amounts in Philippine Peso)

	2025		
	Book Value	Security Valuation	
		Long	Short
Security value of debit balances			
More than 250%	50,265,010	4,607,368,819	-
Between 200% to 250%	177,105	408,766	-
At least 100% but less than 200%	51,075,864	58,748,042	-
Less than 100%	14,980,741	-	7,260,587
Due from customers	116,498,720	4,666,525,627	7,260,587
Security value of credit balances			
With money balances	289,730,473	4,333,909,822	-
No money balances	-	76,708,174,450	-
Due to customers	289,730,473	81,042,084,272	-

	2024		
	Book Value	Security Valuation	
		Long	Short
Security value of debit balances			
More than 250%	53,213,455	5,494,733,867	-
Between 200% to 250%	1,332,076	2,731,417	-
At least 100% but less than 200%	165,215,027	183,731,295	-
Less than 100%	25,365,545	-	24,451,354
Due from customers	245,126,103	5,681,196,579	24,451,354
Security value of credit balances			
With money balances	253,342,450	142,692,295,673	-
No money balances	-	-	-
Due to customers	253,342,450	142,692,295,673	-

BPI Securities Corporation

Schedule of Financial Soundness Indicators As at December 31, 2025 and 2024 (All amounts in Philippine Peso)

All secondary licensees of the Commission (financing companies, broker dealer of securities and underwriters) and public companies must present schedule showing financial soundness indicators in two comparative periods, as follows:

	2025	2024
Current assets	828,415,862	1,116,124,123
Current liabilities	468,151,221	610,411,752
Current ratio	1.77	1.83
Total liabilities	519,715,432	673,247,071
Equity	601,185,587	623,653,163
Debt to equity ratio	0.86	1.08
Total assets	1,120,901,019	1,296,900,234
Total liabilities	519,715,432	673,247,071
Solvency ratio	2.16	1.93
Total assets	1,120,901,019	1,296,900,234
Equity	601,185,587	623,653,163
Asset to equity ratio	1.86	2.08
Net income (loss) before interest and income tax	(13,110,382)	(13,804,364)
Interest expense	4,803,133	5,441,241
Interest rate coverage ratio	(2.73)	(2.54)
Net income (loss)	(19,526,610)	(18,859,790)
Total assets	1,120,901,019	1,296,900,234
Return on asset ratio	(0.02)	(0.01)
Net income (loss)	(19,526,610)	(18,859,790)
Equity	601,185,587	623,653,163
Return on equity ratio	(0.03)	(0.03)

BPI Securities Corporation
 23rd Floor, Ayala Triangle Gardens Tower Two
 Paseo De Roxas corner Makati Avenue
 Makati City

Reconciliation of Retained Earnings Available for Dividend Declaration
 As at December 31, 2025
 (All amounts in Philippine Peso)

Unappropriated Retained Earnings, beginning of the year/period	364,110,057
Add: Category A: Items that are directly credited to	
Unappropriated retained earnings	
Reversal of Retained earnings appropriation/s	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
Less: Category B: Items that are directly debited to	
Unappropriated retained earnings	
Dividend declaration during the reporting period	-
Retained earnings appropriated during the reporting period	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
Unappropriated Retained Earnings, as adjusted	364,110,057
Add/Less: Net Income (loss) for the current year/period	(19,526,610)
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)	
Equity in net income of associate/joint venture, net of dividends declared	-
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	(5,548,703)
Unrealized fair value gain of investment property	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-
	(5,548,703)

Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	-	
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	-
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)	-	
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to market gains) of financial instruments at fair value through profit or loss (FVTPL)	4,049,054	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-	4,049,054
Adjusted net income/loss		(21,026,259)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	-
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others (describe nature)	-	-

Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and setup of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others (describe nature)	-	-
Total Retained Earnings, end of the year/period available for dividend declaration		343,083,798