



# SECURITIES AND EXCHANGE COMMISSION

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**SEC Registration No.:** 0000075952

**Company Name:** EASTERN SECURITIES DEVELOPMENT CORPORATION

**Industry Classification:** J66930

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST105132026811364301

**Document Type:** Annual Audited Financial Report

**Document Code:** SEC\_Form\_52-AR

**Period Covered:** December 31, 2025

**Submission Type:** Annual

**Remarks:** None

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Company TIN: **000-329-281**

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# COVER SHEET

for  
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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**Company Name**

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C	O	R	P	O	R	A	T	I	O	N																			

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

R	O	O	M		1	7	0	1	,		T	Y	T	A	N	A		C	E	N	T	E	R						
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Form Type

5	2	A	R
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Department Requiring the Report

M	S	R	D
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Secondary License Type, If Applicable

BROKER / DEALER
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### COMPANY INFORMATION

Company's E-mail Address

eastern@eastern-sec.com

Company's Telephone Number/s

8242-4006 to 4008

Mobile Number

0917-8803-002

No. of Stockholders

14

Annual Meeting (Month/Day)

Last Saturday of May

Fiscal Year (Month/Day)

December 31

### CONTACT PERSON INFORMATION

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

Name of Contact Person

Grace C. Ferrer

E-mail Address

gc.ferrer@eastern-sec.com

Telephone Number/s

8242-4006 to 08

Mobile Number

0956-1349-911

Contact Person's Address

312 Wellington Building, Binondo, Manila

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

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

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

**ANNUAL AUDITED FINANCIAL REPORT**

Information Required of Brokers and Dealers Pursuant to Section 52.1-5 of the SRC

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

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker/Dealer:	<b>Eastern Securities Development Corporation</b>
Address of Principal Place of Business:	Room 1701, Tytana Center Building Binondo, Manila
Name and Phone Number of Person to Contact Regarding this Report:	Grace C. Ferrer 8242-4006 to 08

IDENTIFICATION OF ACCOUNTANT	
Name of Firm:	<b>A.M. Yu &amp; Associates</b>
Address:	6F West Star Business Center Building No. 31 Shorthorn St., Brgy. Bahay Toro Proj. 8, Quezon City, Philippines 1106
Trunkline:	+63 2 8236-4935; +63 2 8351-6288
Facsimile:	+63 2 8351-5723 loc. 412
Website:	www.amyucpas.com
PRC/BOA Reg.	4589 (valid until Nov. 18, 2028)
SEC Accred. No.	(Group A) 4589-SEC (valid until Jan. 4, 2026) extended to cover 2025 financial statements
BIR Accred. No.	07-000157-002-2024, valid until Jan. 29, 2027
Signing Partner:	<b>Ancito M. Yu</b> CPA License No. 40278, valid until May 15, 2026 Tax Identification No. 134-702-616 SEC Accreditation No. 40278-SEC, Group A, issued January 05, 2021, valid for five (5) years covering the audits of extended to cover 2025 financial statements BIR Accreditation No. 07-000169-002-2024, issued February 20, 2024, valid until February 19, 2027 PTR No. 8428964, issued January 13, 2026, Quezon City

# EASTERN SECURITIES DEVELOPMENT CORPORATION

Room 1701 Tytana Center Building, Binondo, Manila

Contact No: 282424006

## Statement of Management's Responsibility for Financial Statements

The Management of Eastern Securities Development Corporation (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, as at and for the years ended December 31, 2025 and 2024, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards, and for such internal control as Management determines is necessary to enable the preparation of the 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 to do so.

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

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

A. M. Yu & Associates, the independent auditors appointed by the shareholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the shareholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



Marian Peña  
Chairman of the Board



Marian Peña  
President/Chief Executive Officer



Christina P. Leong  
Treasurer

Signed this MAR 25 2026 day of \_\_\_\_\_, 2026.

SUBSCRIBED AND SWORN to before me, a Notary Public for and in QUEZON CITY, Philippines, this MAR 25 2026, affiants who are personally known to me and whose identity I have confirmed through their competent evidence of identity bearing the affiants' photograph and signature.

Name  
Marian Peña  
Christina P. Leong

TIN Identification No.  
101-934-913  
411-868-981

Doc. No. 393  
Page No. 79  
Book No. XI  
Series of 2026

NOTARY PUBLIC  
**ATTY. DIANE M. ABOLUCION**  
NOTARY PUBLIC FOR QUEZON CITY  
UNTIL DECEMBER 2026  
ADM MATTER NO. 055 (2025-2026)  
PTR NO. 8371014/08 Jan 2026 / Quezon City  
IBP NO. /INV 581798/01 Jan 2026 / Pasig City  
Roll of Attorney's No. 75460 / 27 July 2020  
MCLE Certificate of Exemption No. VIII-BEP002760  
32 A Road 20, Project 8, Brgy. Bahay Toro, Quezon city

Eastern Securities Development Corporation  
Statement of Management's Responsibility  
for Financial Statements



## Independent Auditors' Report

**The Board of Directors and Shareholders**  
**Eastern Securities Development Corporation**  
Room 1701, Tytana Center Building  
Binondo, Manila

### Report on the Audit of the Financial Statements

#### *Opinion*

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

#### *Basis for Opinion*

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

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

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

#### **A.M. Yu & Associates**

6F West Star Business Center Building,  
No. 31 Shorthorn St., Brgy. Bahay Toro,  
Proj. 8, Quezon City, Philippines 1106

Trunkline: +63 2 8236-4935 ; +63 2 8351-6288  
Website: [www.amyucpas.com](http://www.amyucpas.com)

#### **Firm Regulatory Registration & Accreditations:**

PRC-BOA Reg. No. 4589, valid until Nov. 18, 2028  
SEC Accred. No. 4589-SEC, Group A, valid for five years  
covering the audits of 2020 to 2024 financial  
statements of SEC Covered Institutions,  
extended to cover 2025 financial statements  
BIR Accred. No. 07-000157-002-2024,  
valid until Jan. 29, 2027



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

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

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

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

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

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



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

## Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations No. 15-2010 in Note 34 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### A.M. YU & ASSOCIATES



Anecito M. Yu  
Partner

CPA License No. 40278, valid until May 15, 2026  
Tax Identification No. 134-702-616  
SEC Accreditation No. 40278-SEC, Group A,  
issued January 05, 2021, valid for five (5) years covering the audits of  
2020 to 2024 financial statements of SEC Covered Institutions,  
extended to cover 2025 financial statements  
BIR Accreditation No. 07-000169-002-2024,  
issued February 20, 2024, valid until February 19, 2027  
PTR No. 8428964, issued January 13, 2026, Quezon City

March 25 2026  
Quezon City

## EASTERN SECURITIES DEVELOPMENT CORPORATION

### Statements of Financial Position

	Note/s	Money Balance		Security Valuation			
		As at December 31,		2025		2024	
		2025	2024	Long	Short	Long	Short
<b>A S S E T S</b>							
<b>Current assets:</b>							
Cash	6	₱ 111,029,002	₱ 90,573,232				
Financial assets at FVPL	7	17,844,913	16,347,011	₱ 17,844,913		₱ 16,347,011	
Trade & other receivables – net	8	42,530,889	11,160,339	28,041,473		119,043,596	
Advances to shareholders	27	14,777,925	14,777,925				
Other current assets	10	5,497,280	5,349,298				
<b>Total current assets</b>		₱ 191,680,009	₱ 138,207,805				
<b>Non-current assets:</b>							
Financial assets at FVOCI	9	₱ 550,000	₱ 300,000				
Advances to real estate developer	11	–	–				
Investment properties – net	12	62,776,078	63,336,777				
Property & equipment – net	13	37,518,943	40,227,890				
Intangible assets – net	14	2,064,089	2,419,474				
Deferred tax assets	25	21,768,279	26,681,396				
Other non-current assets	15	2,153,119	2,079,587				
<b>Total non-current assets</b>		₱ 126,830,508	₱ 135,045,124				
<b>TOTAL ASSETS</b>		₱ 318,510,517	₱ 273,252,929				

Securities in Vault and Philippine  
Depository & Trust Corp.

₱ 5,642,134,127

₱ 5,705,182,875

( Forward )

## EASTERN SECURITIES DEVELOPMENT CORPORATION

### Statements of Financial Position (Continued)

	Note/s	Money Balance		Security Valuation			
		As at December 31,		2025		2024	
		2025	2024	Long	Short	Long	Short
<b>LIABILITIES &amp; EQUITY</b>							
<b>Current liabilities:</b>							
Trade & other payables	16	₱ 142,184,624	₱ 91,105,990	₱ 5,596,247,741		₱ 5,569,792,268	
Current tax payable	25	228,778	175,201				
Other current liabilities	17	1,494,797	739,990				
<b>Total current liabilities</b>		₱ 143,908,199	₱ 92,021,181				
<b>Non-current liabilities:</b>							
Retirement benefit obligation	24	₱ 5,406,784	₱ 4,588,477				
Deferred tax liabilities	25	1,272,297	897,202				
Other non-current liabilities	18	1,600,454	1,144,472				
<b>Total non-current liabilities</b>		₱ 8,279,535	₱ 6,630,151				
<b>Total liabilities</b>		₱ 152,187,734	₱ 98,651,332				

( Forward )

## EASTERN SECURITIES DEVELOPMENT CORPORATION

### Statements of Financial Position (Continued)

	Note/s	Money Balance		Security Valuation			
		As at December 31,		2025		2024	
		2025	2024	Long	Short	Long	Short
<b>Equity:</b>							
Share capital	19	₱ 190,977,150	₱ 183,828,600				
Reserve for remeasurements of RBO	24	3,834,107	4,156,274				
Market adjustments on FAFVOCI	9	(90,750)	(278,250)				
Appropriation reserves	19	7,535,243	7,535,243				
Accumulated losses		(35,932,967)	(20,640,270)				
<b>Total equity</b>		₱ 166,322,783	₱ 174,601,597				
<b>TOTAL LIABILITIES &amp; EQUITY</b>		₱ 318,510,517	₱ 273,252,929	₱ 5,642,134,127	₱ 5,642,134,127	₱ 5,705,182,875	₱ 5,705,182,875

See accompanying notes to the financial statements.

## EASTERN SECURITIES DEVELOPMENT CORPORATION

### Statements of Comprehensive Income

	Note/s	For the years ended December 31,	
		2025	2024
Revenues	20	₱ 10,885,213	₱ 9,687,709
Cost of services	21	(8,871,099)	(5,470,353)
Gross profit		₱ 2,014,114	₱ 4,217,356
Other operating income– net	20	2,468,241	3,444,272
General & administrative costs	22	(28,438,324)	(31,022,745)
Operating loss		₱ (23,955,969)	₱ (23,361,117)
Interest income	23	2,799,973	3,352,220
Other income	23	11,985,173	3,661,703
Loss before tax		₱ (9,170,823)	₱ (16,347,194)
Income tax benefit (expense)	25	(6,121,874)	4,075,040
Loss for the year		₱ (15,292,697)	₱ (12,272,154)
<b>Other comprehensive loss:</b>			
<i>Items not to be reclassified in profit or loss:</i>			
Remeasurement losses on retirement benefit obligation – net of tax	24	₱ (322,167)	₱ (27,280)
Gain (Loss) on valuation of financial assets at FVOCI – net of tax	9	187,500	(37,500)
Other comprehensive loss for the year		₱ (134,667)	₱ (64,780)
Total comprehensive loss for the year		₱ (15,427,364)	₱ (12,336,934)
Basic loss per share	26	₱ (818.67)	₱ (667.62)

See accompanying notes to the financial statements.

## EASTERN SECURITIES DEVELOPMENT CORPORATION

### Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

Note/s	Share Capital 19	Reserve for Remeasurements of Retirement Benefit Obligation 24	Market Adjustments on Financial Assets at FVOCI 9	Appropriation Reserves 19	Accumulated Losses	Total Equity
Balances at January 1, 2025	₱ 183,828,600	₱ 4,156,274	₱ (278,250)	₱ 7,535,243	₱ (20,640,270)	₱ 174,601,597
Issuance during the year	7,148,550	–	–	–	–	7,148,550
Loss for the year	–	–	–	–	(15,292,697)	(15,292,697)
Other comprehensive loss for the year	–	(322,167)	187,500	–	–	(134,667)
<b>Balances at December 31, 2025</b>	<b>₱ 190,977,150</b>	<b>3,834,107</b>	<b>(90,750)</b>	<b>7,535,243</b>	<b>(35,932,967)</b>	<b>166,322,783</b>
Balances at January 1, 2024	₱ 183,828,600	₱ 4,183,554	₱ (240,750)	₱ 7,535,243	₱ (8,368,116)	₱ 186,938,531
Loss for the year	–	–	–	–	(12,272,154)	(12,272,154)
Other comprehensive loss for the year	–	(27,280)	(37,500)	–	–	(64,780)
Balances at December 31, 2024	₱ 183,828,600	4,156,274	(278,250)	7,535,243	(20,640,270)	174,601,597

See accompanying notes to the financial statements.

# EASTERN SECURITIES DEVELOPMENT CORPORATION

## Statements of Cash Flows

		For the years ended December 31,	
	Note/s	2025	2024
<b>Cash flows from operating activities:</b>			
Loss for the year before tax		₱ (9,170,823)	₱ (16,347,194)
Adjustments for:			
Unrealized trading losses	7	(1,497,902)	(1,878,832)
Expected credit losses	8, 22	–	717,764
Recovery of ECL	8,23	(2,557,909)	–
Dividend income	20	(1,057,038)	(832,350)
Interest income	23	(2,799,973)	(3,352,220)
Unrealized forex gains	23	(2,475)	(4,225)
Retirement benefit expense	24	708,105	640,896
Gain on sale of property & equipment	13,23	–	(339,286)
Depreciation & amortization	22	3,822,088	3,821,727
Operating loss before working capital adjustments		₱ (12,555,927)	₱ (17,573,720)
Working capital adjustments:			
Decrease (Increase) in:			
Financial assets at FVPL		–	747,000
Trade & other receivables		(28,812,641)	(784,100)
Other current assets		(188,378)	277,904
Other non-currents assets		(73,532)	(56,297)
Increase (Decrease) in:			
Trade & other payables		51,078,634	(12,252,733)
Other current liabilities		754,807	163,660
Other non current liabilities		455,982	50,893
Net cash generated from (used in) operations		₱ 10,658,945	₱ (29,427,393)
Benefits paid	24	(319,354)	–
Interest received	23	2,799,973	3,352,220
Dividends received	20	1,057,038	832,350
Income taxes paid		(694,800)	(989,867)
<i>Net cash provided by (used in) operating activities</i>		₱ 13,501,802	₱ (26,232,690)
<b>Cash flows from investing activities:</b>			
Acquisition of property & equipment	13	₱ (197,057)	₱ (104,680)
Proceeds from sale of property & equipment		–	339,286
<i>Net cash provided by (used in) investing activities</i>		₱ (197,057)	₱ 234,606
<b>Cash flows from financing activities:</b>			
Proceeds of issuance of share capital	19	₱ 7,148,550	₱ –
<i>Net cash provided by financing activities</i>		₱ 7,148,550	₱ –
<i>Effects of foreign exchange rate in cash</i>	23	₱ 2,475	₱ 4,225
<b>Net decrease in cash</b>		₱ 20,455,770	₱ (25,993,859)
<b>Cash at beginning of the year</b>	6	90,573,232	116,567,091
<b>Cash at end of the year</b>	6	₱ 111,029,002	₱ 90,573,232

See accompanying notes to the financial statements.

# EASTERN SECURITIES DEVELOPMENT CORPORATION

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## Notes to the Financial Statements

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

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### 1. Reporting Entity

#### 1.1 Formation and Operations

**Eastern Securities Development Corporation** (the Company) was incorporated under the laws of the Republic of the Philippines and duly registered with the Securities and Exchange Commission (SEC) on October 4, 1977. The Company is primarily engaged in and carry on the business of dealing, purchasing or otherwise acquiring, owning, holding, managing, using or obtaining an interest, alone or in conjunction with any person natural or juridical, domestic or foreign, in all kinds of securities, including but not limited to, shares of stock, bonds, debentures, warrants, notes and other debts securities.

The registered office address of the Company, which is also its principal place of business, is located at Room 1701, Tytana Plaza Bldg., Oriente St., Binondo, Manila.

#### 1.2 Approval on the Release of the Financial Statements

The accompanying financial statements of the Company as at and for the year ended December 31, 2025 (including comparative amounts as at and for the year ended December 31, 2024) were approved and authorized for issue by the Board of Directors (BOD) on March 25, 2026.

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### 2. Basis of Preparation

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

#### 2.1 Statement of Compliance

The accompanying financial statements of the Company have been prepared in compliance with the PFRS Accounting Standards and are prepared for submission to the SEC and the Bureau of Internal Revenue (BIR).

The term PFRS Accounting Standards in general include applicable PFRS, Philippines Accounting Standards (PAS), interpretations of the Philippine Interpretations Committee (PIC), and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC). These standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board (IASB), and approved by the Philippine Board of Accountancy (BOA).

#### 2.2 Going Concern Assumption

The preparation of the accompanying financial statements of the Company is based on the premise that the Company operates on a going concern basis, which contemplate the realization of assets and settlement of liabilities in the normal course of business. The management does not intend to liquidate nor cease its operations.

### 2.3 Functional and Presentation Currency

The financial statements are presented in Philippine Peso (₱), the Company's functional and presentation currency, and all values are rounded to the nearest peso except when otherwise indicated.

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## 3. Changes in Accounting Policies

The Company's accounting policies are consistent with those of the previous financial year, except for the adoption of the following new accounting pronouncements:

### 3.1 Amended Standards Effective in 2025

The following amendments to existing standards are mandatory for the first time for the financial year beginning January 1, 2025:

a.) PAS 21 (amendments), *Lack of Exchangeability*.

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.

The Company enters into foreign currency transactions in the normal course of business; however, all related currencies remained exchangeable through the official market without significant restrictions or delays. Accordingly, the Company did not encounter circumstances in which it was required to apply the amended guidance for determining a spot exchange rate when exchangeability is lacking.

### 3.2 New and Amended Standards Effective Subsequent to 2025 but not Early Adopted

Pronouncements issued but not yet effective as at December 31, 2025 are listed below. The Company intends to adopt the following pronouncements when they become effective. Except as otherwise indicated, the Company does not expect the adoption of these new pronouncements to have a significant impact on the financial statements.

Effective beginning on or after January 1, 2026

a.) PFRS 9 and PFRS 7 (amendments), *Amendments to the Classification and Measurement of Financial Instruments*.

The amendments clarify that a financial liability is derecognized on the 'settlement date' and introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. Other clarifications include:

- clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- clarify the treatment of non-recourse assets and contractually linked instruments.
- introduce additional disclosure requirements in PFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. An entity is required to apply these amendments retrospectively. However, an entity is not required to restate prior periods to reflect the application of the amendments unless it can clearly demonstrate that hindsight has not been used to make those changes.

The Company is currently assessing the impact the amendments will have on current practice.

- b.) PFRS 9 and PFRS 7 (amendments), *Contracts Referencing Nature-dependent Electricity*.  
The amendments clarify the accounting for contracts whose pricing or settlement terms depend on nature-dependent electricity factors. The amendments also specify when variability arising from such factors is considered closely related to the host contract and, therefore, does not require separation as an embedded derivative. Related disclosure requirements under PFRS 7 are also updated.

These amendments are effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted.

The Company does not expect the amendments to have a material impact on its financial statements as it does not enter into electricity contracts with weather-dependent pricing features.

#### Effective beginning on or after January 1, 2027

- a.) PFRS 17, *Insurance Contracts*.

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On February 14, 2025, the FSRSC approved the amendment to PFRS 17 Insurance Contracts that sets the new effectivity from January 1, 2025 to January 1, 2027. This is consistent with Circular Letter No. 2025-04 issued by the Insurance Commission, which further extends the initial application period by two (2) years. PFRS 17 is effective for reporting periods beginning on or after January 1, 2027, with comparative figures required. Early application is permitted beginning January 1, 2025.

The new standard is not applicable to the Company since it has no activities that are predominantly connected with insurance or issue insurance contracts.

- b.) PFRS 18, *Presentation and Disclosure in Financial Statements*.

PFRS 18 is a new accounting standard on presentation and disclosure in financial statements, 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;
- required disclosures in 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.

PFRS 18 replaces PAS 1, *Presentation of Financial Statements*. Requirements in PAS 1 that are unchanged have been transferred to PFRS 18 and other Standards.

PFRS 18 will apply for reporting periods beginning on or after January 1, 2027, with comparative figures required. Early application is permitted.

The adoption of this standard will have an impact on the Company's presentation and disclosures of its 'operating profit or loss', but not on the recognition or measurement of any items in the financial statements.

c.) PFRS 19, *Subsidiaries without Public Accountability: Disclosures*.

PFRS 19 is a disclosure-only standard that allows eligible subsidiaries to apply reduced disclosure requirements while still adhering to the recognition, measurement, and presentation requirements of other PFRS Accounting Standards.

A subsidiary may choose to apply PFRS 19 provided that it meets the following criteria:

- it does not have public accountability; and
- its parent produces consolidated financial statements that are available for public use under PFRS Accounting Standards.

PFRS 19 will apply for reporting periods beginning on or after January 1, 2027, with earlier application permitted. During the first period in which an entity applies the standard, it is required to disclose comparative information for current year amounts as required by PFRS 19, unless another PFRS accounting standard permits or requires otherwise.

The Company is currently assessing the impact this new standard will have on its current practices.

#### Deferred

a.) PFRS 10 (amendments), *Consolidated Financial Statements*, and PAS 28 (amendments), *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*.

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2020, the FSRSC deferred the original effective date of January 1, 2020 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The amendments are not expected to have a material impact on the financial statements.

### **3.3 Annual Improvements to PFRS Accounting Standards**

The annual improvements to PFRS Accounting Standards contain non-urgent but necessary amendments to PFRS Accounting Standards. The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted.

a.) PFRS 1, *First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter*.

The amendments include cross-references to the qualifying criteria for hedge accounting in PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.

- b.) PFRS 7, *Financial Instruments: Disclosures – Gain or Loss on Derecognition*.  
The amendments replace the phrase ‘inputs that were not based on observable market data’ with ‘unobservable inputs’ to make the wording consistent with the wording in PFRS 13, *Fair Value Measurements*.
- c.) Guidance on Implementing PFRS 7 *Financial Instruments: Disclosures – Disclosure of Deferred Difference Between Fair Value and Transaction Price and Introduction and Credit Risk Disclosures*.  
The amendments to the Guidance on implementing PFRS 7 are as follows:
- clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7, nor does it create additional requirements;
  - made the wording consistent with the requirements in paragraph 28 of PFRS 7 and with the concepts and terminology in PFRS 9 and PFRS 13; and
  - simplify the explanation of which aspects of the PFRS Accounting Standards requirements are not illustrated in the example.
- d.) PFRS 9, *Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price*.  
The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.
- The amendments also replace the reference to ‘transaction price as defined by PFRS 15 *Revenue from Contracts with Customers*’ with ‘the amount determined by applying PFRS 15’. The term ‘transaction price’ in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.
- e.) PFRS 10, *Consolidated Financial Statements – Determination of a ‘De Facto Agent’*.  
The amendments clarify that the relationship described in the paragraph B74 of PFRS 10 is just one of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.
- f.) PAS 7, *Statements of Cash Flows– Cost Method*.  
The amendments replace the term ‘cost method’ with ‘at cost’, following the prior deletion of the definition of ‘cost method’.

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#### 4. Summary of Material Accounting Policies

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

##### 4.1 Current versus Non-current Classification

The Company presents assets and liabilities in the statements of financial position based on current or non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or,
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is:

- Expected to be settled in its normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be settled within twelve months after the reporting period; or,
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other assets and liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

#### 4.2 Cash

Cash includes cash in banks and petty cash fund. It is unrestricted in use and is measured at face value. Face value represents amortized cost. Cash in banks earns interest at the prevailing bank deposit rates.

#### 4.3 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

##### Fair Value Hierarchy

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

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

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

The Company's management determines the policies and procedures for both recurring and non-recurring fair value measurements.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### 4.4 Financial Instruments

A financial instrument is a contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

##### Date of Recognition

The Company recognizes a financial asset or a financial liability in the statements of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date on which the Company commits to purchase or sell the assets.

##### “Day 1” Difference

When the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is only recognized in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the “Day 1” difference amount.

##### Initial Recognition

The Company initially 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 FVPL, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at transaction price determined under PFRS 15.

##### Classification and Subsequent Measurement of Financial Assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI or FVPL.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Company’s business model for managing them. The Company’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.

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

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

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are reclassified to profit or loss (debt instruments);
- Financial assets designated at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss (equity instruments); or,
- Financial assets at FVPL

Financial Assets at Amortized Cost. The Company measures financial assets at amortized cost if both of the following conditions are met:

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

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method, less any impairment in value. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at amortized cost includes cash, trade & other receivables, advances to employees, advances to shareholders, CTGF refundable contributions and refundable deposits.

Trade & Other Receivables. These refer to claims against customers, other brokers, clearing house, and other third parties in the ordinary course of business operations.

Advances to Employees. These refer to amounts disbursed to employees for certain expenses that are expected to be liquidated or are otherwise deducted from payroll within 12 months.

Advances to Shareholders. These are non-interest bearing and unsecured advances made to shareholders.

CTGF Refundable Contributions. CTGF refundable contributions pertain to contributions made by clearing members of the SCCP. These are refundable to clearing members upon cessation of their business and/or termination of their membership with SCCP, under certain conditions.

Refundable Deposits. These are noninterest-bearing and unsecured deposits made on lease and other services, refundable upon the termination of contracts or services, less any charges.

Financial Assets at FVOCI – Debt Instruments. The Company measures debt instruments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

These financial assets are subsequently measured at fair value. Gains and losses arising from changes in fair value are included in OCI within a separate component of equity. Impairment losses or reversals, interest income and foreign exchange gains and losses are recognized in profit or loss until the financial asset is derecognized. Upon derecognition, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. This reflects the gain or loss that would have been recognized in profit or loss upon derecognition if the financial asset had been measured at amortized cost.

As of reporting date, the Company does not have any debt instruments at FVOCI.

Financial Assets at FVOCI – Equity Instruments. The Company may also make an irrevocable election to measure at FVOCI on initial recognition investments in equity instruments that are neither held for trading nor contingent consideration recognized in a business combination in accordance with PFRS 3. The classification is determined on an instrument-by-instrument basis.

Gains or losses on these financial assets are never recycled to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment. Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial Assets at FVPL. Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for

the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statements of financial position at fair value with net changes in fair value recognized in the statements of comprehensive income.

#### Classification and Subsequent Measurement of Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL or financial liabilities at amortized cost.

*Financial Liabilities at Amortized Cost.* Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual agreement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

After initial recognition, financial liabilities at amortized cost are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the statements of comprehensive income.

Financial liabilities at amortized cost include trade & other payables and security deposits.

*Trade & Other Payables.* These refer to claims of customers and other brokers in the ordinary course of business operations. Other payables consist of dividends payable to customers which are declared by separate public entities, miscellaneous payable, and accrual for operating expenses.

*Security Deposits.* This represents deposits refundable upon the expiry or termination of the related contractual agreements.

*Financial Liabilities at FVPL.* Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statements of comprehensive income.

A financial liability may be designated at FVPL if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (an accounting mismatch);
- a host contract contains one or more embedded derivatives; or,

- a group of financial liabilities or financial assets and liabilities is managed and its performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at FVPL, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in OCI.

The Company has not designated any financial liability at FVPL. As of reporting date, the Company has no financial liability at FVPL.

#### Reclassification of Financial Instruments

The Company reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Company and any previously recognized gains, losses or interest shall not be restated. The Company does not reclassify its financial liabilities.

#### Classification of Financial Instruments Between Debt and Equity

Financial instruments are classified as debt or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity, net of any related income tax benefits.

A financial instrument is classified as debt, if it provides for a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

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

#### Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an

associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations of that the Company has retained.

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

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

#### Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Company assess that it has a currently enforceable right to offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Company and all of the counterparties.

### **4.5 Investment Properties**

Investment properties comprise of land and buildings held to earn rentals or for capital appreciation or both, and not held to be used in production or sale in the ordinary course of business. Property held under a finance lease when the definition of an investment property is met.

#### Initial Recognition

Investment properties are measured initially at acquisition cost including transaction costs. Cost of properties that are in the course of being constructed or developed for future use as investment properties include construction costs and other direct costs, including borrowing costs directly attributable to the construction during the construction period.

#### Subsequent Expenditures

Expenditures incurred after the investment properties have been put into operations, such as repairs and maintenance costs, are normally charged against current operations in the period in which the costs are incurred. Costs of replacement parts of an existing investment property are capitalized if the recognition criteria are met.

#### Subsequent Measurement

Subsequent to initial recognition, investment properties, except land and property under construction are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

#### Depreciation Method

Land is not depreciated but is assessed for any impairment in value. Depreciation of investment properties commences once the investment properties are available for use and computed using the straight-line method to allocate their cost over their EUL. Estimated useful life of Condominium is 15 years.

#### Derecognition

Investment properties are derecognized when they have either been disposed of or when the investment properties are permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the statements of comprehensive income in the year of retirement or disposal.

#### 4.6 Property and Equipment

These are tangible assets that are held for use in production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one period.

##### Initial Recognition

The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

##### Subsequent Expenditures

Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged against operations in the period which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

##### Subsequent Measurement

Property and equipment accounted for under the cost model and are stated at cost less accumulated depreciation and any impairment in value.

##### Depreciation Method

Depreciation of property and equipment commences once the property and equipment are available for use and computed using the straight-line method to allocate their cost over their EUL, as follows:

<u>Asset</u>	<u>Estimated Useful Life</u>
Condominium	25 years
Transportation equipment	2-5 years
Office equipment & improvements	3-15 years
Furniture & fixtures	3 years
Computer equipment	3 years
Leasehold improvements	3 years

The EUL and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment. Leasehold improvements are depreciated based on the estimated useful life of the asset or term of the lease, whichever is shorter.

##### Derecognition

Fully depreciated property and equipment are retained in the accounts until they are no longer in use and no further depreciation is charged against current operations. When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation and accumulated impairment loss, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

#### 4.7 Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substances which are controlled by the Company as a result of past events and from which economic benefits are expected to flow to the Company.

##### Initial Recognition

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Internally-generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statements of comprehensive income in the year in which the expenditure is incurred.

##### Subsequent Measurement

Intangible assets are accounted for under the cost model. Following initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortization and any accumulated impairment losses, while intangible assets with indefinite useful lives are not amortized and are stated at cost less any accumulated impairment losses.

#### Amortization Method

The EULs of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite useful lives are amortized over the useful economic life on a straight-line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and method for an intangible asset with a finite useful life is reviewed at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at cash-generating unit (CGU) level. The EUL of an intangible asset is reviewed annually to determine whether indefinite useful life assessment continues to be supportable. If not, the change in useful life assessment from indefinite to finite is made on a prospective basis.

Trading Right. This allows the Company to trade in the Philippine Stock Exchange and are deemed to have indefinite useful life because it is expected to generate net cash inflows indefinitely.

Crowdfunding Platform. This intangible asset pertains to the crowdfunding platform used in the equity-based crowdfunding activities as approved by the Securities and Exchange Commission.

Trademark. The Company successfully registered trademark for GOTRADE and for its LOGO. These are published for opposition in IPO e-Gazette and amortized over 10 years.

Computer Software. This account refers to purchased software package that is not used in operating a particular hardware and is not an integral part of a related hardware. These are amortized over 3-5 years. Costs associated with maintaining the computer software programs are recognized as expense when incurred.

#### Derecognition

A gain or loss arising from retirement or disposal of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statements of comprehensive income when the asset is derecognized.

### **4.8 Other Assets**

Other assets consist of prior year's excess credits, prepaid taxes & licenses, prepayments, prepaid insurance, advances to suppliers, and other prepaid expenses. Other assets are carried at cost less any impairment losses. Other assets that are expected to be realized within 12 months after reporting date are classified as current assets. Otherwise, these are classified as non-current assets.

#### Prepaid Expenses

Prepaid expenses are expenses paid in advance and recorded as asset before these are utilized. Prepaid expenses are apportioned over the period covered by the payment and charged to appropriate expense accounts in profit or loss when incurred.

These assets are initially recorded at transaction cost and subsequently measured at cost less any impairment loss. Prepaid expenses that are expected to be realized within 12 months from the reporting date are classified as current assets; otherwise, these are classified as non-current assets.

#### 4.9 Impairment of Assets

If an asset's carrying amount is higher than its recoverable amount, the asset is judged to have suffered an impairment loss. The asset shall therefore be written-down to its recoverable amount and the difference shall be reported as impairment loss chargeable against operations during the period the loss was recognized.

##### Financial Assets

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

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

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are also recognized and interest revenue is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset.

The Company applies a simplified approach in calculating ECLs for trade receivables. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

##### Non-financial Assets

The Company assesses at each reporting date whether there is an indication that its non-financial assets (e.g., property and equipment, investment properties, and intangible assets) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is calculated as the higher of the asset's or CGU's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In determining fair value less costs to sell, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples and other available fair value indicators. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Impairment losses are recognized in the expense categories of statement of comprehensive income consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of accumulated depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

#### **4.10 Other Liabilities**

Other liabilities consist of statutory contributions payable, withholding tax payable, stock transaction tax payable, and trading fees payable. Other liabilities that are expected to be earned or settled within 12 months after reporting date are classified as current liabilities. Otherwise, these are classified as non-current liabilities.

#### **4.11 Value-Added Tax (VAT)**

Revenues, expenses, assets and liabilities are recognized net of the amount of VAT, except:

- where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of VAT included.

Output tax pertains to the 12% VAT received or receivable on the local sale of services by the Company. Input tax pertains to the 12% VAT paid or payable by the Company in the course of its trade or business on purchase of goods or services. At the end of each taxable period, if output tax exceeds input tax, the outstanding balance is paid to the taxation authority. If input tax exceeds output tax, the excess shall be carried over to the succeeding months.

The input and output taxes are presented at gross amounts and are included under 'Other current assets' and 'Other current liabilities,' respectively, in the statements of financial position.

#### **4.12 Equity**

Equity is the residual interest in the assets of the Company after deducting all of its liabilities. It is increased by profitable operations and contribution by owners but is decreased by unprofitable operations and distribution to owners.

##### Share Capital

Share capital is measured at par value for all shares issued. Incremental costs directly attributable to the issue of new shares are shown in equity as a reduction from proceeds, net of tax.

##### Accumulated Losses

Accumulated losses represent the cumulative balance of net profit or loss, dividend distributions, effect of changes in accounting policy and other capital adjustments. These represent unrestricted earnings which can be declared as dividends to shareholders.

##### Appropriation Reserves

Appropriation reserves represent restricted earnings which cannot be declared as dividends due to legal, contractual or voluntary purposes.

#### Other Comprehensive Income

Other comprehensive income comprises of items of income and expense that are not recognized in profit or loss for the year. Moreover, it pertains to unrealized gain/loss on changes in market value of financial assets through FVOCI and gain/loss on remeasurement of retirement benefit obligation that are taken directly to equity.

### **4.13 Revenue Recognition**

#### Revenue from Contracts with Customers

The Company is in the business of dealing, purchasing or otherwise acquiring, owning, holding, managing, using or obtaining an interest, in all kinds of securities, including but not limited to, shares of stock, bonds, debentures, warrants, notes and other debts securities and other incidental activities related to the main operations of the Company.

Revenue from contracts with customers is recognized when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

Revenue is recognized only when (or as) the Company satisfies a performance obligation by transferring control of the promised services to a customer. The transfer of control can occur over time or at a point in time.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

- i. the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- ii. the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,
- iii. the Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Commission Income. Commission income is recognized upon confirmation by the customer of the buying and selling of securities executed on their behalf. These are computed for every transaction based on customers' trading volume.

Campaign Success Fees. Campaign success fees is recognized upon completion of crowdfunding campaign. The campaign was considered completed upon successfully raising the target funds for a project.

Campaign Registration Fees. Campaign registration fees is recognized upon receipt from parties joining the crowdfunding campaign.

Dividend Income. Dividend income is recognized when the right to receive payment is established, which is the date of declaration.

Realized Trading Gains. Trading gains are recognized upon sale of financial assets at FVPL. It is the difference between an instrument's initial carrying amount and disposal amount.

Unrealized Market Gain on Financial Assets at FVPL. Unrealized gains are recognized when the market value at cut-off date is higher than the assets carrying amount.

Other Income. These consist of fees & charges, campaign fees, and miscellaneous income, recognized in profit or loss in the period in which they are earned.

Interest Income. Interest income is recognized as the interest accrues using the EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount.

#### Income outside the scope of PFRS 15

Rental Income. The Company's investment properties are leased out to others through operating leases. Rental income on leased properties is recognized on a straight-line basis over the lease term and may include contingent rents based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Contingent rents are recognized as revenue in the period in which they are earned.

#### Cost to Obtain a Contract

In obtaining customer contracts, the Company incurs incremental costs. As the expected amortization period of these costs, if capitalized, would be less than one year, the Company uses the practical expedient in PFRS 15 and expenses such costs as incurred. The Company also incurs costs in fulfilling contracts with customers. However, as those costs are within the scope of other financial reporting standards, the Company accounts for those costs in accordance with accounting policy related to those financial reporting standards.

### **4.14 Cost and Expense Recognition**

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Costs and expenses are recognized in profit or loss in the statements of comprehensive income:

- on the basis of a direct association between the costs incurred and the earning of specific items of income;
- on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or,
- immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, cease to qualify, for recognition in the statements of financial position as an asset.

#### Cost of Services

The cost of services recognized in profit or loss is determined with reference to the specific costs incurred such as commission expenses, personnel costs, stock exchange dues & fees, central depository expenses, and research & communication expenses. It is recognized as expense when services are actually rendered.

#### General and Administrative Expenses

General and administrative expenses normally include costs of administering the business as incurred by administrative departments.

### **4.15 Leases**

The Company assesses at inception of contract whether a contract is, or contains, a lease. That is, if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as Lessee

##### *Short-term leases and leases of low-value assets*

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### Company as Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned.

#### **4.16 Employee Benefits**

Employee benefits are all forms of consideration given by the Company in exchange for services rendered by employees or for the termination of employment.

##### Short-term Benefits

These benefits are recognized as expense in the period when the economic benefit is given or as an asset when such costs may be capitalized and is measured at an undiscounted basis. These include salaries, wages and social security contributions, leave entitlement, profit-sharing, bonuses, and other non-monetary benefits.

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

##### Termination Benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either the Company's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefit, short-term employee benefits, or other long-term employee benefits.

##### Retirement Benefits

The Company does not have a defined contribution plan or any formal retirement plan that covers the retirement benefits of its employees. However, under the existing regulatory framework, Republic Act No. 7641, otherwise known as the *Philippine Retirement Pay Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining agreement and other agreements shall not be less than those provided under law. The law does not require minimum funding of the plan.

Republic Act No. 7641 relates to a defined benefit plan. A defined benefit plan is a post-employment plan that defines an amount of post-employment benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service, and salary. The legal obligation for any benefits from this kind of post-employment plan remains with the Company. The Company's defined benefit post-employment plan covers all regular full-time employees.

The liability recognized in the statements of financial position for defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using a discount rate derived from interest rates of zero-coupon government bonds, as published by the Philippine Dealing and Exchange Corporation, that are denominated in the currency in which the

benefits will be paid and that have terms to maturity approximating to the terms of related post-employment liability.

Service costs are recognized in profit or loss which include current service costs, past service costs, and gains or losses on non-routine settlements. Past service costs are recognized when plan amendment or curtailment occurs.

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

Re-measurement, comprising of actuarial gains and losses from experience adjustments and changes in actuarial assumptions, is recognized in Other Comprehensive Income (OCI) in the period which they arise. Re-measurements are not classified to profit or loss in subsequent periods.

#### **4.17 Income Tax**

Income tax expense is composed of current and deferred tax. Income tax expense is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or in OCI, in which case it is recognized in equity or OCI.

##### Current Tax

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

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The current tax assets included in other current assets (presented as prepayments) and current tax liabilities presented as current tax payable are presented at gross amounts in the statements of financial position.

##### Deferred Tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except;

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and,
- in respect of taxable temporary differences associated with investments in subsidiaries and associates and interest in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and by the parent, venture or investor, respectively, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences the carry-forward benefits of unused tax credits and any unused tax losses from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and net operating loss carryover (NOLCO) to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carry forward benefits of unused tax credits and unused tax losses can be utilized except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and,
- in respect of deductible temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

Deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax relating to items recognized in Other Comprehensive Income (OCI) account are included in OCI account in the statements of comprehensive income and not in profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and levied by the same taxation authority.

#### **4.18 Loss per Share (LPS) Attributable to Equity Holders**

Basic LPS is computed by dividing net loss for the year attributable to common equity holders of the parent, after recognition of the dividend requirement of preferred shares, as applicable, by the weighted average number of issued and outstanding common shares during the year, after giving retroactive effect to any stock dividends declared during the year.

Diluted LPS is computed by dividing net loss for the year attributable to common equity holders of the parent by the weighted average number of issued and outstanding common shares during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares into common shares. The calculation of diluted LPS does not assume conversion, exercise, or other issue of potential common shares that would have an anti-dilutive effect on LPS.

As the Company has no dilutive potential common shares outstanding, basic and diluted LPS are stated at the same amount.

#### **4.19 Provisions and Contingencies**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and, a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented as part of profit or loss in the statements of comprehensive income, net of any reimbursement. If the effect of the

time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

#### **4.20 Foreign Currency Transactions and Translation**

Transactions denominated in foreign currency are recorded in functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of transaction. Monetary assets and monetary liabilities denominated in foreign currencies are translated using the closing exchange rate at the reporting date. All differences arising from settlement or translation are recognized in profit or loss in the statements of comprehensive income. Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

#### **4.21 Related Party Transactions and Relationships**

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These parties include:

- a.) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company;
- b.) associates;
- c.) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual; and,
- d.) the Company's retirement plan.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

#### **4.22 Events after the Reporting Period**

Post year-end events that provide additional information about the Company's financial position at the reporting period (adjusting events), if any, are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

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### **5. Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the financial statements in accordance with PFRS Accounting Standards requires the Company to make judgments and estimates that affect the amounts reported in the financial statements and accompanying notes. The judgments, estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

## 5.1 Judgments

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

### a.) *Classification of Financial Instruments*

Management exercises certain judgments in determining the cash flow characteristics of its financial assets and the Company's business model for managing them. The Company's business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company determines its business model at the level that best reflects how it manages groups of financial assets and contract assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets and contract assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets and contract assets held within that business model) and, in particular, the way those risks are managed; and,
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

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

### b.) *Classification of Properties*

The Company determines whether a property is classified as investment property or owner-occupied property. In making judgment, the Company considers whether the property generates cash flow largely independent of the other assets held by an entity.

- Investment property comprises land and buildings (principally offices, commercial and retail property) which are not occupied substantially for use by, or in the operations of the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and for capital appreciation.
- Owner-occupied properties classified and presented as property and equipment, generate cash flows that are attributable not only to property but also to the other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. The property is accounted for as investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Company considers each property separately in making its judgment.

### c.) *Evaluating Lease Commitments*

Management exercises judgment in determining whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfillment of the arrangement is dependent on the use of the specific assets or the arrangement conveys a right to use the assets, even if those assets are not explicitly specified in the arrangement.

The Company exercises judgment in determining its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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 is only included in the lease term if the lease is reasonably certain to be extended.

As a lessor, management exercises judgment in determining whether substantially all the significant risks and rewards of ownership of the leased assets covered by the agreements are transferred or retained. Lease contracts which transfer substantially all the risks and rewards incidental to ownership of the leased items are accounted for as finance leases. Otherwise, they are considered operating leases.

d.) *Determination of Lease Term of Contracts with Renewal and Termination Options*

The Company determines the lease term as non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgment in evaluating whether the provisions to renew or terminate the lease is enforceable. For leases where the Company has the unilateral option to renew or terminate, it then applies judgment on whether it is reasonably certain or not to exercise the option. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise the option to renew or terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

e.) *Provisions and Contingencies*

The Company, in the ordinary course of business, sets up appropriate provisions for its present obligations (legal or constructive) in accordance with its policies on provisions and contingencies. The estimate of probable costs for the resolution of possible claims has been developed in consultation with its legal counsel and is based upon an analysis of potential results.

The Company is not currently involved in any legal proceedings, but is involved in tax audits and assessments that are normal to its business. Tax audits and assessments may arise from the uncertainty that exists with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Estimated provisions are established for possible consequences of audits by the tax authorities which are based on factors such as experience of previous tax audits, and differing interpretations by the taxable entity and the responsible tax authority.

Management does not believe that the outcome of this matter will significantly affect the results of operations. It is probable, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to this proceeding.

f.) *Recognition of Deferred Tax Assets*

The Company's assessment on the recognition of deferred tax assets as deductible temporary differences is based on projected taxable income in the following periods. Based on the Company's projection and assessment, the deferred tax assets recognized from deductible temporary differences are expected to be realized in the following periods.

g.) *Recognition of Deferred Tax Liabilities*

The Company's assessment on the recognition of deferred tax liabilities as taxable temporary differences is based on projected taxable income in the following periods. Based on the Company's projection and assessment, the deferred tax liabilities recognized from taxable temporary differences are expected to be realized in the following periods.

## 5.2 Estimates and Assumptions

The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a.) *Fair Values of Financial Instruments*

PFRS Accounting Standards requires that financial assets and financial liabilities be carried or disclosed at fair value, which requires the use of accounting estimates and judgment. While significant components of fair value measurement were determined using verifiable objective evidence (i.e., foreign exchange rates, interest rates, and volatility rates), the amount of changes in fair value would differ if the Company utilized different valuation methodologies. Any change in the fair values of financial assets and financial liabilities directly affects profit or loss, equity, and the required disclosures.

Where the fair values of financial assets and financial liabilities recorded in the statements of financial position cannot be derived from active markets, their fair values are determined using valuation techniques that are generally-accepted market valuations including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values.

The fair values of financial assets and financial liabilities by category and their fair value hierarchy are set out in Note 29 to the financial statements.

b.) *Incorporation of Forward-looking Information*

The Company incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

To do this, the Company has considered a range of relevant forward-looking macroeconomic assumptions for the determination of unbiased general industry adjustments and any related specific industry adjustments that support the calculation of ECLs. Based on the Company's evaluation and assessment and after taking into consideration external actual and forecast information, the Company considers a representative range of possible forecast scenarios. This process involves gathering two or more economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies, monetary authorities and selected private-sector and academic institutions.

The Company has identified and documented key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macroeconomic variables and credit risk and credit losses.

Predicted relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

The Company has not identified any uncertain event that it has assessed to be relevant to the risk of default occurring but where it is not able to estimate the impact of ECL due to lack of reasonable and supportable information.

c.) *Definition of Default and Credit-impaired Financial Assets*

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- Quantitative Criteria. The customer is more than 90 days past due on its contractual payments, i.e. principal and/or interest, which is consistent with the regulatory definition of default.
- Qualitative Criteria. The customer meets unlikeliness to pay criteria, which indicates the customer is in significant financial difficulty. These are instances where:
  - a. The customer is experiencing financial difficulty or is insolvent
  - b. The customer is in breach of financial covenant(s)
  - c. An active market for that financial assets has disappeared because of financial difficulties
  - d. Concessions have been granted by the Company, for economic or contractual reasons relating to the customer's financial difficulty
  - e. It is becoming probable that the customer will enter bankruptcy or other financial reorganization

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) throughout the Company's ECL calculation.

An instrument is considered to be no longer in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months as it has exhibited a satisfactory track record. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

d.) *Determination of ECL on Trade & Other Receivables and Advances to Shareholders*

The Company uses a provision matrix to calculate ECLs for trade & other receivables and advances to shareholders. The provision rates are based on days past due for groupings of various patron segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every financial reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogenous.

The amount of ECLs is sensitive to changes in circumstances including future economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future.

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selected inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

Recovery on provision for ECLs recognized in 2025 amounted to ₦2,547,909 and provision for ECLs recognized in 2024 amounted to ₦717,764. The carrying amount of the Company's trade & other receivables and advances to shareholders amounted to ₦57,308,814 and ₦25,938,264 as of December 31, 2025 and 2024, respectively (see Notes 8 & 27).

e.) *Fair Value Measurement of Investment Properties*

Investment properties are measured using the cost model. The Company engages independent valuation specialists to determine the fair value. For investment properties, the appraisers use a valuation technique based on comparable market data for such properties.

Since significant market changes may affect the valuation of the assets, investment properties were categorized under level 2 or those with observable market prices. The fair value of investment properties is disclosed in Notes 12 and 29.

f.) *Estimating Useful Lives of Depreciable and Amortizable Assets*

The Company estimates the useful lives of depreciable and amortizable assets based on the period over which the assets are expected to be available for use and on the collective assessment of industry practice, internal technical evaluation and experience with similar assets. The EUL of depreciable and amortizable assets are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned above. The amounts and timing of recording of depreciation and amortization expense for any period would be affected by changes in these factors and circumstances. There were no changes in the EUL of depreciable and amortizable assets in 2025 and 2024.

The carrying amounts and the related depreciation and amortization charges of depreciable and amortizable assets are as follows:

	2025	2024
Carrying amounts:		
Investment properties – net (Note 12)*	₱ 7,852,345	₱ 8,413,043
Property and equipment – net (Note 13)	37,518,943	40,227,890
Intangible assets – net (Note 14)**	2,064,089	2,419,474
Depreciation & amortization charges:		
Investment properties	₱ 560,699	₱ 560,699
Property and equipment	2,906,004	2,904,213
Intangible assets	355,385	356,815

\*Investment properties – excluding land

\*\*Intangible assets – excluding trading right

g.) *Impairment of Non-financial Assets*

The Company assesses impairment on its non-financial assets and considers factors such as obsolescence, physical damage, significant changes to the manner in which the asset is used, worse than expected economic performance, a drop in revenues or other external indicators.

If such indicators are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the asset's fair value less cost to sell or value in use whichever is higher. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to be generated from the continued use of the asset.

Determining the recoverable amounts of the non-financial assets, which involve determination of future cash flows expected to be generated from continued use and ultimate disposition of such assets, require the use of estimates and assumptions that can materially affect the financial statements. Future events could indicate that these non-financial assets are impaired. Any resulting impairment loss could have a material adverse impact on the financial condition and performance of the Company.

h.) *Determining and Computation of Retirement Benefits*

The pension cost as well as the present value of the retirement benefits obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its

long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The amounts of retirement benefit obligation as at December 31, 2025 and 2024 amounted to ₱5,406,784 and ₱4,588,477, respectively (see Note 24).

i.) *Realizability of Deferred Tax Assets*

The Company reviews the carrying amounts at the end of each reporting period and reduced the deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. The Company's assessment on the recognition of deferred tax assets on NOLCO, MCIT and deductible temporary differences is based on the level and timing of forecasted taxable income of the subsequent reporting periods. The forecast is based on past results and future expectations on revenues and expenses as well as future tax planning strategies. However, there is no assurance that the Company will generate sufficient taxable income to allow all or part of its deferred income tax assets to be utilized. Details of deferred tax assets are provided in Note 25.

## 6. Cash

Cash includes:

	2025	2024
Cash in banks – Reserve	₱ 98,517,054	₱ 68,773,725
Cash in banks – Peso	12,383,584	21,674,823
Cash in banks – USD	98,364	94,684
Petty cash fund	30,000	30,000
<b>Total</b>	<b>₱ 111,029,002</b>	<b>₱ 90,573,232</b>

Cash in banks represent saving and demand deposit accounts in various universal banks that generally earn interest at their respective daily bank deposit rates. Petty cash fund is used for payment of minor disbursements and is maintained under an imprest fund system.

Included in cash in bank is US\$-denominated bank deposit amounting to US\$1,672.72 translated to ₱58.81 as at December 31, 2025. Unrealized forex gain amounts to ₱2,475 and ₱4,225 for 2025 and 2024, respectively (see Note 23).

Interest income earned from cash in banks amounted to ₱2,799,973 in 2025 and ₱3,352,220 in 2024 (see Note 23).

In compliance with the SRC Rule 49.2, covering customer protection and custody of securities, every broker dealer shall maintain with a bank, at all times, deposits hereinafter specified as “Special Reserve Bank Account for the Exclusive Benefit of Customers” and it shall be separate from any other bank account of the Broker Dealer. The reserve requirement is determined based on SEC’s prescribed computations. The Company maintains special reserve bank account for its customers amounting to ₱98,517,054 and ₱68,773,725 as at December 31, 2025 and 2024, respectively.

## 7. Financial Assets at FVPL

This account represents equity securities that are acquired principally for the purpose of selling or repurchasing them in the near term; or part of a portfolio of identified securities that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Details of this account is as follows:

	2025	2024
Equities inside the PSEi	₱ 5,339,543	₱ 5,665,176
Other equities outside the PSEi	12,505,370	10,681,835
<b>Total</b>	<b>₱ 17,844,913</b>	<b>₱ 16,347,011</b>

Included in this account is the Company's investment in 50,000 PSE shares with fair values of ₱10,270,000 and ₱8,200,000 as at December 31, 2025 and 2024, respectively.

The costs of shares and the cumulative balance of unrealized gain is as follows:

	2025		2024	
Fair values of equity securities	₱	17,844,913	₱	16,347,011
Costs of equity securities		(12,774,846)		(12,774,846)
Cumulative balance of unrealized gain	₱	5,070,067	₱	3,572,165

The Company's net trading gains reported in the statements of comprehensive income is as follows:

	Note/s	2025		2024	
Realized trading losses	20	₱	(86,699)	₱	(152,127)
Unrealized trading gains	20		1,497,902		1,878,832
Net trading gains		₱	1,411,203	₱	1,726,705

Dividend income earned on these investments amounted to ₱1,057,038 and ₱832,350 in 2025 and 2024, respectively (see Note 20).

## 8. Trade & Other Receivables – net

This account consists of:

	2025		2024	
Receivables from customers	₱	14,236,882	₱	20,125,262
Receivable from other brokers		1,725,251		1,724,801
Receivable from round one customers		10,000		8,661
Allowance for ECL		(12,545,828)		(15,103,737)
Net realizable value	₱	3,426,305	₱	6,754,987
Receivable from clearing house		27,127,769		2,385,112
Other receivables		11,976,815		2,020,240
Total	₱	42,530,889	₱	11,160,339

The Company's trade receivables from customers and other brokers and their security valuation follows:

	2025		2024	
	Money Balance	Security Long Valuation	Money Balance	Security Long Valuation
Fully secured accounts:				
More than 250%	₱ 1,342,564	₱ 27,508,166	₱ 2,059,026	₱ 115,143,153
Between 200% to 250%	–	–	–	–
Between 150% to 200%	–	–	100	156
Between 100% to 150%	20,592	21,320	2,144,087	2,568,426
Partially secured accounts:				
Less than 100%	6,800,303	511,987	8,844,281	1,331,861
Unsecured accounts	7,808,674	–	8,811,230	–
Total	₱ 15,972,133	₱ 28,041,473	₱ 21,858,724	₱ 119,043,596
Less: Allowance for ECL	(12,545,828)	–	(15,103,737)	–
Net realizable value	₱ 3,426,305	₱ 28,041,473	₱ 6,754,987	₱ 119,043,596

Receivables from customers are non-interest-bearing receivables from brokerage services rendered, including value of securities bought in behalf of customers, commissions, and other charges thereon. The securities will serve as collateral for the receivables.

Receivable from other brokers are claims for the purchase of securities and other trade-related transactions, these are non-interest bearing and have no specific credit terms.

Receivables from round one customers are claims to users for registering on the Round One platform.

Receivables from clearing house are non-interest bearing, collected on two (2) trading days-term following the settlement of Philippine clearing houses.

Other receivables consist of unsecured and non-interest bearing receivable from other third parties.

All of the Company's trade & other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired due to defaults by customers and provisions have been recorded accordingly. Allowance for impairment on receivables from customers is computed using the formula provided by the PSE in the Analysis of Receivables which forms part of the Risk-Based Capital Adequacy (RBCA) Report (see Note 31).

A reconciliation of the allowance for ECLs is shown below:

	Note/s	2025	2024
Balance at beginning of year		₱ 15,103,737	₱ 14,385,973
Provisions during the year	22	–	717,764
Recovery during the year	23	(2,557,909)	–
Balance at end of year		₱ 12,545,828	₱ 15,103,737

None of the receivables were pledged as collateral to secure the Company's liabilities.

## 9. Financial Assets at FVOCI

This account represents investment in club shares designated as FVOCI. The roll-forward of this account is as follows:

	2025	2024
Cost	₱ 671,000	₱ 671,000
Fair value changes:		
Balance at beginning of year	₱ 300,000	₱ 350,000
Unrealized gain (loss)	250,000	(50,000)
Balance at end of year	₱ 550,000	₱ 300,000

The reconciliation of the carrying amounts of the Company's investment in club share for 2025 and 2024 are shown below:

### 2025

	Cost	Financial Asset at FVOCI	Market Adjustments in OCI	Deferred Tax Asset
Investment in club share	₱ 671,000	₱ 300,000	₱ (278,250)	₱ (92,750)
Market adjustment	–	250,000	187,500	62,500
Total	₱ 671,000	₱ 550,000	₱ (90,750)	₱ (30,250)

### 2024

	Cost	Financial Asset at FVOCI	Market Adjustments in OCI	Deferred Tax Asset
Investment in club share	₱ 671,000	₱ 350,000	₱ (240,750)	₱ (80,250)
Market adjustment	–	(50,000)	(37,500)	(12,500)
Total	₱ 671,000	₱ 300,000	₱ (278,250)	₱ (92,750)

Fair value changes of financial asset at FVOCI are taken directly to equity, net of related tax. Unrealized gain on this investment, net of deferred tax, amounted to ₱187,500 as of December 31, 2025 and unrealized loss on this investment, net of deferred tax, amounted to ₱37,500 as of December 31, 2024.

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## 10. Other Current Assets

This account consists of:

	2025		2024
Prior year's excess credits	₱ 3,706,009	₱	3,561,787
Prepaid taxes & licenses	677,764		683,538
Advances to employees	419,476		200,016
Advances to suppliers	192,905		192,905
Input taxes	143,596		169,657
Prepayments	134,805		319,423
Prepaid insurance	112,220		70,918
Other prepaid expenses	110,505		151,054
<b>Total</b>	<b>₱ 5,497,280</b>	₱	<b>5,349,298</b>

Prepayments consist of creditable withholding taxes (CWT). CWTs are amounts withheld by the Company's customers from income payments subject to expanded withholding taxes (EWT).

Prepayments are credited against income tax liability at the end of the taxable year. Any excess of prepayments, if any, are either refunded, carried over to the next taxable year, or converted to tax credit certificates. Excess credits carried over from the immediately preceding to the current taxable year are classified separately as "prior year's excess credits."

Prepaid taxes & licenses includes real property taxes, and license renewal of broker-dealer, salesman, and associated person.

Advances to employees are funds given to employees that is expected to be liquidated in a short period of time, otherwise, subject for liquidation within 12 months.

Advances to suppliers are amounts paid to suppliers in advance services in the ordinary course of business.

Input taxes are the 12% value added tax (VAT) on purchase of goods or services in the course of its trade or business. At the end of the year, input tax can be applied against output tax.

Prepaid insurance pertains to the Company's remaining unexpired balance of fire, general liability and surety or broker-dealer bond insurance.

Other prepaid expenses include car insurance and advance payment of association dues and subscriptions.

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## 11. Advances to Real Estate Developer

This account represents advances to developer for the purchase and construction cost of condominium units and major renovation projects of the Company.

Upon completion of the projects, the Company reclassifies the condominium units as either investment property or as property & equipment depending on its intended use.

As at December 31, 2024 the Company reclassify portion of its advances to real estate developers. Portion of the office improvement was capitalized and was reclassified under office equipment & improvements amounting to ₱2,483,136 (see Note 13).

In the same year, remaining portion of the cost were reclassified as advances to suppliers amounting to ₱192,905 (see Note 10).

## 12. Investment Properties

The Company's investment properties include leased-out commercial properties and held for capital appreciation. Investment properties, except land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is stated at cost less accumulated impairment losses. The changes in the carrying amounts presented in the statements of financial position are summarized as follows:

	Land		Condominium		Total	
<b>Cost:</b>						
As at December 31, 2023	₱	54,923,734	₱	24,060,469	₱	78,984,203
Additions		—		—		—
As at December 31, 2024	₱	54,923,734	₱	24,060,469	₱	78,984,203
Additions		—		—		—
<b>As at December 31, 2025</b>	<b>₱</b>	<b>54,923,734</b>	<b>₱</b>	<b>24,060,469</b>	<b>₱</b>	<b>78,984,203</b>
<b>Accumulated depreciation:</b>						
As at December 31, 2023	₱	—	₱	15,086,727	₱	15,086,727
Depreciation		—		560,699		560,699
As at December 31, 2024	₱	—	₱	15,647,426	₱	15,647,426
Depreciation		—		560,699		560,699
<b>As at December 31, 2025</b>	<b>₱</b>	<b>—</b>	<b>₱</b>	<b>16,208,125</b>	<b>₱</b>	<b>16,208,125</b>
<b>Carrying amount:</b>						
As at December 31, 2024	₱	54,923,734	₱	8,413,043	₱	63,336,777
<b>As at December 31, 2025</b>	<b>₱</b>	<b>54,923,734</b>	<b>₱</b>	<b>7,852,344</b>	<b>₱</b>	<b>62,776,078</b>

Rental income earned by the Company from its investment properties leased out under operating leases amounted to ₱8,615,051 and ₱2,722,164 in December 31, 2025 and 2024, respectively (see Note 23). The amounts of depreciation were charged to general & administrative costs (see Note 22).

The fair value of substantially all investment properties amounting to ₱1,205,205,000 as of February 21, 2025, was determined by Tan-Gatue Appraisal Associates, Inc. with appropriate qualifications and experience in the valuation of similar properties in the relevant locations (see Note 29). In conducting the appraisal, the independent appraisers mainly used the Sales Comparison Approach, which considers the sales of similar or substitute properties and related market data. This approach establishes a value estimate by processes involving comparison.

There was no indication of any impairment loss on the carrying amount of investment property, as at December 31, 2025 and 2024, since its recoverable amount exceeds its carrying amount.

The fair value of investment properties is categorized as Level 2 of the fair value hierarchy since the valuation was based on observable inputs.

None of the investment properties were mortgaged as collateral to secure the Company's liabilities.

## 13. Property & Equipment

The roll-forward analyses of this account are as follows:

	Condominium		Transportation equipment		Office equipment & improvements		Furniture & fixtures	
<b>Cost:</b>								
As at December 31, 2023	₱	42,828,415	₱	16,431,920	₱	23,114,043	₱	5,097,715
Additions		—		—		—		28,883
Disposal		—		(2,059,000)		—		—
Reclassifications		—		—		2,483,136		—
As at December 31, 2024	₱	42,828,415	₱	14,372,920	₱	25,597,179	₱	5,126,598
Additions		—		—		—		—
<b>As at December 31, 2025</b>	<b>₱</b>	<b>42,828,415</b>	<b>₱</b>	<b>14,372,920</b>	<b>₱</b>	<b>25,597,179</b>	<b>₱</b>	<b>5,126,598</b>

(Forward)

<b>Accumulated depreciation:</b>								
As at December 31, 2023	₱	10,177,979	₱	16,431,920	₱	15,463,258	₱	4,999,338
Depreciation		1,674,382		–		1,074,452		63,266
Disposal		–		(2,059,000)		–		–
<b>As at December 31, 2024</b>	<b>₱</b>	<b>11,852,361</b>	<b>₱</b>	<b>14,372,920</b>	<b>₱</b>	<b>16,537,710</b>	<b>₱</b>	<b>5,062,604</b>
Depreciation		1,674,381		–		1,065,521		49,613
<b>As at December 31, 2025</b>	<b>₱</b>	<b>13,526,742</b>	<b>₱</b>	<b>14,372,920</b>	<b>₱</b>	<b>17,603,231</b>	<b>₱</b>	<b>5,112,217</b>
<b>Carrying amount:</b>								
As at December 31, 2024	₱	30,976,054	₱	–	₱	9,059,469	₱	63,994
<b>As at December 31, 2025</b>	<b>₱</b>	<b>29,301,673</b>	<b>₱</b>	<b>–</b>	<b>₱</b>	<b>7,993,948</b>	<b>₱</b>	<b>14,381</b>

		Computer equipment		Leasehold improvements		Total
<b>Cost:</b>						
As at December 31, 2023	₱	6,401,155	₱	571,182	₱	94,444,430
Additions		75,797		–		104,680
Disposal		–		–		(2,059,000)
Reclassifications		–		–		2,483,136
<b>As at December 31, 2024</b>	<b>₱</b>	<b>6,476,952</b>	<b>₱</b>	<b>571,182</b>	<b>₱</b>	<b>94,973,246</b>
Additions		197,057		–		197,057
<b>As at December 31, 2025</b>	<b>₱</b>	<b>6,674,009</b>	<b>₱</b>	<b>571,182</b>	<b>₱</b>	<b>95,170,303</b>
<b>Accumulated depreciation:</b>						
As at December 31, 2023	₱	6,256,466	₱	571,182	₱	53,900,143
Depreciation		92,113		–		2,904,213
Disposal		–		–		(2,059,000)
<b>As at December 31, 2024</b>	<b>₱</b>	<b>6,348,579</b>	<b>₱</b>	<b>571,182</b>	<b>₱</b>	<b>54,745,356</b>
Depreciation		116,489		–		2,906,004
<b>As at December 31, 2025</b>	<b>₱</b>	<b>6,465,068</b>	<b>₱</b>	<b>571,182</b>	<b>₱</b>	<b>57,651,360</b>
<b>Carrying amount:</b>						
As at December 31, 2024	₱	128,373	₱	–	₱	40,227,890
<b>As at December 31, 2025</b>	<b>₱</b>	<b>208,941</b>	<b>₱</b>	<b>–</b>	<b>₱</b>	<b>37,518,943</b>

As at December 31, 2025 and 2024, there is no indication of any impairment loss on the carrying amount of property & equipment since its recoverable amounts approximates its carrying amount.

As at December 31, 2024 the Company reclassify portion of its advances to real estate developers. Portion of the office improvement was capitalized and was reclassified under office equipment & improvements amounting to ₱2,483,136 (see Note 11).

During the same period, the Company disposed of one vehicle that was previously classified under transportation equipment amounting to ₱2,059,000 with nil carrying amount. The resulting gain on disposal amounted to ₱339,286 were presented under other income (see Note 23).

There were no temporarily idle property & equipment and all fully-depreciated assets are still actively in use. The Company did not enter into any contractual commitments of acquiring any property & equipment.

The amounts of depreciation were charged to general & administrative costs (see Note 22).

None of the property & equipment were pledged as collateral to secure the Company's liabilities.

## 14. Intangible Assets

The roll-forward analyses of this account are as follows:

	Trading right	Crowdfunding platform	Trademark	Computer software	Total
<b>Cost:</b>					
As at December 31, 2023	₱ 1	₱ 988,413	₱ 65,600	₱ 3,723,423	₱ 4,777,437
Additions	–	–	–	–	–
As at December 31, 2024	₱ 1	₱ 988,413	₱ 65,600	₱ 3,723,423	₱ 4,777,437
Additions	–	–	–	–	–
<b>As at December 31, 2025</b>	<b>₱ 1</b>	<b>₱ 988,413</b>	<b>₱ 65,600</b>	<b>₱ 3,723,423</b>	<b>₱ 4,777,437</b>
<b>Accumulated amortization:</b>					
As at December 31, 2023	₱ –	₱ 16,473	₱ 31,178	₱ 1,953,497	₱ 2,001,148
Amortization	–	197,683	6,560	152,572	356,815
As at December 31, 2024	₱ –	₱ 214,156	₱ 37,738	₱ 2,106,069	₱ 2,357,963
Amortization	–	197,682	6,560	151,143	355,385
<b>As at December 31, 2025</b>	<b>₱ –</b>	<b>₱ 411,838</b>	<b>₱ 44,298</b>	<b>₱ 2,257,212</b>	<b>₱ 2,713,348</b>
<b>Carrying amount:</b>					
As at December 31, 2024	₱ 1	₱ 774,257	₱ 27,862	₱ 1,617,354	₱ 2,419,474
<b>As at December 31, 2025</b>	<b>₱ 1</b>	<b>₱ 576,575</b>	<b>₱ 21,302</b>	<b>₱ 1,466,211</b>	<b>₱ 2,064,089</b>

### Stock Exchange Trading Rights

This represents the Company's privilege in trading securities in the PSE floor. In compliance with Section 8, Article III of the Amended By Laws of the Exchange, the Company's trading right (previously the exchange membership seat) is pledged at its full value to the PSE to secure the payment of all debts due to the Exchange and to other trading participants of the Exchange arising out of or in connection with the present or future contracts relating to securities and in compliance with Section 7, Article II of the Rules Governing Trading Rights and Trading Participants, to secure the payment of all debts and claims due to the clients of the Company, the Government, the Exchange and the other trading participant of the Exchange and to the Securities Clearing Corporation of the Philippines.

As at both December 31, 2025 and 2024, the fair value less costs to sell of the exchange trading right amounted to ₱7,700,000 and ₱7,200,000, respectively, representing the transacted price of the exchange trading right of the most recent sale approved by the PSE Board of Directors on September 17, 2025 and November 16, 2023, respectively.

### Crowdfunding Platform

This refers to the crowdfunding platform used in the equity-based crowdfunding activities. The Company has secured the approval of Securities and Exchange Commission as registrar of qualified buyers on December 7, 2021. In 2024, the development of crowdfunding platform was completed and it was then used by the Company.

As at December 31, 2025 and 2024, there was no indication of any impairment loss on the carrying amount of intangible assets since its recoverable amounts approximates its carrying amount.

The amounts of amortization were charged to general & administrative costs (see Note 22).

None of the intangible assets were pledged as collateral to secure the Company's liabilities.

## 15. Other Non-Current Assets

Other non-current assets represent:

	2025	2024
CTGF refundable contributions	₱ 1,993,846	₱ 1,924,794
Refundable deposits	159,273	154,793
<b>Total</b>	<b>₱ 2,153,119</b>	<b>₱ 2,079,587</b>

The Company, as a clearing member, is required to pay monthly contributions to the CTGF maintained by the SCCP for an amount of 1/500 of 1% applied to the Clearing Member's total monthly turnover value less block sales and cross transactions of the same flag. On March 13, 2018, the SEC resolved to approve SCCP's proposed amendments to SCCP Rule 5.2, making the Clearing Members' contribution to the CTGF refundable upon cessation of their business and/or termination of their membership with SCCP, provided that all liabilities owing to SCCP at the time of termination, whether actual or contingent, shall have been satisfied or paid in full. The share of the Company in the seed money contributed by the Philippines Stock Exchange amounted to ₱493,084.

Refundable deposits represent non-interest bearing deposits made on lease and other services usually refundable after the end of contract or services less any charges.

## 16. Trade & Other Payables

This account consists of:

	2025		2024	
Payable to customers	₱	127,585,763	₱	73,944,420
Accrued expenses		2,922,061		2,581,508
Payable to other brokers		713,125		350,365
Payable to round one customers		66,000		66,000
Dividends payable to customers		30,104		1,041,836
Campaign deposits		5,600		5,600
Miscellaneous payable		10,861,971		13,116,261
<b>Total</b>	<b>₱</b>	<b>142,184,624</b>	<b>₱</b>	<b>91,105,990</b>

Payable to customers and other brokers are claims for the purchase of securities and other trade-related transactions, these are non-interest bearing and have no specific credit terms.

The Company's payable to customers and other brokers and their security valuation follows:

	2025		2024	
	Money Balance	Security Long Valuation	Money Balance	Security Long Valuation
With money balances	₱ 128,298,888	₱ 3,093,039,916	₱ 74,360,785	₱ 3,661,937,159
Without money balances	–	2,503,207,825	–	1,907,855,109
<b>Total</b>	<b>₱ 128,298,888</b>	<b>₱ 5,596,247,741</b>	<b>₱ 74,360,785</b>	<b>₱ 5,569,792,268</b>

Accrued expenses are accrual of monetized benefits, professional fees, utilities, payroll, management fees, and commissions.

Payable to round one customers refer to the amounts owed to investors who are prepared to sell their stocks on the Round One platform.

Dividends payable represents the amount of cash dividend declared by separate public entities payable to the customers of the Company.

Campaign deposits consists of registration fees received from an eligible issuer for registration to the crowdfunding portal but have pending in-process requirements.

Miscellaneous payable includes stale checks as payment to customers' account including dividends payable which were reverted to liability for non-clearance within the time prescription of six (6) months.

## 17. Other Current Liabilities

Other current liabilities consist of:

	2025		2024	
Output taxes	₱	1,115,972	₱	343,706
Statutory contributions payable		209,199		183,573
Withholding taxes payable		104,562		102,654
Stock transaction tax payable		31,950		74,156
Trading fees payable		33,114		35,901
<b>Total</b>	<b>₱</b>	<b>1,494,797</b>	<b>₱</b>	<b>739,990</b>

Output taxes are the 12% VAT derived from rendering of services which are reduced by input taxes, the excess of which will be payable to the taxation authorities as net VAT payable. Otherwise, the excess of input taxes over output taxes are carried-forward to be refunded or applied to future amounts of output taxes.

Statutory contributions payable pertains to the employer's and employees share of SSS, HDMF, and PHIC for December and to be paid on the following month.

Withholding taxes payable refers to expanded and final withholding taxes for December to be paid on the following month.

Stock transaction tax payable arise from sales of stock transactions to be paid on the following month.

Trading fees payable pertain to transaction costs and clearing fees on the purchase and sale of stocks that are payable to the regulatory bodies.

## 18. Other Non-current Liabilities

Other non-current liabilities consist of:

	2025		2024	
Security deposits	₱	1,600,454	₱	1,144,472
<b>Total</b>	<b>₱</b>	<b>1,600,454</b>	<b>₱</b>	<b>1,144,472</b>

Security deposits are payable upon the expiry or termination of the related lease agreements.

## 19. Equity

Share capital consists of:

	No. of Shares		Amount	
	2025	2024	2025	2024
Authorized – ₱10,000.00 par value	20,000	20,000	₱ 200,000,000	₱ 200,000,000
Subscribed	20,000	20,000	₱ 200,000,000	₱ 200,000,000
Issued, paid-up & outstanding:				
Balance at beginning of year	18,382	18,382	₱ 183,828,600	₱ 183,828,600
Issued during the year	715	–	7,148,550	–
Balance at end of year	19,097	18,382	₱ 190,977,150	₱ 183,828,600
Ordinary share capital	19,097	18,382	₱ 190,977,150	₱ 183,828,600

As at December 31, 2025 and 2024, the Company has nine (9) shareholders, each owning 100 or more shares of the Company's shares of stock, respectively.

#### Additional Issuance of Share Capital

On July 31, 2025, the Company's BOD authorized the issuance of 715 ordinary shares with ₱10,000.00 par value from its unissued shares of stock. As a result, ₱7,148,550 was collected.

#### Appropriation for Reserve Fund

Based on SEC Memorandum Circular No. 16 dated November 11, 2004, starting December 1, 2005, every broker dealer is expected to comply with all the requirements of the Risk-Based Capital Adequacy (RBCA) rules.

As of December 31, 2005, the RBCA report is prepared based on the guidelines which cover the following risks: (a) position or market risk, (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks, and (c) operational risk. Rule 49.1 (B), Reserve Fund of the Memorandum Circular, requires that every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to appropriated retained earnings. Appropriation shall be 30%, 20% and 10% of profit after tax for broker-dealers with unimpaired paid-up capital of ₱10-million to ₱30-million, ₱30-million to ₱50-million, and above ₱50 million, respectively.

The Company made no additional appropriations in 2025 and 2024 since the Company incurred net loss for the years then ended. Total appropriation reserves amounted to ₱7,535,243 as at December 31, 2025 and 2024.

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## 20. Revenues

Revenues are principally derived from brokerage and dealer services to wit:

		2025		2024
Commission income	₱	10,524,389	₱	9,687,709
Income from crowdfunding		360,824		–
Total	₱	10,885,213	₱	9,687,709

#### Other Operating Income (Losses)

This account comprises of:

	Note/s	2025		2024
Unrealized trading gains	7	₱ 1,497,902	₱	1,878,832
Realized trading losses	7	(86,699)		(152,127)
Dividend income	7	1,057,038		832,350
Campaign registration fees		–		885,217
Total		₱ 2,468,241	₱	3,444,272

Income from Crowdfunding represents fees earned by the Company for facilitating fundraising activities on behalf of clients through its Round One platform. It consists of non-refundable registration fees charged at the start of campaigns and success-based fees recognized upon completion of fundraising milestones.

Campaign registration fees consist of onboarding, partial commitment and mobilization fees that was charged to its investors registered on the Round One platform.

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## 21. Cost of Services

The details of cost of services are shown below:

	Note/s	2025		2024
Salaries & employee benefits	24	₱ 3,016,343	₱	2,422,218
Subscription & periodicals		1,747,770		–
Stock exchange dues & fees		1,211,717		1,250,029
Research fees		832,200		780,958
(Forward)				

Commission expenses		822,502		400,388
Consultancy fees		652,193		–
Central depository expenses		588,374		616,760
<b>Total</b>		<b>₱ 8,871,099</b>		<b>₱ 5,470,353</b>

Round one expenses consist of portions of salaries & wages, subscription & periodicals and consultancy fees amounting to ₱3,394,106 and ₱195,473 for December 31, 2025 and 2024, respectively.

## 22. General & Administrative Costs

The following shows the breakdown of general & administrative costs:

	Note/s	2025	2024
Salaries & employee benefits	24	₱ 9,703,441	₱ 9,331,625
Management & consultancy fees		4,617,871	5,595,864
Condominium dues & fees		1,384,582	1,062,992
Taxes & licenses	34	1,284,235	1,279,885
Professional fees		1,114,162	1,337,475
Insurance		942,928	481,019
Rentals	28	925,316	943,031
Utilities		911,879	799,624
Fines & penalties	25,34	888,207	426,060
Postage, telephone & communications		553,697	510,390
Repairs & maintenance		419,376	319,461
Security services		360,000	384,535
Subscription & periodicals		302,330	2,679,084
Membership fees		258,450	244,240
Gas & oil		250,827	261,326
Office supplies		154,677	160,818
Entertainment, amusement & recreation		105,367	278,665
Transportation & travel		55,638	36,507
Meetings & conferences		27,912	30,889
Donations & contributions		25,450	85,450
Trainings & seminars		7,679	6,250
Provision for ECLs	8	–	717,764
Depreciation	12, 13	3,466,703	3,464,912
Amortization	14	355,385	356,815
Miscellaneous		322,212	228,064
<b>Total</b>		<b>₱ 28,438,324</b>	<b>₱ 31,022,745</b>

Round one expenses consist portion of its general & administrative costs amounting to ₱466,425 and ₱3,962,360 as at December 31, 2025 and 2024, respectively.

## 23. Finance & Other Income

### Interest Income

Interest income consists of interest earned from local bank deposits which are subject to 20% final withholding taxes (see Note 25), to wit:

	2025	2024
Interest income from banks	₱ 2,799,973	₱ 3,352,220
<b>Total</b>	<b>₱ 2,799,973</b>	<b>₱ 3,352,220</b>

### Other Income

This account comprises of:

	Note/s	2025	2024
Rental income	12	₱ 8,615,051	₱ 2,722,164
Fees & charges	25	561,551	500,571
Gain on sale of other assets	13	—	339,286
Unrealized forex gains	6	2,475	4,225
Recovery of ECL	8	2,557,909	—
Miscellaneous income	25	248,187	95,457
<b>Total</b>		<b>₱ 11,985,173</b>	<b>₱ 3,661,703</b>

## **24. Employee Benefits**

Expenses recognized for salaries & employee benefits is presented below:

	2025	2024
Short-term employee benefits	₱ 12,011,679	₱ 11,112,947
Post-employment benefits	708,105	640,896
<b>Total</b>	<b>₱ 12,719,784</b>	<b>₱ 11,753,843</b>

The amount of salaries & employee benefits is allocated as follows:

	Note/s	2025	2024
Cost of services	21	₱ 3,016,343	₱ 2,422,218
General & administrative costs	22	9,703,441	9,331,625
<b>Total</b>		<b>₱ 12,719,784</b>	<b>₱ 11,753,843</b>

### Short-term Employee Benefits

The amount of short-term employee benefits is broken down as follows:

	2025	2024
Salaries & wages	₱ 8,928,461	₱ 8,285,734
Statutory contributions	1,255,692	1,110,186
Other employee benefits	1,827,526	1,717,027
<b>Total</b>	<b>₱ 12,011,679</b>	<b>₱ 11,112,947</b>

### Post-employment Defined Benefits

The Company has not established a formal retirement plan. However, it is required to pay qualified employees retirement benefits under Republic Act No. 7641. The benefits considered in the valuation is the minimum retirement benefit provided under Republic Act No. 7641. Based on DOLE Circular relative to R.A. 7641 issued on January 7, 1993, given the Company's formula for converting monthly salary to daily salary, the minimum benefit is approximately eighty-five percent (85%) of final monthly salary per year of service.

Actuarial valuations are made every year to update the retirement benefit costs. All amounts presented below are based on the actuarial valuation report obtained from an independent actuary on March 13, 2026 and February 8, 2025.

*Explanation of Amounts Presented in the Statements of Financial Position*

The movements in the retirement benefit obligation account as presented in the statements of financial position follows:

	2025		2024	
Balance at beginning of year	₱	4,588,477	₱	3,911,207
Current service costs		428,208		402,312
Interest costs		279,897		238,584
Benefits paid		(319,354)		–
Actuarial loss (gain) arising from:				
Financial assumptions		382,582		–
Demographic assumptions		(109,188)		–
Experience adjustments		156,162		36,374
<b>Balance at end of year</b>	<b>₱</b>	<b>5,406,784</b>	<b>₱</b>	<b>4,588,477</b>

*Explanation of Amounts Presented in the Statements of Comprehensive Income*

The components of amounts recognized in profit or loss and other comprehensive income in respect of the retirement benefit obligation follows:

	Profit or Loss		Other Comprehensive Income	
	2025	2024	2025	2024
Current service costs	₱ 428,208	₱ 402,312	₱ –	₱ –
Interest expense	279,897	238,584	–	–
Actuarial loss (gain) arising from:				
Financial assumptions	–	–	286,936	–
Demographic assumptions	–	–	(81,891)	–
Experience adjustments	–	–	117,122	27,280
<b>Total</b>	<b>₱ 708,105</b>	<b>₱ 640,896</b>	<b>₱ 322,167</b>	<b>₱ 27,280</b>

*Explanation of Amounts Presented in the Statements of Changes in Equity*

The reconciliation of the cumulative actuarial gains recognized under other comprehensive income in the statements of changes in equity are as follows:

	Re-measurement gain (losses) on defined benefit liability		Related deferred taxes		Net reserves	
Balance as at December 31, 2024	₱	5,541,699	₱	1,385,425	₱	4,156,274
Actuarial gain (loss) arising from:						
Financial assumptions		(382,582)		(95,646)		(286,936)
Demographic assumptions		109,188		27,297		81,891
Experience adjustments		(156,162)		(39,040)		(117,122)
<b>Balance as at December 31, 2025</b>	<b>₱</b>	<b>5,112,143</b>	<b>₱</b>	<b>1,278,036</b>	<b>₱</b>	<b>3,834,107</b>
Balance as at December 31, 2023	₱	5,578,073	₱	1,394,519	₱	4,183,554
Actuarial gain (loss) arising from:						
Financial assumptions		–		–		–
Demographic assumptions		–		–		–
Experience adjustments		(36,374)		(9,094)		(27,280)
Balance as at December 31, 2024	₱	5,541,699	₱	1,385,425	₱	4,156,274

*Principal Actuarial Assumptions*

Principal actuarial assumptions at the reporting date:

	2025	2024
Discount rate	6.21%	6.10%
Future salary increases	5.50%	5.00%

Discount rates assumptions are based on approximated zero-coupon yield of government bonds with remaining period to maturity approximating the estimated average duration of benefit payment. To approximate the zero-coupon yield for a given period to maturity, the BVAL reference rate as published by the PDS Group with the same period to maturity, was simply adopted. This approximation method is based on the principle that zero-coupon bond yields could be higher or lower than the coupon-paying bond yields depending on interest rate outlook and investor's liquidity requirements as shown by a study of actual market transactions and thus, such rates should be close on the average. All other popular methods produce results consistently lower or higher than the coupon-paying yields given a normal yield curve.

*Sensitivity Analysis and Discussion on Associated Risks*

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the post-employment defined benefit obligation as of December 31, 2025 and 2024:

	2025	2024
<b>Discount Rate:</b>		
Increase in assumption by 1%	₱ (434,611)	₱ (351,535)
Decrease in assumption by 1%	535,684	435,231
<b>Salary Rate:</b>		
Increase in assumption by 1%	529,234	436,087
Decrease in assumption by 1%	(445,083)	(366,684)
<b>Employee turnover:</b>		
Improvement by 10%	43,196	27,183
Increase by 10%	(43,196)	(27,183)

The present value of the defined benefit obligation is calculated by applying the Projected Unit Credit (PUC) taking into account the factors of interest, mortality, disability, and salary projection rates.

Based on the results of the sensitivity calculations, the major risk exposures of the Company relative to retirement benefits that could affect the Company's future income stream and cash flow are: (1) interest rates (discount rates) getting lower and (2) salaries increasing higher than as assumed.

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

*Benefit Payments Projection*

Since the Company does not have a formal retirement plan, benefit claims under the retirement obligation are paid directly by the Company when they become due. The maturity analysis of expected benefit payments follows:

	2025	2024
Within one year	₱ 1,188,581	₱ 1,336,125
More than one year to five years	1,347,217	1,278,382
More than five years to ten years	3,046,721	2,815,754
Beyond ten years	36,966,432	36,898,355
<b>Total</b>	<b>₱ 42,548,951</b>	<b>₱ 42,328,616</b>

The weighted average duration of the defined benefit obligation is 18 years and 19 years as at December 31, 2025 and 2024, respectively.

## 25. Income Tax

The computation of tax expense(benefit) as reported in the statements of comprehensive income:

	2025	2024
<i>Reported in profit or loss:</i>		
Current tax expense:		
Final tax at 20%	₱ 559,995	₱ 670,444
MCIT	228,778	175,201
Total	₱ 788,773	₱ 845,645
Deferred tax expense (benefit):		
Origination and reversal of temporary differences	₱ 5,333,101	₱ (4,920,685)
Total	₱ 5,333,101	₱ (4,920,685)
Income tax expense (benefit)	₱ 6,121,874	₱ (4,075,040)
<i>Reported in other comprehensive income:</i>		
Deferred tax expense:		
Origination and reversal of temporary differences	₱ (44,890)	₱ (21,594)
Income tax expense	₱ (44,890)	₱ (21,594)

The computation of tax benefit from NOLCO is as follows:

	Note/s	2025	2024
Loss before tax		₱ (9,170,823)	₱ (16,347,194)
Add (Less): Adjustments			
<i>Permanent Differences:</i>			
Interest income from banks	23	(2,799,973)	(3,352,220)
Dividend income	7, 20	(1,057,038)	(832,350)
Non-deductible donations	22	25,450	85,450
Non-deductible entertainment, amusement & recreation		—	181,788
Non-deductible miscellaneous		3,406	—
Non-deductible fines & penalties	22	888,207	426,060
<i>Temporary Differences:</i>			
Unrealized trading gains	7	(1,497,902)	(1,878,832)
Recovery of ECL	8,23	(2,557,909)	—
Expected credit losses	8,22	—	717,764
Unrealized forex loss	23	(2,475)	(4,225)
Retirement benefit expense	24	708,105	640,896
Retirement benefit paid	24	(319,354)	—
NOLCO		₱ (15,780,306)	₱ (20,362,863)
Statutory income tax rate		25%	25%
Tax benefit from NOLCO		₱ (3,945,076)	₱ (5,090,716)

The Company is also subject to MCIT, which is computed at 2% of gross income as under the tax regulations.

The computation of MCIT is as follows:

	Note/s	2025	2024
Gross profit		₱ 2,014,114	₱ 4,217,356
Add: Adjustments			
Rental income	12,23	8,615,051	2,722,164
Fees and charges	23	561,551	500,571
Campaign registration fees	20	—	885,217
Gain on sale of other assets	13,23	—	339,286
Miscellaneous income	23	248,187	95,457
Gross profit subject to MCIT		₱ 11,438,903	₱ 8,760,051
MCIT rate		2%	2%
MCIT		₱ 228,778	₱ 175,201

The excess of MCIT over RCIT is creditable to future tax payments and are reported as deferred tax assets. However, excess MCIT can be applied only when RCIT exceeds MCIT within the next three years. MCIT was reported in 2025 and 2024 as MCIT is higher than RCIT.

In 2025 and 2024, the Company opted to continue claiming itemized deductions instead of optional standard deductions (OSD), which is equivalent to 40% of gross income.

The schedule of deferred tax assets and liabilities is as follows:

	Statements of Financial Position		Statements of Comprehensive Income			
			Profit or Loss		Other Comprehensive Income	
	2025	2024	2025	2024	2025	2024
<b>Deferred tax assets:</b>						
NOLCO	₱ 16,609,947	₱ 21,156,234	₱ (4,546,287)	₱ 5,090,716	₱ —	₱ —
Excess MCIT	445,483	314,912	130,571	(38,931)	—	—
Retirement benefit obligation	1,351,696	1,147,119	97,188	160,223	107,390	9,094
Allowance for ECL	3,330,903	3,970,381	(639,478)	179,441	—	—
Unrealized loss on FAFVOCI	30,250	92,750	—	—	(62,500)	12,500
Deferred tax assets	₱ 21,768,279	₱ 26,681,396	₱ (4,958,006)	₱ 5,391,449	₱ 44,890	₱ 21,594
<b>Deferred tax liabilities:</b>						
Marketable securities	₱ (1,267,517)	₱ (893,041)	₱ (374,476)	₱ (469,708)	₱ —	₱ —
Foreign exchange gain	(4,780)	(4,161)	(619)	(1,056)	—	—
Deferred tax liabilities	₱ (1,272,297)	₱ (897,202)	₱ (375,095)	₱ (470,764)	₱ —	₱ —
Deferred tax benefit (expense)			₱ (5,333,101)	₱ 4,920,685	₱ 44,890	₱ 21,594

The amounts of NOLCO and the applicable years these are valid and deductible from the taxable income are shown below:

Taxable Years	Valid Until	Original Amount	Used/Expired		Balance	Tax Effect
			2025	2024		
2025	2027	₱ 15,780,306	₱ —	₱ —	₱ 15,780,306	3,945,076
2024	2026	20,362,863	—	—	20,362,863	5,090,716
2023	2026	21,820,427	—	—	21,820,427	5,455,107
2022	2025	18,097,572	(18,097,572)	—	—	—
2021	2026*	8,476,191	—	—	8,476,191	2,119,048
2020	2025*	15,867,881	(15,867,881)	—	—	—
Total		₱ 100,405,240	₱ (33,965,453)	₱ —	₱ 66,439,787	₱ 16,609,947

\*Pursuant to Section 4 (bbbb) of Bayanihan II and as implemented under RR No. 25-2020, the net operating loss of the Company incurred for the taxable years 2021 and 2020 can be carried over as a deduction from gross income for the next five (5) consecutive taxable years following the year of such loss. Ordinarily, NOLCO can be carried over as deduction from gross income for the next three (3) consecutive years only.

The amounts of MCIT and the applicable years these are valid and deductible from the taxable income are shown below:

Taxable Years	Valid Until	Original Amount	Used/Expired		Balance
			2025	2024	
2024	2027	₱ 228,778	₱ –	₱ –	₱ 228,778
2024	2027	175,201	–	–	175,201
2023	2026	41,504	–	–	41,504
2022	2025	98,207	(98,207)	–	–
2021	2024	214,132	–	(214,132)	–
<b>Total</b>		<b>₱ 757,822</b>	<b>₱ (98,207)</b>	<b>₱ (214,132)</b>	<b>₱ 445,483</b>

A reconciliation of tax on the pre-tax loss computed at the applicable statutory rates to tax benefit reported in the statements of comprehensive income is as follows:

	2025	2024
Income tax benefit computed at statutory tax rate of 25%	₱ (2,292,705)	₱ (4,086,799)
Additions (Reductions) resulting from:		
Income subject to lower tax rates:		
at 20% final tax	(139,999)	(167,611)
Dividend income	(264,259)	(208,088)
Non-deductible expenses:		
Donations	6,363	21,364
Non-deductible miscellaneous	852	–
Entertainment, amusement & recreation	–	45,447
Fines & penalties	222,052	106,515
Expired DTA from NOLCO	8,491,363	–
Expired excess MCIT	98,207	214,132
<b>Income tax expense (benefit)</b>	<b>₱ 6,121,874</b>	<b>₱ (4,075,040)</b>

## 26. Basic Loss Per Share

Basic loss per share is computed as follows:

	2025	2024
Loss attributable to ordinary shares	₱ (15,292,697)	₱ (12,272,154)
Divide by: Weighted average number of ordinary shares outstanding	18,680	18,382
<b>Basic loss per share</b>	<b>₱ (818.67)</b>	<b>₱ (667.62)</b>

There are no potential dilutive ordinary shares outstanding as at December 31, 2025 and 2024.

## 27. Related Party Transactions

The Company, in the normal course of business, has entered transactions with its directors, officers, and stockholders principally consisting of:

Related Party	Nature	Terms & Conditions	December 31, 2025		December 31, 2024	
			Amount of Transaction	Outstanding Receivable (Payable)	Amount of Transaction	Outstanding Receivable (Payable)
Directors & officers	Buying transactions	2 days	₱ (2,270,551)	₱ 2,308,229	₱ 2,768,894	₱ 4,578,780
	Selling transactions	2 days	(1,792,427)	(16,095,522)	(11,632,772)	(14,303,095)
Shareholders	Advances to shareholders	Unsecured, non-interest bearing, receivable on demand	–	14,777,925	–	14,777,925

Key management personnel	Management & directors' fees	N/A	840,000	-	840,000	M-
	Salaries & other benefits	N/A	1,886,274	-	1,886,274	-

### Buying and Selling Transactions

Buying and selling transactions with the Company's directors, officers and shareholders are made in the same manner with regular customers.

### Advances to Shareholders

These advances are non-interest bearing, bear no guaranty and have no repayment terms as these are due upon demand. Roll-forward analysis of the Company's advances to officers follows:

	2025		2024	
Balance at beginning of year	₱	15,555,710	₱	15,555,710
Allowance for ECL		(777,785)		(777,785)
Net realizable value	₱	14,777,925	₱	14,777,925

The allowance for expected credit losses on these advances amounted to ₱777,785 as of December 31, 2025 and 2024.

### Lease Agreements

The Company has certain lease with the Company's shareholder (see Note 28) with lease term of 24 months. Total rentals from this lease amounted to ₱735,047 and ₱801,869 in 2025 and 2024 and were charged to general & administrative costs (see Note 22).

### Key Management Personnel Compensation

The compensation of key management personnel is broken down as follows:

	2025		2024	
Management & directors' fees	₱	840,000	₱	840,000
Salaries & wages		1,886,274		1,886,274
Total	₱	2,726,274	₱	2,726,274

The Company does not provide equity-based compensation benefits to any of its directors and executive officers.

## **28. Commitments & Other Matters**

### Company as Lessee

The Company has certain lease of condominium unit with the Company's shareholder (see Note 27) with lease term of 24 months, may be renewed under such terms and conditions as may be mutually agreed upon by the parties. Total rentals from this lease amounted to ₱735,047 and ₱801,869 for 2025 and 2024, respectively. The Company also leases a residential space, with low value. This space is used by one of the Company's traders. Total rentals from this lease amounted to ₱123,447 and ₱141,162 for 2025 and 2024, respectively. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Total rentals from these leases amounted to ₱925,316 and ₱943,031 in 2025 and 2024, respectively, and were charged to general & administrative costs (see Note 22).

Shown below is the maturity analysis of the undiscounted lease payments:

	2025		2024	
Not later than one (1) year	₱	1,082,620	₱	1,103,346
Total	₱	1,082,620	₱	1,103,346

### Operating Leases – Company as Lessor

The Company is a lessor under the following non-cancellable operating leases covering two (2) condominium units and 4 (four) parking lots. The lease has a term of one (1) year commencing on March 1, 2025. In addition to these leases, the Company has entered into two lease agreement covering a parcel of land it owns. These leases have a term of four (4) years commencing on January 1, 2023, with the contract executed on December 20, 2025.

Prior to the formal execution of the agreements, the Company was not able to bill the lessee for the use of the property due to the pending finalization and documentation of the lease terms. Accordingly, no billings were made from January 1, 2023 to December 31, 2024.

Upon execution of the agreements in 2025, the Company assessed that the lease arrangements represent enforceable rights to consideration over the lease term. As such, the Company recognized rental income in 2025 representing the cumulative rentals from January 1, 2023 to December 31, 2025, consistent with the agreed terms.

The related receivable as of December 31, 2025 was subsequently collected in January 2026. Management believes that the amounts are fully recoverable; accordingly, no allowance for impairment was recognized.

It is the responsibility of the tenant to maintain the leased premises in good tenable condition and to keep them suitable for continuing use. The future minimum lease receivables under this non-cancellable operating lease are as follows:

	2025	2024
Not later than one (1) year	₱ 2,984,000	₱ 3,805,065
Total	₱ 2,984,000	₱ 3,805,065

Rent collections earned during the year amounted to ₱8,615,051 and ₱2,722,164 in 2025 and 2024, respectively (see Note 23).

### Deficiency Taxes

Payments for deficiency taxes to the BIR for all internal revenue taxes of the taxable year 2023, to wit:

2025	Coverage	Period	Basic Tax	Surcharge	Interest	Compromise	Total
eLA202300012781	All internal revenue taxes	Taxable year 2023	₱ 810,597	₱ 7,610	₱ 142,281	₱ 70,000	₱ 1,030,488
Total			₱ 810,597	₱ 7,610	₱ 142,281	₱ 70,000	₱ 1,030,488

Interest on deficiency taxes amounting to ₱142,281 was charged to miscellaneous under general, selling & administrative costs (see Note 22).

## 29. Fair Value Measurements

### Carrying Amounts and Fair Values by Category

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

		2025		2024	
	Note/s	Carrying Amounts	Fair Values	Carrying Amounts	Fair Values
<b>Financial assets</b>					
<u>At fair value:</u>					
Financial assets at FVPL	7	₱ 17,844,913	₱ 17,844,913	₱ 16,347,011	₱ 16,347,011
Financial assets at FVOCI	9	550,000	550,000	300,000	300,000
<u>At amortized cost:</u>					
Cash	6	111,029,002	111,029,002	90,573,232	90,573,232
Trade & other receivables – net	8	42,530,889	42,530,889	11,160,339	11,160,339
Advances to employees	10	419,476	419,476	200,016	200,016
Advances to shareholders	27	14,777,925	14,777,925	14,777,925	14,777,925
CTGF refundable contributions	15	1,993,846	1,993,846	1,924,794	1,924,794
Refundable deposits	15	159,273	159,273	154,793	154,793

(Forward)

<b>Non-financial assets</b>					
Investment properties – net	12	62,776,078	1,205,205,000	63,336,777	1,205,205,000
<b>Total</b>		<b>₱ 252,081,402</b>	<b>₱ 1,394,510,324</b>	<b>₱ 198,774,887</b>	<b>₱ 1,340,643,110</b>
<b>Financial liabilities</b>					
<u>At amortized cost:</u>					
Trade & other payables	16	₱ 142,184,624	₱ 142,184,624	₱ 91,105,990	₱ 91,105,990
Security deposits	18	1,600,454	1,600,454	1,144,472	1,144,472
<b>Total</b>		<b>₱ 143,785,078</b>	<b>₱ 143,785,078</b>	<b>₱ 92,250,462</b>	<b>₱ 92,250,462</b>

### Fair Value Hierarchy

In accordance with PFRS 13, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those financial assets and financial liabilities not measured at fair value but for which fair value is disclosed with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure fair value.

The fair value hierarchy has the following levels:

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

The following table summarizes the fair value hierarchy of the Company's assets and liabilities, which are measured at fair value or require disclosure as prescribed by other PFRS Accounting Standards, as at December 31, 2025 and 2024:

		2025			
Note/s	Level 1	Level 2	Level 3	Total	
<b>Financial assets</b>					
<u>At fair value:</u>					
Financial assets at FVPL	7	₱ 17,844,913	–	₱ 17,844,913	
Financial assets at FVOCI	9	550,000	–	550,000	
<u>At amortized cost:</u>					
Cash	6	111,029,002	–	111,029,002	
Trade & other receivables	8	–	–	42,530,889	
Advances to employees	10	–	–	419,476	
Advances to shareholders	27	–	–	14,777,925	
CTGF refundable contributions	15	–	–	1,993,846	
Refundable deposits	15	–	–	159,273	
<b>Non-financial assets</b>					
Investment properties – net	12	–	1,205,205,000	–	
		<b>₱ 129,423,915</b>	<b>₱ 1,205,205,000</b>	<b>₱ 59,881,409</b>	
				<b>₱ 1,394,510,324</b>	
<b>Financial liabilities</b>					
<u>At amortized cost:</u>					
Trade & other payables	16	–	–	₱ 142,184,624	
Security deposits	18	–	–	1,600,454	
<b>Total</b>		<b>₱ –</b>	<b>₱ –</b>	<b>₱ 143,785,078</b>	
				<b>₱ 143,785,078</b>	
		2024			
Note/s	Level 1	Level 2	Level 3	Total	
<b>Financial assets</b>					
<u>At fair value:</u>					
Financial assets at FVPL	7	₱ 16,347,011	–	₱ 16,347,011	
Financial assets at FVOCI	9	300,000	–	300,000	
<u>At amortized cost:</u>					
Cash	6	90,573,232	–	90,573,232	
Trade & other receivables	8	–	–	11,160,339	
Advances to employees	10	–	–	200,016	
Advances to shareholders	27	–	–	14,777,925	
CTGF refundable contributions	15	–	–	1,924,794	
Refundable deposits	15	–	–	154,793	
<b>Non-financial assets</b>					
Investment properties – net	12	–	1,205,205,000	–	
		<b>₱ 107,220,243</b>	<b>₱ 1,205,205,000</b>	<b>₱ 28,217,867</b>	
				<b>₱ 1,340,643,110</b>	
<b>Financial liabilities</b>					
<u>At amortized cost:</u>					
Trade & other payables	16	–	–	₱ 91,105,990	
Security deposits	18	–	–	1,144,472	
<b>Total</b>		<b>₱ –</b>	<b>₱ –</b>	<b>₱ 92,250,462</b>	
				<b>₱ 92,250,462</b>	

As at December 31, 2025 and 2024, there were no financial liabilities measured at fair value. There were no transfers between levels in December 31, 2025 and 2024.

Financial Instruments Not Measured at Fair Value for Which Fair Value is Disclosed

For financial assets with fair values included in Level 1, management considers that the carrying amounts of these financial instruments approximate their fair values due to their short-term duration.

The fair values of financial assets and financial liabilities included in Level 3, which are not traded in an active market, are determined based on the expected cash flows of the underlying net asset or liability base of the instrument where the significant inputs required to determine fair value of such instruments are not based on observable market data.

Non-financial Assets Measured at Cost for which Fair Value is Disclosed

The fair value of the Company's investment properties is classified within Level 2 of the fair value hierarchy. The Level 2 fair value of the investment properties was determined using the Sales Comparison Approach. Also, there were no transfers into or out of Level 2 fair value hierarchy in 2025 and 2024.

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### 30. Financial Risk Management Policies and Objectives

Introduction

The Company's principal financial instruments comprise of cash, investment in equity securities, receivables, and payables. The main purpose of these financial instruments is to generate investment income and raise finances for the Company's operations. The risks arising from the use of financial instruments are managed through a process of on-going identification, measurement, and monitoring. This process of risk management is critical to the Company's continuing profitability.

The BOD is ultimately responsible for overall risk management approach, monitoring risk exposures, and approving risk mitigation strategies and policies. The main risks arising from the Company's financial instruments are foreign currency risk, credit risk, liquidity risk and equity price risk.

Foreign Currency Risk

Foreign currency exchange risk is the risk of incurring losses resulting from an adverse change in foreign currency exchange rates.

The Company is exposed to foreign exchange risk arising from currency exposures primarily with respect to the U.S. dollar (US\$). Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. Significant fluctuation in the exchange rates could significantly affect the Company's financial position.

The policy of the Company is to maintain foreign currency exposure within acceptable limits and existing regulatory guidelines. The Company believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits for a financial institution engaged in the type of business in which the Company is engaged.

The Company's exposure to foreign currency exchange risk arises from its US\$-denominated cash in banks amounting to US\$1,673 and US\$1,632 as at December 31, 2025 and 2024, respectively.

The exchange rates used to translate the Company's U.S. Dollar denominated assets are ₱58.81 to \$1.00 and ₱58.01 to \$1.00 as of December 31, 2025 and 2024, respectively.

Since the amount of US\$-denominated cash in banks subject to foreign currency risk is immaterial relative to the financial statements, management believes that disclosure of foreign currency risk analysis for 2025 and 2024 is not significant.

### Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counter parties failed to discharge their contractual obligations. The Company trades only with recognized and creditworthy third parties. It is the Company's policy that customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis and appropriate credit treatments are executed for overdue accounts. Likewise, other receivable balances are also being monitored and subjected to appropriate actions to manage credit risk.

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

#### *Credit Risk Exposure*

The table below shows the gross maximum exposure to credit risk of the Company as at December 31, 2025 and 2024, without considering the effects of collaterals and other credit risk mitigation techniques:

	Note/s	2025	2024
Cash in banks	6	₱ 110,999,002	₱ 90,543,232
Financial assets at FVPL	7	17,844,913	16,347,011
Financial assets at FVOCI	9	550,000	300,000
Trade & other receivables	8	55,076,717	26,264,076
Advances to employees	10	419,476	200,016
Advances to shareholders	27	15,555,710	15,555,710
CTGF refundable contributions	15	1,993,846	1,924,794
Refundable deposits	15	159,273	154,793
<b>Total</b>		<b>₱ 202,598,937</b>	<b>₱ 151,289,632</b>

Cash in banks, financial assets at FVPL, financial assets at FVOCI, and receivable from customers are secured by collateral or other credit enhancements.

The credit risk for cash is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Cash in banks are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of ₱1,000,000 per depositor per banking institution.

#### *Risk Concentration of the Maximum Exposure to Credit Risk*

Concentrations arise when several counterparties are engaged in similar business activities in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. Such credit risk concentrations, if not properly managed, may cause significant losses that could threaten the Company's financial strength and undermine public confidence. In order to avoid excessive concentrations of risk, identified concentrations of credit risks are controlled and managed accordingly. As of December 31, 2025 and 2024, there were no significant credit risk concentrations, given the Company's diverse customer base.

#### *Credit Quality per Class of Financial Assets*

The tables below show a comparison of the credit quality of the Company's financial assets as at December 31:

2025	Neither Past Due nor Impaired			Past Due and Impaired	Total
	High Grade	Standard Grade	Substandard Grade		
Cash in banks	₱ 110,999,002	₱ -	₱ -	₱ -	₱ 110,999,002
Financial assets at FVPL	17,844,913	-	-	-	17,844,913
Financial assets at FVOCI	550,000	-	-	-	550,000
Trade & other receivables	27,613,329	-	-	27,463,388	55,076,717
Advances to employees	-	-	419,476	-	419,476
Advances to shareholders	-	-	14,777,925	777,785	15,555,710
CTGF refundable contributions	1,993,846	-	-	-	1,993,846
Refundable deposits	159,273	-	-	-	159,273
<b>Total</b>	<b>₱ 159,160,363</b>	<b>₱ -</b>	<b>₱ 15,197,401</b>	<b>₱ 28,241,173</b>	<b>₱ 202,598,937</b>

2024	Neither Past Due nor Impaired			Past Due and Impaired	Total
	High Grade	Standard Grade	Substandard Grade		
Cash in banks	₱ 90,543,232	₱ –	₱ –	₱ –	₱ 90,543,232
Financial assets at FVPL	16,347,011	–	–	–	16,347,011
Financial assets at FVOCI	300,000	–	–	–	300,000
Trade & other receivables	5,401,349	2,028,901	–	18,833,826	26,264,076
Advances to employees	–	–	200,016	–	200,016
Advances to shareholders	–	–	14,777,925	777,785	15,555,710
CTGF refundable contributions	1,924,794	–	–	–	1,924,794
Refundable deposits	154,793	–	–	–	154,793
<b>Total</b>	<b>₱ 114,671,179</b>	<b>₱ 2,028,901</b>	<b>₱ 14,977,941</b>	<b>₱ 19,611,611</b>	<b>₱ 151,289,632</b>

High grade cash are operating cash fund deposited in local banks belonging to the top ten (10) banks in the Philippines in terms of resources and profitability. The Company's basis in grading its loans & receivables follows:

**High Grade** These accounts have a high probability of collection and the counterparty has consistently exhibited good paying habits. The securities on these receivables are readily enforceable.

**Standard Grade** These accounts are active accounts with minimal to regular instances of payment default due to common collection issues. Typically, these accounts are not impaired as the counterparties generally respond to credit actions and update their payment accordingly.

**Substandard Grade** These accounts are accounts which have probability of impairment based on historical trend, and show propensity to default in payment despite regular follow-up actions and extend payment terms.

An impairment analysis is performed at each reporting date on an individual basis for major customers, in addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. As of December 31, 2025 and 2024, past due and impaired accounts amounted to ₱28,241,173 and ₱19,611,611, respectively.

#### Aging Analysis

An aging analysis of the Company's financial assets as of December 31, 2025 and 2024 are as follows:

2025	Neither Past Due nor Impaired	Past Due but not Impaired				Impaired	Total
		Less than 30 days	30 to 60 days	60 to 90 days	Over 90 days		
Cash in banks	₱ 110,999,002	₱ –	₱ –	₱ –	₱ –	₱ –	₱ 110,999,002
Financial assets at FVPL	17,844,913	–	–	–	–	–	17,844,913
Financial assets at FVOCI	550,000	–	–	–	–	–	550,000
Trade & other receivables	27,613,329	43,554	–	–	14,874,006	12,545,828	55,076,717
Advances to employees	419,476	–	–	–	–	–	419,476
Advances to shareholders	14,777,925	–	–	–	–	777,785	15,555,710
CTGF refundable contributions	1,993,846	–	–	–	–	–	1,993,846
Refundable deposits	159,273	–	–	–	–	–	159,273
<b>Total</b>	<b>₱ 174,357,764</b>	<b>₱ 43,554</b>	<b>₱ –</b>	<b>₱ –</b>	<b>₱ 14,874,006</b>	<b>₱ 13,323,613</b>	<b>₱ 202,598,937</b>

2024	Neither Past Due nor Impaired	Past Due but not Impaired				Impaired	Total
		Less than 30 days	30 to 60 days	60 to 90 days	Over 90 days		
Cash in banks	₱ 90,543,232	₱ –	₱ –	₱ –	₱ –	₱ –	₱ 90,543,232
Financial assets at FVPL	16,347,011	–	–	–	–	–	16,347,011
Financial assets at FVOCI	300,000	–	–	–	–	–	300,000
Trade & other receivables	7,430,250	2,805,299	–	–	924,790	15,103,737	26,264,076
Advances to employees	200,016	–	–	–	–	–	200,016
Advances to shareholders	14,777,925	–	–	–	–	777,785	15,555,710
CTGF refundable contributions	1,924,794	–	–	–	–	–	1,924,794
Refundable deposits	154,793	–	–	–	–	–	154,793
<b>Total</b>	<b>₱ 131,678,021</b>	<b>₱ 2,805,299</b>	<b>₱ –</b>	<b>₱ –</b>	<b>₱ 924,790</b>	<b>₱ 15,881,522</b>	<b>₱ 151,289,632</b>

An aging analysis of the Company's receivables from customers as of December 31, 2025 and 2024 are as follows:

Aging period, 2025	Balance	Collateral (net of haircut)	Counterparty exposure	Allowance for ECL	Net exposure
Less than 2 days	₱ 485,560	₱ 12,555,131	₱ (12,069,571)	₱ –	₱ –
3 to 13 days	3,462	3,145,191	(3,141,729)	69	–
Beyond 13 days	13,747,860	3,406,567	12,501,958	12,545,758	12,545,758
<b>Total</b>	<b>₱ 14,236,882</b>	<b>₱ 19,106,889</b>	<b>₱ (2,709,342)</b>	<b>₱ 12,545,827</b>	<b>₱ 12,545,758</b>

Aging period, 2024	Balance	Collateral (net of haircut)	Counterparty exposure	Allowance for ECL	Net exposure
Less than 2 days	₱ 1,300,097	₱ 20,328,438	₱ (19,028,341)	₱ –	₱ –
3 to 13 days	2,248,918	7,597,291	(5,348,373)	44,978	212,251
Beyond 13 days	16,576,247	51,292,346	(34,716,100)	15,050,098	–
<b>Total</b>	<b>₱ 20,125,262</b>	<b>₱ 79,218,075</b>	<b>₱ (59,092,814)</b>	<b>₱ 15,095,076</b>	<b>₱ 212,251</b>

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties. In addition for a significant proportion of sales, advance payments are received to mitigate credit risk.

### Liquidity Risk

Liquidity risk is the risk the Company will be unable to meet its payment obligations when they fall under normal and stress circumstances. The Company seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements. The Company maintains a level of cash in banks that is deemed to be sufficient to finance its operations. As part of its liquidity risk management, the Company regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund-raising activities. Fund-raising activities may include loans and advances from related parties.

### Maturity Profile of Financial Assets and Liabilities

The tables below summarize the maturity profile of the Company's financial assets and liabilities as at December 31, 2025 and 2024 based on the remaining undiscounted contractual cash flows:

	2025				
	Within 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
<b>Financial assets:</b>					
<u>At fair value:</u>					
Financial assets at FVPL	₱ 17,844,913	₱ –	₱ –	₱ –	₱ 17,844,913
Financial assets at FVOCI	–	–	–	550,000	550,000
<u>At amortized cost:</u>					
Cash	111,029,002	–	–	–	111,029,002
Trade & other receivables	55,076,717	–	–	–	55,076,717
Advances to employees	419,476	–	–	–	419,476
Advances to shareholders	15,555,710	–	–	–	15,555,710
CTGF refundable contributions	–	–	–	1,993,846	1,993,846
Refundable deposits	–	–	–	159,273	159,273
<b>Total</b>	<b>₱ 199,925,818</b>	<b>₱ –</b>	<b>₱ –</b>	<b>₱ 2,703,119</b>	<b>₱ 202,628,937</b>

<b>Financial liabilities:</b>					
<u>At amortized cost:</u>					
Trade & other payables	₱ 142,184,624	₱ –	₱ –	₱ –	₱ 142,184,624
Security deposits	–	–	–	1,600,454	1,600,454
<b>Total</b>	<b>₱ 142,184,624</b>	<b>₱ –</b>	<b>₱ –</b>	<b>₱ 1,600,454</b>	<b>₱ 143,785,078</b>

	2024				
	Within 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
<b>Financial assets:</b>					
<u>At fair value:</u>					
Financial assets at FVPL	₱ 16,347,011	₱ –	₱ –	₱ –	₱ 16,347,011
Financial assets at FVOCI	–	–	–	300,000	300,000
<u>At amortized cost:</u>					
Cash	90,573,232	–	–	–	90,573,232
Trade & other receivables	26,264,076	–	–	–	26,264,076
Advances to employees	200,016	–	–	–	200,016
Advances to shareholders	15,555,710	–	–	–	15,555,710
CTGF refundable contributions	–	–	–	1,924,794	1,924,794
Refundable deposits	–	–	–	154,793	154,793
<b>Total</b>	<b>₱ 148,940,045</b>	<b>₱ –</b>	<b>₱ –</b>	<b>₱ 2,379,587</b>	<b>₱ 151,319,632</b>

(Forward)

Financial liabilities:										
At amortized cost:										
Trade & other payables	₱	91,105,990	₱	–	₱	–	₱	–	₱	91,105,990
Security deposits		–		–		–		1,144,472		1,144,472
<b>Total</b>	<b>₱</b>	<b>91,105,990</b>	<b>₱</b>	<b>–</b>	<b>₱</b>	<b>–</b>	<b>₱</b>	<b>1,144,472</b>	<b>₱</b>	<b>92,250,462</b>

### Market Price Risk

Market price risk is the risk that movements in the level or volatility of market prices will adversely affect the Company's financial position. The sensitivity analysis is based on the assumption the PSEi have increased/decreased using the interpretations on the five-year historical movement of the PSEi with all other variables held constant.

	2025				2024			
	Change in +/- 300 basis points				Change in +/- 300 basis points			
	Effects on net results		Equity		Effects on net results		Equity	
Equity inside PSEi	₱	160,186	₱	120,140	₱	169,955	₱	127,466
Equity outside PSEi		375,161		281,371		320,455		240,341
<b>Total</b>	<b>₱</b>	<b>535,347</b>	<b>₱</b>	<b>401,511</b>	<b>₱</b>	<b>490,410</b>	<b>₱</b>	<b>367,807</b>

## 31. Capital Management Objectives, Policies, & Procedures

The Company's capital management objectives are:

- To ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.
- To invest the capital in investments that meet the expected return with the commensurate level of risk exposure.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to shareholders or issue new shares.

The Company monitors its financial leverage using the debt-to-equity which is computed as total liabilities divided by total equity as shown in the table below:

	2025		2024	
Total Liabilities	₱	152,187,734	₱	98,651,332
Total Equity		166,322,783		174,601,597
Debt-to-equity ratio		<b>0.92 : 1</b>		0.57 : 1

There were no changes in the Company's approach to capital management during the year.

### Minimum Capital Requirement

The Amended IRR of the SRC effective March 6, 2004 includes, among others, revisions in the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows:

- To allow a net capital of ₱2.5 million or 2.5% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities;
- To allow the SEC to set a different net capital requirement for those authorized to use the Risk-Based Capital Adequacy (RBCA) model; and
- To require unimpaired paid-up capital of ₱100.0 million for broker dealers, which are either first time registrants or those acquiring existing broker dealer firms and will participate in a registered clearing agency; ₱10.0 million plus a surety bond for existing broker dealers not engaged in market making transactions; and ₱2.5 million for broker dealers dealing only in proprietary shares and not holding securities.

The Company's unimpaired paid-up capital amounted to ₱155,044,183 and ₱163,188,330 in 2025 and 2024, respectively.

### RBCA Requirement

On November 11, 2004, the SEC issued Memorandum Circular No. 16 which provides the guidelines on the adoption in the Philippines of the RBCA Framework for all registered brokers dealers in accordance with Securities Regulation Code (SRC).

The RBCA ratio is computed by dividing Net Liquid Capital (NLC) to its Total Risk Capital Requirement (TRCR), which is composed of: a) Operational Risk Requirement (ORR); b) Credit Risk Requirement which include requirements for Counterparty Risk, Settlement Risk, Large Exposure Risk, and Margin Lending/Financing Risk; and c) Position or Market Risk Requirement. The Company's RBCA ratio as at December 31, 2025 and 2024 are 170% and 177%, respectively.

### *Net Liquid Capital*

The Company is required, at all times, to have and maintain a Net Liquid Capital (NLC) of ₱5,000,000 or 5% of its Aggregate Indebtedness (AI), whichever is higher.

No Broker Dealer shall permit its aggregate indebtedness to all other persons to exceed 2,000 percent (2,000%) of its NLC.

Detailed computation of Company's NLC as of December 31, 2025 and 2024 is shown below:

	2025	2024
Net liquid capital		
Equity eligible for NLC	₱ 163,851,723	₱ 171,620,775
Less: Ineligible assets	147,105,713	155,172,347
Net liquid capital	₱ 16,746,010	₱ 16,448,428
Required net liquid capital		
Higher of:		
5% of aggregate indebtedness	₱ 7,545,772	₱ 4,887,707
Minimum amount	5,000,000	5,000,000
Required net liquid capital	₱ 7,545,772	₱ 5,000,000
Net risk-based capital excess	₱ 9,200,238	₱ 11,448,428

### *RBCA Ratio*

The RBCA ratio of the Company is as follows:

	2025	2024
Net Liquid Capital	₱ 16,746,010	₱ 16,448,428
Divide: Total Risk Capital Requirement		
Operational Risk Requirement	₱ 3,332,127	₱ 4,110,808
Position Risk Requirement	5,719,635	5,162,511
Counterparty Risk Requirement	1	1
Large Exposure Risk Requirement	—	—
Total Risk Capital Requirements	₱ 9,051,763	₱ 9,273,320
RBCA Ratio	185%	177%

## Total Risk Capital Requirement

### a. Operational Risk Requirement (ORR)

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

2025 ORR	2024	2023	2022	Average
Commission income	₱ 9,687,709	₱ 6,933,721	₱ 12,803,670	₱ 9,808,367
Interest income	2,681,776	1,014,230	144,090	1,280,032
Rental income	2,722,164	2,593,429	2,313,564	2,543,052
Dividend income	832,350	831,422	781,662	815,145
Realized trading gains	1,878,832	815,748	477,394	1,057,325
Gain on sale of investment property	339,286	—	—	113,095
Other income	1,481,245	523,536	1,126,077	1,043,619
<b>Total</b>	<b>₱ 19,623,362</b>	<b>₱ 12,712,086</b>	<b>₱ 17,646,457</b>	<b>₱ 16,660,635</b>
Average of last three (3) years gross income				₱ 16,660,635
Operational risk factor				20%
<b>Total ORR for 2025</b>				<b>₱ 3,332,127</b>

2024 ORR	2023	2022	2021	Average
Commission income	₱ 6,933,721	₱ 12,803,670	₱ 27,401,864	₱ 15,713,085
Interest income	1,014,230	144,090	397,350	518,557
Rental income	2,593,429	2,313,564	2,003,063	2,303,352
Dividend income	831,422	781,662	688,897	767,327
Realized trading gains	815,748	477,394	276,190	523,111
Gain on sale of investment property	—	—	—	—
Other income	523,536	1,126,077	536,214	728,609
<b>Total</b>	<b>₱ 12,712,086</b>	<b>₱ 17,646,457</b>	<b>₱ 31,303,578</b>	<b>₱ 20,554,041</b>
Average of last three (3) years gross income				₱ 20,554,041
Operational risk factor				20%
<b>Total ORR for 2024</b>				<b>₱ 4,110,808</b>

The Company's Core Equity should, at all times, be greater than its Operational Risk Requirement. Core Equity is the sum of paid-up common stock, common stock dividends distributable, additional paid-in capital, surplus reserves excluding revaluation reserves or appraisal capital, and opening retained earnings adjusted for all current year movements. Core Equity shall exclude treasury shares and un-booked valuation reserves and other capital adjustments and be always greater than its Operational Risk Requirement.

The Company has no operational risk exposure since its Core Equity of ₱162,579,426 and ₱170,723,573 for the years ended December 31, 2025 and 2024, respectively, were greater than the operational risk requirement as calculated.

### b. Position/Price Risk Requirement (PRR)

The Company is exposed to equity security price risk because of investments held and classified in the statements of financial position as fair value through profit and loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of portfolio is done in accordance with the limits set by the management.

Below is the computation of position risk requirement as of December 31, 2025 and 2024:

2025	Total Market Value of Instrument	Position Risk Factors	PRR
Equities inside the PSEi	₱ 5,339,543	25%	₱ 1,334,886
Other equities outside the PSEi	12,505,370	35%	4,376,880
FX Position	98,364	8%	7,869
<b>Total</b>	<b>₱ 17,943,277</b>		<b>₱ 5,719,635</b>

2024	Total Market Value of Instrument	Position Risk Factors	PRR
Equities inside the PSEi	₱ 5,665,176	25%	₱ 1,416,294
Other equities outside the PSEi	10,681,835	35%	3,738,642
FX Position	94,684	8%	7,575
<b>Total</b>	<b>₱ 16,441,695</b>		<b>₱ 5,162,511</b>

c. *Counterparty Risk Exposure*

There were no unsettled customer trades which arise from customer-to-broker agency relationship. A counterparty exposure of this kind occurs when (a) the customer poses the possible risk of failing to deliver securities on a sell contract or (b) the customer poses the possible risk of failing to pay cash on a buy contract.

There were also no unsettled principal trades which arise from broker-to-broker or broker-to-exchange/clearing agency relationship) counterparty exposure. A counterparty exposure of this kind occurs when (a) the broker dealer poses the possible risk of failing to receive cash from its counterparty on a sell contract or (b) the broker dealer poses the possible risk of failing to receive the securities from its counterparty on a buy contract.

Counterparty risk exposure arising from debt/loans, contra losses and other amounts due resulting from amount unpaid on their agreed due date amounted to ₱1 for the years ended December 31, 2025 and 2024.

d. *Large Exposure Risk*

Large exposure risk is the risk to which a broker dealer is exposed to a single equity security or single issuer group. This is the maximum permissible large exposure and calculated as a percentage of Core Equity. The Company does not have any exposure to a single client or counterparty, direct exposure to debt for fixed income securities, and direct exposure to a single equity relative to a particular issuer company and its group of companies.

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### 32. Supplemental Disclosure of Cash Flow Information and Non-cash Transactions

Changes in Liabilities Arising from Financing Activities:

The disclosure requirements enable users of financial statements to evaluate changes in liabilities arising from financing activities of the Company.

Non-cash Transactions

The Company had material non-cash investing activity-related transactions involving the reclassification of advances to real estate developers to property and equipment amounting to ₱2,483,136 for the year ended December 31, 2024 (see Note 11).

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### 33. Events After the End of the Reporting Period

There were no events that require adjustments or disclosures between the date of statements of financial position and the date of issuance of the audited financial statements.

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### 34. Supplemental Information Required by the BIR

Revenue Regulations No. 15–2010

Pursuant to Revenue Regulations No. 15 – 2010 issued by the BIR on November 25, 2010, the following information were mandated to be included in the notes to financial statements as additional disclosure on taxes, duties and license fees paid or accrued during the taxable year:

Output Taxes

	Tax Base		Output Taxes	
	2025	2024	2025	2024
VAT sales/receipts – private	₱ 20,310,027	₱ 14,230,443	₱ 2,437,203	₱ 1,707,653
Total	₱ 20,310,027	₱ 14,230,443	₱ 2,437,203	₱ 1,707,653

The Company does not have any sales or receipts from the government, or any sales or receipts which are zero-rated or exempt from VAT.

### Input Taxes

	2025	2024
Services lodged under other accounts	₱ 712,302	₱ 679,387
Capital goods not subject to amortization	14,851	6,595
Goods other than capital goods	12,214	53,211
<b>Total</b>	<b>₱ 739,367</b>	<b>₱ 739,193</b>

### Withholding Taxes

	2025	2024
Creditable withholding tax	₱ 593,498	₱ 566,385
Tax on compensation and benefits	300,764	263,023
<b>Total</b>	<b>₱ 894,262</b>	<b>₱ 829,408</b>

### Taxes & Licenses and Fines & Penalties

	2025	2024
National taxes:		
Documentary stamp tax	₱ 28,472	₱ 16,413
SEC registration fees	43,500	43,500
LTO registration	6,420	13,120
Local taxes:		
Business permit and other licenses	530,925	518,721
Other taxes	250	51,696
Real property taxes	674,668	636,435
Fines & penalties:		
Deficiency taxes	888,207	426,060
<b>Total</b>	<b>₱ 2,172,442</b>	<b>₱ 1,705,945</b>



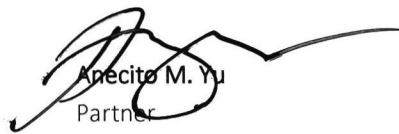
## Supplemental Written Statement of Independent Auditor

**The Board of Directors and Shareholders**  
**Eastern Securities Development Corporation**  
Room 1701, Tytana Center Building  
Binondo, Manila

We have audited the financial statements of **Eastern Securities Development Corporation** (the Company) as at and for the year ended December 31, 2025, on which we have rendered the attached report dated March 25, 2026.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the said Company has a total number of nine (9) shareholders owning one hundred (100) or more shares each.

### A.M. YU & ASSOCIATES



Anecito M. Yu  
Partner

CPA License No. 40278, valid until May 15, 2026  
Tax Identification No. 134-702-616  
SEC Accreditation No. 40278-SEC, Group A,  
issued January 05, 2021, valid for five (5) years covering the audits of  
2020 to 2024 financial statements of SEC Covered Institutions,  
extended to cover 2025 financial statements  
BIR Accreditation No. 07-000169-002-2024,  
issued February 20, 2024, valid until February 19, 2027  
PTR No. 8428964, issued January 13, 2026, Quezon City

March 25, 2026  
Quezon City

#### A.M. Yu & Associates

6F West Star Business Center Building,  
No. 31 Shorthorn St., Brgy. Bahay Toro,  
Proj. 8, Quezon City, Philippines 1106

Trunkline: +63 2 8236-4935 ; +63 2 8351-6288  
Website: [www.amyucpas.com](http://www.amyucpas.com)

#### Firm Regulatory Registration & Accreditations:

PRC-BOA Reg. No. 4589, valid until Nov. 18, 2028  
SEC Accred. No. 4589-SEC, Group A, valid for five years  
covering the audits of 2020 to 2024 financial  
statements of SEC Covered Institutions,  
extended to cover 2025 financial statements  
BIR Accred. No. 07-000157-002-2024,  
valid until Jan. 29, 2027



## Independent Auditors' Report

### The Board of Directors and Shareholders

#### Eastern Securities Development Corporation

Room 1701, Tytana Center Building

Binondo, Manila

### Report on the Supplementary Schedules in Compliance with the Revised Securities Regulation Code

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of **Eastern Securities Development Corporation** (the Company) as at and for the years ended December 31, 2025 and 2024, and have issued our report thereon dated March 25, 2026.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules included in the following accompanying additional components are the responsibility of the Company's management. Such additional components include:

#### Supplementary Schedules under Securities Regulation Code 52.1.5.3

- Statement of Changes in Liabilities Subordinated to Claims of General Creditors
- Computation of Risk Based Capital Adequacy Requirement
- Information Relating to Possession or Control Requirements of SRC Rule 49.2.1
- Computation for Determination of Reserve Requirements under Annex 49.2-B
- Report Describing Material Inadequacies Found to Exist or Found to Have Existed Since the Previous Audit
- Results of Monthly Securities Count Conducted Pursuant to SRC Rule 52.1-10, As Amended

#### Supplementary Schedule under Revised Securities Regulation Code 68

- Schedule of Financial Soundness Indicators

#### A.M. Yu & Associates

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covering the audits of 2020 to 2024 financial  
statements of SEC Covered Institutions,  
extended to cover 2025 financial statements  
BIR Accred. No. 07-000157-002-2024,  
valid until Jan. 29, 2027



The supplementary schedules are presented in compliance with the Securities Regulation Code 52.1.5.3 and Revised Securities Regulation Code Rule 68 of the Securities and Exchange Commission and are not required parts of the basic financial statements. The supplementary schedules have been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

#### A.M. YU & ASSOCIATES



Arcenio M. Yu  
Partner

CPA License No. 40278, valid until May 15, 2026

Tax Identification No. 134-702-616

SEC Accreditation No. 40278-SEC, Group A,

issued January 05, 2021, valid for five (5) years covering the audits of  
2020 to 2024 financial statements of SEC Covered Institutions,  
extended to cover 2025 financial statements

BIR Accreditation No. 07-000169-002-2024,

issued February 20, 2024, valid until February 19, 2027

PTR No. 8428964, issued January 13, 2026, Quezon City

March 25, 2026

Quezon City

**EASTERN SECURITIES DEVELOPMENT CORPORATION**

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**Statement of Changes in Liabilities Subordinated to Claims of General Creditors**

For the year ended December 31, 2025

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

## EASTERN SECURITIES DEVELOPMENT CORPORATION

## Computation of Risk Based Capital Adequacy Requirement

For the year ended December 31, 2025

<b>Assets</b>	₱	318,510,517
<b>Liabilities</b>		<b>152,187,734</b>
<b>Equity per books</b>	₱	<b>166,322,783</b>
<b>Adjustments to Equity per books</b>		
Add (Less):		
Allowance for market decline	₱	-
Subordinated liabilities		-
Unrealized gain (loss) in proprietary accounts		90,750
Deferred income tax		1,272,297
Revaluation reserves		(3,834,107)
Deposit for future stock subscription (No application with SEC)		-
Minority interest		-
<b>Total Adjustments to Equity per books</b>	₱	<b>(2,471,060)</b>
<b>Equity Eligible for Net Liquid Capital</b>	₱	<b>163,851,723</b>
<b>Contingencies and Guarantees</b>		
Deduct: Contingent liability	₱	-
Guarantees or indemnities		-
<b>Ineligible Assets</b>		
a. Trading right and all other intangible assets – net	₱	2,064,089
b. Intercompany receivables		14,777,925
c. Fixed assets – net (excluding those used as collateral)		100,295,021
d. All other current assets		5,497,280
e. Securities not readily marketable		550,000
f. Negative exposure (SCCP)		-
g. Notes receivable (non-trade related)		-
h. Interest and dividend receivables outstanding for more than 30 days		-
i. Ineligible insurance claims		-
j. Ineligible deposits		-
k. Short security differences		-
l. Long security differences not resolved prior to sale		-
m. Other assets including equity investment in PSE		23,921,398
<b>Total Ineligible Assets</b>	₱	<b>147,105,713</b>
<b>Net Liquid Capital (NLC)</b>	₱	<b>16,746,010</b>
Less: Total Risk Capital Requirement		
Operational Risk Requirement (Schedule ORR-1)	₱	3,332,127
Position Risk Requirement (Schedule PRR-1)		5,719,635
Counterparty Risk (Schedule CRR-1 and detailed schedules)		1
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)		
LERR to a single client (LERR-1)		
LERR to a single debt (LERR-2)		
LERR to a single issuer and group of companies (LERR-3)		
<b>Total Risk Capital Requirement (TRCR)</b>	₱	<b>9,051,763</b>
<b>Net RBCA Margin (NLC-TRCR)</b>	₱	<b>7,694,247</b>
Liabilities	₱	152,187,734
Add: Deposit for future stock subscription (No application with SEC)		
Less: Exclusions from aggregate indebtedness		
Subordinated liabilities		
Loans secured by securities		
Loans secured by fixed assets		
Others		1,272,297
<b>Total adjustments to aggregate indebtedness</b>	₱	<b>(1,272,297)</b>
<b>Aggregate Indebtedness (AI)</b>	₱	<b>150,915,437</b>
<b>5% of AI</b>	₱	<b>7,545,772</b>
<b>Required NLC (&gt; of 5% of AI or ₱5M)</b>	₱	<b>7,545,772</b>
<b>Net Risk Based Capital Excess (NLC-Required NLC)</b>	₱	<b>9,200,238</b>
<b>Ratio of AI to NLC</b>		<b>901%</b>
<b>RBCA Ratio (NLC/TRCR)</b>		<b>185%</b>

**EASTERN SECURITIES DEVELOPMENT CORPORATION****Information Relating to Possession or Control Requirements of SRC Rule 49.2-Annex 49.2-A**

For the year ended December 31, 2025

1. Customers' fully paid securities and excess margin securities not in the broker's or dealer's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frame specified under SRC Rule 49.2-1:

Market Valuation	<u>N/A</u>	₱	<u>N/A</u>
Number of items	<u>N/A</u>		<u>N/A</u>

2. Customers' fully paid securities and excess margin securities for which instructions to reduce the possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under SRC Rule 49.2-1:

Market Valuation	<u>N/A</u>	₱	<u>N/A</u>
Number of items	<u>N/A</u>		<u>N/A</u>

## EASTERN SECURITIES DEVELOPMENT CORPORATION

## Computation for Determination of Reserve Requirements under SRC Rule 49.2-Annex 49.2-B

December 31, 2025

Particulars	Credit	Debit
1. Free credit balance and other credit balance in customers' security accounts	₱ 123,161,441	₱ —
2. Monies borrowed collateralized by the securities carried for the account of customers	—	—
3. Monies payable against customers' securities loaned.	—	—
4. Customers' securities failed to receive	—	—
5. Customer balances in firm accounts which are attributable to principal sales to customer.	—	—
6. Market Value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days old.	—	—
7. Market Value of the short security count differences over 30 calendar days old	—	—
8. Market Value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.	—	—
9. Market Value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.	—	—
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.	—	(5,453,056)
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to deliver	—	—
12. Failed to deliver customers' securities not older than 30 calendar days.	—	27,127,769
13. Others	—	—
<b>Total</b>	<b>₱ 123,161,441</b>	<b>₱ 21,674,713</b>

## EASTERN SECURITIES DEVELOPMENT CORPORATION

### Computation for Determination of Reserve Requirements under SRC Rule 49.2-Annex 49.2-B

December 31, 2025

#### 1. Free Credit Balances and Other Credit Balances in Customer Securities Accounts

Unadjusted trial balance amount	₱	127,585,763
A. Additions:		
1. Bank account overdraft <sup>1</sup>	₱	—
2. Credit balances in customer omnibus accounts		713,125
3. Any other customer credit balance not accounted for elsewhere (explain nature)		
Dividends payable		30,104
Accounts payable – Others		10,927,971
Subtotal	₱	11,671,200
B. Deductions:		
1. Credit balances in the accounts of non-customers such as general partners and principal officers	₱	16,095,522
2. Credit balances in customers' cash accounts arising from the sale of a security not delivered if the securities are purchased by the broker- dealer for its own account and have not been resold		—
Subtotal	₱	16,095,522
Adjusted total line item #1	₱	123,161,441

#### 2. Monies Borrowed Collateralized by Securities Carried for the Accounts of Customers

Unadjusted trial balance amount customer loan	₱	—
Unadjusted trial balance amount commingled loan <sup>2</sup>		—
Adjusted total line item #2	₱	—

#### 3. Monies Payable Against Securities Loaned

Unadjusted trial balance amount	₱	—
A. Additions <sup>3</sup>		
1. The amount by which the market value of customers' securities loaned exceed the collateral value received from lending of such securities		—
Adjusted total line item #3	₱	—

#### 4. Customer Securities Failed to Receive (as Determined by Allocation or Specific Identification)

Unadjusted trial balance amount	₱	—
A. Additions:		
1. The amount by which the market value by which fails to receive outstanding for more than 34 calendar days exceed their contract value <sup>3</sup>	₱	—
2. Clearing accounts with net credit balances attributable to customers' transactions. (Clearing Corporations)		—
3. Unsecured customer short positions which allocate to customer long positions <sup>4</sup>		—

## SCHEDULE IV

4. Any other credit not accounted for elsewhere in the formula	₱	—
Subtotal	₱	—
Adjusted total line item #4	₱	—
<b>5. Credit Balances in Firm Accounts which are Attributable to Principal Sales to Customers<sup>5</sup></b>	₱	—
<b>6. Market Value of Stock Dividends and Splits Outstanding over 30 Calendar Days<sup>5/6</sup></b>	₱	—
<b>7. Market Value of Short Security Count Differences over 30 Calendar Days Old (not to be Offset by Long Count Differences)</b>	₱	—
<b>8. Market Value of Short Securities and Credits (not to be Offset by Loans or Debits) in all Suspense Accounts over 30 Calendar Days Old</b>		
1. Credit Balances Only	₱	—
2. Security Positions Only <sup>5</sup>		—
3. Security Positions with Related Balances <sup>5/7</sup>		—
Adjusted total line item #8	₱	—
<b>9. Market Value of Securities in Transfer in Excess of 40 Calendar Days which have not been Confirmed to be in Transfer by the Transfer Agent of the Issuer during 40 Days</b>	₱	—
<b>Aggregate Credit Items</b>	<b>₱</b>	<b>123,161,441</b>
<b>10. Debit Balances in Customers' Cash and Margin Accounts Excluding Unsecured Accounts and Accounts Doubtful of Collection</b>		
Unadjusted trial balance amount	₱	14,236,882
A. Additions:		
1. Debit balance in customer omnibus accounts	₱	1,725,251
2. Any other customer debit balance not accounted for elsewhere (explain nature)		—
Subtotal	₱	1,725,251
B. Deductions:		
1. Unsecured balances and accounts doubtful of collection	₱	12,873,726
2. Debit balances in the accounts of non-customers such as general partners and principal officers		2,308,229
3. Reduction of margin debts for undue concentration of collateral <sup>8</sup>		—
4. Deficits in customer-related omnibus accounts <sup>9</sup>		—
5. Debit balances in accounts of household members and affiliated members <sup>10</sup>		—
6. Reduction of unduly concentrated margin account balances <sup>11</sup>		—
7. Reduction of debit balances of accounts jointly-owned by customers and non-customers <sup>12</sup>		—
8. Reduction for partly-secured cash accounts		6,288,315
Subtotal	₱	21,470,270
Subtotal of Adjusted Total Debits	₱	(5,508,137)
Reduce Subtotal by 1%		1%
Adjusted total line item #10	₱	(5,453,056)



**EASTERN SECURITIES DEVELOPMENT CORPORATION**

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**Report Describing Material Inadequacies Found to Exist or Found to Have Existed  
Since the Previous Audit**

For the year ended December 31, 2025

No material weakness in the internal control or material inadequacies in the practices and procedures for safeguarding securities were found since the date of the previous report.

**EASTERN SECURITIES DEVELOPMENT CORPORATION**

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**Results of Monthly Securities Count Conducted Pursuant to SRC Rule 52.1.10, As Amended**

For the year ended December 31, 2025

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

## EASTERN SECURITIES DEVELOPMENT CORPORATION

## Schedule of Financial Soundness Indicators

Pursuant to the Revised Securities Regulation Code (SRC) Rule 68

	2025		2024
<b>Liquidity Ratios:</b>			
<u>Current Ratio</u>			
Current Assets	₱ 191,680,009	₱	138,207,805
Current Liabilities	143,908,199		92,021,181
	<u>1.33 : 1</u>		<u>1.50 : 1</u>
<u>Quick Ratio</u>			
Quick Assets	₱ 171,404,804	₱	118,080,582
Current Liabilities	143,908,199		92,021,181
	<u>1.19 : 1</u>		<u>1.28 : 1</u>
<b>Solvency Ratios:</b>			
<u>Debt-to-Equity Ratio</u>			
Total Liabilities	₱ 152,187,734	₱	98,651,332
Total Equity	166,322,783		174,601,597
	<u>0.92 : 1</u>		<u>0.57 : 1</u>
<u>Asset-to-Equity Ratio</u>			
Total Assets	₱ 318,510,517	₱	273,252,929
Total Equity	166,322,783		174,601,597
	<u>1.92 : 1</u>		<u>1.57 : 1</u>
<b>Profitability Ratios:</b>			
<u>Return on Assets</u>			
Net Loss	₱ (15,292,697)	₱	(12,272,154)
Total Assets	318,510,517		273,252,929
	<u>(4.80%)</u>		<u>(4.49%)</u>
<u>Return on Equity</u>			
Net Loss	₱ (15,292,697)	₱	(12,272,154)
Total Equity	166,322,783		174,601,597
	<u>(9.19%)</u>		<u>(7.03%)</u>
<u>Net Profit Margin</u>			
Net Loss	₱ (15,292,697)	₱	(12,272,154)
Revenues	10,885,213		9,687,709
	<u>(140.49%)</u>		<u>(126.68%)</u>
<b>Interest Rate Coverage Ratio</b>			
Earnings Before Interest and Taxes	₱ (9,170,823)	₱	(16,347,194)
Interest Expense	-		-
	<u>N/A</u>		<u>N/A</u>

# EASTERN SECURITIES DEVELOPMENT CORPORATION

## Schedule of Inventory Report by Location – Summarized

As of December 31, 2025

Customer : ABELLAR, M.D (OABMA001) - ZHENG, Y.M. (ZHYU0F1)

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
AAA	ASIA AMALGAMATED HOLDINGS	-	-	-	415,500	415,500	0.00	0.00	0.00
AB	ATOK BIG WEDGE	-	-	0	65,070	65,070	2.06	134,044.20	134,044.20
ABA	ABACORE CAPITAL HOLDINGS	-	-	0	3,126,320	3,126,320	0.26	812,843.20	812,843.20
ABG	ASIABEST GROUP	-	-	0	26,250	26,250	18.78	492,975.00	492,975.00
ABS	ABS CBN CORPORATION	-	-	20,950	1,157,990	1,178,940	4.21	4,963,337.40	4,963,337.40
ABSP	ABS CBN HLDGS PHILDEPOSIT RECEIPT	-	-	0	727,200	727,200	3.41	2,479,752.00	2,479,752.00
AC	AYALA CORP	-	-	3,287	144,879	148,166	468.00	69,341,688.00	69,341,688.00
ACE	ACESITE PHILS HOTEL CORP	-	-	0	84,500	84,500	1.20	101,400.00	101,400.00
ACEN	AYALA CORP ENERGY	-	-	398,710	90,446,103	90,844,813	2.72	247,097,891.36	247,097,891.36
ACENA	ACEN PREF A	-	-	0	3,000	3,000	1,010.00	3,030,000.00	3,030,000.00
ACENB	ACEN PREF B	-	-	0	8,100	8,100	1,070.00	8,667,000.00	8,667,000.00
ACPAR	AC PREF "A"	-	-	0	2,330	2,330	2,540.00	5,918,200.00	5,918,200.00
ACPB3	AC PREF B3	-	-	0	700	700	1,988.00	1,391,600.00	1,391,600.00
ACPB4	AC REFERRED B 4	-	-	0	2,070	2,070	1,989.00	4,117,230.00	4,117,230.00
ACR	ALSON CONSOLIDATED RESOURCES	-	-	0	3,680,000	3,680,000	0.47	1,729,600.00	1,729,600.00
AEV	ABOITIZ EQUITY VENTURES, INC.	-	-	102,260	529,835	632,095	28.00	17,698,660.00	17,698,660.00
AGI	ALLIANCE GLOBAL GROUP, INC.	-	-	5,000	2,564,300	2,569,300	8.19	21,042,567.00	21,042,567.00
ALCO	ARTHALAND CORPORATION	-	-	6,525	14,720,925	14,727,450	0.42	6,185,529.00	6,185,529.00
ALCPD	ALC PREF. D	-	-	0	180	180	485.00	87,300.00	87,300.00
ALCPF	ALCO PREF F	-	-	0	3,000	3,000	500.00	1,500,000.00	1,500,000.00
ALHI	ANCHOR LAND HOLDINGS, INC.	-	-	0	60,017,700	60,017,700	3.87	232,268,499.00	232,268,499.00
ALI	AYALA LAND INC.	-	-	530,489	4,179,855	4,710,344	22.45	105,747,222.80	105,747,222.80
ALIP	AYALA LAND INC PREF	1,341,997	0	0	1,341,997	0	0.00	0.00	0.00
ALLDY	ALLDAY MARTS INC.	-	-	0	15,053,000	15,053,000	0.03	466,643.00	466,643.00
ALLHC	ALI LOGISTICS HOLDINGS CORP.	-	-	1,210,000	38,669,320	39,879,320	1.30	51,843,116.00	51,843,116.00
ALTER	ALTERENERGY HOLDINGS CORP	-	-	0	827,000	827,000	0.84	694,680.00	694,680.00
ANI	AGRINURTURE, INC.	-	-	0	4,801,600	4,801,600	0.54	2,592,864.00	2,592,864.00
ANS	A. SORIANO CORPORATION	-	-	213,455	216,150	429,605	14.40	6,186,312.00	6,186,312.00
AP	ABOITIZ POWER CORPORATION	-	-	18,904	2,584,572	2,603,476	44.00	114,552,944.00	114,552,944.00
APC	APC GROUP INC.	-	-	0	226,423,660	226,423,660	0.11	24,000,907.96	24,000,907.96
APL	APOLLO GLOBAL CAPITAL	-	-	451,100	125,866,100	126,317,200	0.01	631,586.00	631,586.00
APO	ANGLO-PHIL. OIL	-	-	0	1,576,000	1,576,000	0.70	1,103,200.00	1,103,200.00
APVI	ALTUS SAN NICOLAS CORP.	-	-	0	20,945	20,945	8.40	175,938.00	175,938.00
APX	APEX MINING CO., INC.	-	-	2,500	1,074,956	1,077,456	12.44	13,403,552.64	13,403,552.64
AR	ABRA MINING INDUSTRIAL CORP	-	-	0	922,200,000	922,200,000	0.00	4,242,120.00	4,242,120.00
ARA	ARANETA PROPERTIES, INC.	-	-	0	5,390,376	5,390,376	0.40	2,156,150.40	2,156,150.40
AREIT	AREIT INC.	-	-	0	1,445,400	1,445,400	43.50	62,874,900.00	62,874,900.00
ASLAG	RASLAG CORPORATION	-	-	0	378,000	378,000	0.82	309,960.00	309,960.00
AT	ATLAS CONS. MINING & DEV.	-	-	3,281	4,286,377	4,289,658	6.03	25,866,637.74	25,866,637.74
ATI	ASIAN TERMINALS, INC.	-	-	0	1,072,000	1,072,000	34.50	36,984,000.00	36,984,000.00
ATN	ATN HOLDINGS	-	-	0	10,251,000	10,251,000	0.50	5,074,245.00	5,074,245.00
ATNB	ATN HOLDINGS-B	-	-	0	45,000	45,000	0.50	22,275.00	22,275.00
AUB	ASIA UNITED BANK CORP.	-	-	15,000	952,414	967,414	39.20	37,922,628.80	37,922,628.80
AXLM	AXELUM RESOURCES CORP.	-	-	0	1,175,500	1,175,500	2.36	2,774,180.00	2,774,180.00
BALAI	BALAI NI FRUITAS INC.:	-	-	0	274,000	274,000	0.35	95,900.00	95,900.00
BC	BENGUET CORP.	-	-	0	801,763	801,763	5.00	4,008,815.00	4,008,815.00
BCB	BENGUET CORP. - B	-	-	0	4,863	4,863	4.83	23,488.29	23,488.29
BDO	BDO UNIBANK, INC.	-	-	718,748	1,924,286	2,643,034	134.60	355,752,376.40	355,752,376.40
BEL	BELLE CORPORATION	-	-	611,501	138,326,965	138,938,466	1.32	183,398,775.12	183,398,775.12
BHI	BOULEVARD HOLDINGS, INC.	-	-	0	88,120,000	88,120,000	0.04	3,436,680.00	3,436,680.00
BKR	BRIGHT KINDLE RESOURCES INC.	-	-	2,000	124,000	126,000	0.65	81,900.00	81,900.00
BLOOM	BLOOMBERRY RESORTS CORPORATION	-	-	0	12,005,100	12,005,100	2.54	30,492,954.00	30,492,954.00
BNCOM	BANK OF COMMERCE	-	-	0	299,300	299,300	9.20	2,753,560.00	2,753,560.00
BPI	BANK OF PHIL. ISLANDS	-	-	222,068	777,051	999,119	116.10	115,997,715.90	115,997,715.90
BRN	A. BROWN CO., INC.	-	-	109	3,432,333	3,432,442	0.93	3,192,171.06	3,192,171.06
BRNP	BRN PREF A	-	-	0	2,300	2,300	97.00	223,100.00	223,100.00
BRNPC	BRN PREF C	-	-	0	12,000	12,000	105.50	1,266,000.00	1,266,000.00
BSC	BASIC ENERGY CORPORATION	-	-	31,100	16,744,633	16,775,733	0.12	1,962,760.76	1,962,760.76
C	CHELESEA LOGISTICS AND INFRA HLDGS	-	-	0	4,799,900	4,799,900	0.95	4,559,905.00	4,559,905.00
CAL	CALATA CORPORATION	-	-	1,071,952	0	1,071,952	0.00	0.00	0.00
CAT	CENTRAL AZUCARERA DE TARLAC	-	-	0	6,500	6,500	9.71	63,115.00	63,115.00
CBC	CHINA BANKING CORP	-	-	504,108	3,816,396	4,320,504	57.00	246,268,728.00	246,268,728.00
CDC	CITYLAND DEV. CORP.	-	-	650,098	145,176	795,274	0.59	469,211.66	469,211.66
CEB	CEBU AIR, INC.	-	-	0	460,325	460,325	32.00	14,730,400.00	14,730,400.00
CEBCP	CEB CONVERTIBLE PREF.	-	-	0	77,225	77,225	35.00	2,702,875.00	2,702,875.00
CEI	CROWN EQUITIES, INC.	-	-	0	10,001,600	10,001,600	0.07	720,115.20	720,115.20
CEU	CENTRO ESCOLAR UNIVERSITY	-	-	0	5,000	5,000	15.70	78,500.00	78,500.00
CHP	CEMEX HOLDINGS PHILIPPINES INC	-	-	0	3,596,049	3,596,049	1.09	3,919,693.41	3,919,693.41
CIC	CONCEPCION INDUSTRIAL CORPORATION	-	-	0	2,815	2,815	13.60	38,284.00	38,284.00
CLI	CEBU LANDMASTERS INC.	-	-	314,430	1,052,945	1,367,375	2.35	3,213,331.25	3,213,331.25
CLIA2	CLI PREF A-2	-	-	0	1,100	1,100	1,073.00	1,180,300.00	1,180,300.00
CNPF	CENTURY PACIFIC FOOD INC.	-	-	0	34,850	34,850	39.00	1,359,150.00	1,359,150.00
CNVRG	CONVERGE SOLUTIONS INC.	-	-	0	1,864,000	1,864,000	15.32	28,556,480.00	28,556,480.00
COAL	COAL ASIA HOLDINGS INC.	-	-	0	132,810,000	132,810,000	0.03	3,718,680.00	3,718,680.00
COL	COL FINANCIAL GROUP, INC	-	-	0	1,353,750	1,353,750	1.42	1,922,325.00	1,922,325.00
COSCO	COSCO CAPITAL, INC.	-	-	0	4,563,700	4,563,700	6.99	31,900,263.00	31,900,263.00
CPG	CENTURY PROPERTIES GROUP INC.	-	-	2,397	20,542,051	20,544,448	0.69	14,175,669.12	14,175,669.12
CPM	CENTURY PEAK HOLDINGS CORP.	-	-	0	10,539,000	10,539,000	2.39	25,188,210.00	25,188,210.00
CREC	CITICORE RENEWABLE ENERGY CORP	-	-	0	1,015,000	1,015,000	4.28	4,344,200.00	4,344,200.00
CREIT	CITICORE ENERGY REIT CORP	-	-	0	8,620,000	8,620,000	3.57	30,773,400.00	30,773,400.00
CROWN	CROWN ASIA CHEMICALS CORP.	-	-	0	212,000	212,000	1.68	356,160.00	356,160.00
CTS	CTS GLOBAL EQUITY GROUP, INC.	-	-	0	981,000	981,000	0.36	353,160.00	353,160.00
CYBR	CYBER BAY CORPORATION	-	-	0	24,090,370	24,090,370	0.33	7,949,822.10	7,949,822.10
DD	DOUBLEDRAGON PROPERTIES CORP.	-	-	0	2,002,510	2,002,510	9.28	18,583,292.80	18,583,292.80
DDMPR	DDMP REIT INC	-	-	0	26,762,912	26,762,912	1.02	27,298,170.24	27,298,170.24
DDPR	DOUBLEDRAGON PROP. CORP. PPREF	-	-	0	150,190	150,190	97.00	14,568,430.00	14,568,430.00
DELM	DEL MONTE PACIFIC LTD	-	-	0	86,424	86,424	4.70	406,192.80	406,192.80
DFNN	DFNN INC.	-	-	0	170,000	170,000	0.80	136,000.00	136,000.00
DHI	DOMINION HOLDINGS INC.	-	-	0	1,430,280	1,430,280	1.39	1,988,089.20	1,988,089.20

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
DITO	DITO CME HOLDINGS CORP	-	-	313,764	12,092,754	12,406,518	0.68	8,436,432.24	8,436,432.24
DIZ	DIZON COPPER-SILVER MINES	-	-	-	262,961	262,961	5.00	1,314,805.00	1,314,805.00
DMC	DMCI HOLDINGS INC.	-	-	60,000	3,592,311	3,652,311	10.54	38,495,357.94	38,495,357.94
DMW	D.M WENCESLAO AND ASSOCIATES INC	-	-	-	141,300	141,300	5.00	706,500.00	706,500.00
DNA	PHIL LAB HOLDING CORP.	-	-	-	116,980	116,980	2.86	334,562.80	334,562.80
DNL	D & L INDUSTRIES, INC.	-	-	-	3,185,000	3,185,000	3.85	12,262,250.00	12,262,250.00
DWC	DISCOVERY WORLD CORP	-	-	-	380,000	380,000	1.08	410,400.00	410,400.00
ECP	EASYPASS COMMUNICATIONS, INC.	-	-	-	3,000	3,000	2.60	7,800.00	7,800.00
ECVC	EAST COAST VULCAN CORP.	-	-	2	9,463,067	9,463,069	0.27	2,555,028.63	2,555,028.63
EEL	ENGINEERING EQUIPMENT INC.	-	-	-	542,242	542,242	2.84	1,539,967.28	1,539,967.28
EEIPB	EEL PREFERRED SERIES B	-	-	-	69,020	69,020	98.40	6,791,568.00	6,791,568.00
EG	IP E GAME VENTURES INC	-	-	-	160,750,000	160,750,000	0.01	1,511,050.00	1,511,050.00
EGRN	ORE	-	-	-	19,830,000	19,830,000	0.00	0.00	0.00
EIBA	EXPORT AND INDUSTRY BANK	-	-	-	6,685,066	6,685,066	0.00	0.00	0.00
EIBB	EXPORT AND INDUSTRY BANK B	-	-	-	500,000	500,000	0.00	0.00	0.00
ELI	EMPIRE EAST LAND HOLDINGS, INC.	-	-	73,394	10,977,152	11,050,546	0.10	1,149,256.78	1,149,256.78
EMI	EMPERADOR INC	-	-	-	349,800	349,800	16.00	5,596,800.00	5,596,800.00
ENEX	ENEX ENERGY CORPORATION	-	-	-	181,222	181,222	3.34	605,281.48	605,281.48
EURO	EURO-MED LAB. PHIL., INC.	-	-	-	163,000	163,000	1.00	163,000.00	163,000.00
EW	EAST WEST BANKING CORP.	-	-	-	5,251,466	5,251,466	11.60	60,917,005.60	60,917,005.60
FAF	FIRST ABACUS FINANCIAL	-	-	-	1,440,000	1,440,000	0.66	950,400.00	950,400.00
FB	SAN MIGUEL FOOD AND BEVERAGE INC.	-	-	-	48,330	48,330	55.00	2,658,150.00	2,658,150.00
FCG	FIGARO CULINARY GROUP INC.	-	-	-	1,064,000	1,064,000	0.58	617,120.00	617,120.00
FDC	FILINVEST DEV. CORP.	-	-	74,034	200,576	274,610	4.55	1,249,475.50	1,249,475.50
FDCPB	FDC B PEF SHARES	-	-	-	1,000	1,000	1,004.00	1,004,000.00	1,004,000.00
FERRO	FERRONOUX HOLDINGS INC.	-	-	-	149,800	149,800	5.00	749,000.00	749,000.00
FEU	FAR EASTERN UNIVERSITY, INC.	-	-	-	1,022	1,022	800.00	817,600.00	817,600.00
FFI	FILIPINO FUND, INC.	-	-	5,394	20,752	26,146	7.50	196,095.00	196,095.00
FGEN	FIRST GEN CORPORATION	-	-	-	643,428	643,428	17.74	11,414,412.72	11,414,412.72
FILRT	FILINVEST REIT CORP	-	-	-	2,258,276	2,258,276	3.10	7,000,655.60	7,000,655.60
FJP	F AND J PRINCE CORP.	-	-	-	68,500	68,500	2.60	178,100.00	178,100.00
FLI	FILINVEST LAND INC	-	-	649,905	8,190,067	8,839,972	0.77	6,806,778.44	6,806,778.44
FMETF	FIRST METRO PHIL. EQUITY EXCHANGE T	-	-	-	42,640	42,640	101.00	4,306,640.00	4,306,640.00
FNI	GLOBAL FERRONICKEL HLDGS INC.	-	-	-	80,158,795	80,158,795	1.35	108,214,373.25	108,214,373.25
FOOD	ALLIANCE SELECT FOODS INT'L, INC.	-	-	-	2,149,345	2,149,345	0.37	795,257.65	795,257.65
FPH	FIRST PHIL. HOLDINGS CORP.	-	-	3,222	74,586	77,808	77.00	5,991,216.00	5,991,216.00
FPI	FORUM PACIFIC, INC.	-	-	80,000	12,400,000	12,480,000	0.24	2,995,200.00	2,995,200.00
FRUIT	FRUITAS HOLDINGS INC	-	-	-	2,765,000	2,765,000	0.64	1,769,600.00	1,769,600.00
GEO	GEOGRACE RESOURCES PHILS., INC.	-	-	-	13,831,530	13,831,530	0.09	1,203,343.11	1,203,343.11
GERI	GLOBAL-ESTATE RESORTS, INC.	-	-	40,482	4,218,952	4,259,434	0.69	2,939,009.46	2,939,009.46
GLO	GLOBE TELECOM, INC.	-	-	3,180	44,315	47,495	1,584.00	75,232,080.00	75,232,080.00
GMA7	GMA NETWORK, INC.	-	-	652,000	420,500	1,072,500	5.41	5,802,225.00	5,802,225.00
GMAP	GMA HOLDINGS, INC. - PDR	-	-	4,900	495,800	500,700	5.29	2,648,703.00	2,648,703.00
GPH	GRAND PLAZA HOTEL CORPORATION	-	-	126	-	126	5.79	729.54	729.54
GREEN	GREENERGY HOLDINGS INC.	-	-	-	6,665,660	6,665,660	0.18	1,199,818.80	1,199,818.80
GSMI	GINEBRA SAN MIGUEL INC.	-	-	5,200	3,900	9,100	295.00	2,684,500.00	2,684,500.00
GTAP	GT CAPITAL HOLDINGS, INC.	-	-	-	55,744	55,744	595.00	33,167,680.00	33,167,680.00
GTTPB	GTAP PERPETUAL PREFERRED "B" SHARE	-	-	-	5,910	5,910	1,000.00	5,910,000.00	5,910,000.00
HI	HOUSE OF INVESTMENTS, INC.	-	-	10,000	36,560	46,560	4.50	209,520.00	209,520.00
HLCM	HOLCIM PHILIPPINES, INC.	-	-	5,200	42,680	47,880	3.87	185,295.60	185,295.60
HOME	ALLHOME CORPORATION	-	-	-	640,900	640,900	0.24	151,893.30	151,893.30
HTI	HAUS TALK INC.	-	-	-	307,000	307,000	1.10	337,700.00	337,700.00
I	I-REMIT, INC.	-	-	-	221,482	221,482	0.20	44,074.92	44,074.92
ICT	INTL CONT TERMINAL SERV INC	-	-	2,193	20,045	22,238	567.00	12,608,946.00	12,608,946.00
IDC	ITALPINAS DEVELOPMENT CORPORATION	-	-	-	170,129	170,129	0.87	148,012.23	148,012.23
IMI	INTEGRATED MICRO-ELECTRONICS, INC.	-	-	-	2,887,867	2,887,867	3.47	10,020,898.49	10,020,898.49
IMP	IMPERIAL RES., INC.	-	-	-	111,000	111,000	0.70	77,700.00	77,700.00
INFRA	PHIL INFRADEV HOLDINGS INC	-	-	-	527,000	527,000	0.32	166,005.00	166,005.00
ION	IONICS, INC.	-	-	-	782,450	782,450	1.02	798,099.00	798,099.00
IPM	IPM HOLDINGS INC.	-	-	-	409,000	409,000	1.57	642,130.00	642,130.00
IPO	IPEOPLE, INC.	-	-	-	120,239	120,239	6.00	721,434.00	721,434.00
IS	ISLAND INFORMATION & TECHNOLOGY, INC	-	-	-	20,411,460	20,411,460	0.12	2,510,609.58	2,510,609.58
JAS	JACKSTONES, INC.	-	-	-	202,000	202,000	1.12	226,240.00	226,240.00
JFC	JOLLIBEE FOODS CORP.	-	-	13,421	232,925	246,346	180.00	44,342,280.00	44,342,280.00
JFCPB	JFC PEF. B	-	-	-	10,350	10,350	994.00	10,287,900.00	10,287,900.00
JGS	JG SUMMIT HOLDINGS, INC.	-	-	-	6,780,824	6,780,824	23.65	160,366,487.60	160,366,487.60
KEEPR	KEEPRS HOLDING INC.	-	-	-	3,413,023	3,413,023	2.48	8,464,297.04	8,464,297.04
KEP	KEPPEL PHIL. PROPERTIES, INC.	-	-	-	19,406	19,406	2.20	42,693.20	42,693.20
KPPI	KEPWELTH PROPERTY PHILIPPINES INC.	-	-	-	20,700	20,700	1.19	24,633.00	24,633.00
LAND	CITY & LAND DEVELOPERS	-	-	3,914	331,608	335,522	0.53	177,826.66	177,826.66
LC	LEPANTO CONS A	-	-	43,351	200,449,157	200,449,157	0.19	37,083,094.05	37,083,094.05
LCB	LEPANTO CONS B	-	-	77,099	27,929,223	28,006,322	0.19	5,237,182.21	5,237,182.21
LFM	LIBERTY FLOUR MILLS, INC.	-	-	-	2,300	2,300	33.80	77,740.00	77,740.00
LMG	LMG CORPORATION	-	-	-	1,000,000	1,000,000	0.25	250,000.00	250,000.00
LODE	LODESTAR INVESTMENTS HOLDING CORP	-	-	-	1,370,000	1,370,000	0.35	479,500.00	479,500.00
LOTO	PACIFIC ONLINE SYSTEMS CORPORATION	-	-	-	82,972,541	82,972,541	1.70	141,053,319.70	141,053,319.70
LPC	LFM PROPERTIES CORPORATION	-	-	-	223,100	223,100	0.04	9,147.10	9,147.10
LPZ	LOPEZ HOLDINGS CORPORATION	-	-	250,000	1,440,480	1,690,480	3.72	6,288,585.60	6,288,585.60
LSC	LORENZO SHIPPING CORPORATION	-	-	-	6,844,500	6,844,500	0.61	4,175,145.00	4,175,145.00
LTG	LT GROUP, INC.	-	-	-	1,860,950	1,860,950	14.78	27,504,841.00	27,504,841.00
MA	MANILA MINING CORP	-	-	-	1,584,054,913	1,584,054,913	0.01	11,563,600.86	11,563,600.86
MAB	MANILA MINING CORP B	-	-	-	144,637,530	144,637,530	0.01	1,041,390.22	1,041,390.22
MAC	MACROASIA CORPORATION	-	-	-	1,169,558	1,169,558	4.34	5,075,881.72	5,075,881.72
MACAY	MACAY HOLDINGS, INC.	-	-	344	3,528	3,872	6.99	27,065.28	27,065.28
MAH	METRO ALLIANCE HLDGS & EQUITIES COR	-	-	-	36,000	36,000	0.00	0.00	0.00
MAHB	METRO ALLIANCE HLDGS "B"	-	-	-	16,000	16,000	0.00	0.00	0.00
MARC	MARCVENTURES HOLDINGS, INC.	-	-	-	4,327,775	4,327,775	0.70	3,029,442.50	3,029,442.50
MAXS	MAXS GROUP INC.	-	-	-	533,000	533,000	2.45	1,305,850.00	1,305,850.00
MB	MANILA BULLETIN PUBLISHING	-	-	72,263	2,685,435	2,757,698	0.16	452,262.47	452,262.47
MBC	MANILA BROADCASTING CO.	-	-	-	2,000	2,000	5.03	10,060.00	10,060.00
MBT	METRO BANK & TRUST CO.	-	-	331,938	7,892,623	8,224,561	68.50	563,382,428.50	563,382,428.50
MED	MEDCO HOLDINGS	-	-	-	418,000	418,000	0.09	37,620.00	37,620.00

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
MEDIC	MEDILINES DISTRIBUTORS INC.	-	-	-	-	827,000	0.26	215,020.00	215,020.00
MEG	MEGAWORLD CORPORATION	-	-	71,367	-	52,702,255	2.08	109,769,133.76	109,769,133.76
MER	MANILA ELECTRIC CO.	-	-	105,308	-	128,359	574.00	134,124,858.00	134,124,858.00
MFC	MANULIFE FINANCIAL CORP.	-	-	1,596	-	752	2,348	4,414,240.00	4,414,240.00
MG	MILLENIUM GLOBAL HOLDINGS, INC.	-	-	-	-	2,602,000	0.06	156,120.00	156,120.00
MGH	METRO GLOBAL HOLDINGS CORPORATION	-	-	-	-	344,500	0.00	0.00	0.00
MHC	MABUHAY HOLDINGS CORP.	-	-	-	-	310,500	0.12	35,707.50	35,707.50
MJC	MANILA JOCKEY CLUB, INC.	-	-	-	-	9,016,930	1.27	11,451,501.10	11,451,501.10
MJIC	MJC INVESTMENTS CORPORATION	-	-	100	-	27,550	1.00	27,650.00	27,650.00
MM	MERRYMART INC.	-	-	-	-	1,952,400	0.40	780,960.00	780,960.00
MONDE	MONDE NISSIN CORPORATION	-	-	-	-	4,092,100	5.80	23,734,180.00	23,734,180.00
MPI	METRO PACIFIC INVESTMENTS CORP	-	-	-	-	2	5.18	12.10	12.10
MRC	MRC ALLIED, INC.	-	-	-	-	2,021,300	0.87	1,758,531.00	1,758,531.00
MREIT	MREIT INC.	-	-	-	-	1,273,300	14.00	17,826,200.00	17,826,200.00
MRSGI	METRO RETAIL STORES GROUP, INC.	-	-	-	-	761,000	1.15	875,150.00	875,150.00
MVC	MABUHAY VINYL CORPORATION	-	-	12,000	-	563,200	5.19	2,985,288.00	2,985,288.00
MWC	MANILA WATER CO., INC.	-	-	11,000	-	1,137,000	40.30	46,264,400.00	46,264,400.00
MWIDE	MEGAWIDE CONSTRUCTION CORP.	-	-	-	-	910,777	2.99	2,723,223.23	2,723,223.23
MWPF5	MWIDE PREF. SERIES 5	-	-	-	-	20,500	103.00	2,111,500.00	2,111,500.00
MWPF6C	MWIDE 6C PREF.	-	-	-	-	22,500	103.80	2,335,500.00	2,335,500.00
MWPF7A	MWIDE PREF 7A	-	-	-	-	90	100.40	9,036.00	9,036.00
MWPF7B	MWIDE PREF 7B	-	-	-	-	14,000	105.00	1,470,000.00	1,470,000.00
MYNLD	MAYNILAD WATER SERVICES, INC.	-	-	-	-	444,200	16.90	7,506,980.00	7,506,980.00
NI	NIHAO MINERAL RESOURCES INTL, INC	-	-	-	-	1,703,600	0.32	536,634.00	536,634.00
NIKL	NICKEL ASIA CORPORATION	-	-	165,400	-	3,577,536	3.89	14,560,021.04	14,560,021.04
NOW	NOW CORPORATION	-	-	-	-	10,237,400	0.68	6,961,432.00	6,961,432.00
NRCP	NATIONAL REINSURANCE CORP OF THE PH	-	-	-	-	6,448,000	0.77	4,964,960.00	4,964,960.00
NXGEN	NEXTGENESIS CORPORATION	-	-	150	-	207,550	0.00	0.00	0.00
OGP	OCEANAGOLD PHILIPPINES INC.	-	-	-	-	220,600	32.20	7,103,320.00	7,103,320.00
OM	OMICO MNG.	-	-	-	-	3,337,133	0.10	337,050.43	337,050.43
OPM	ORIENTAL PETROLEUM	-	-	566,624,175	-	322,620,043	0.01	10,670,930.62	10,670,930.62
OPMB	ORIENTAL PETROLEUM B	-	-	57,531,655	-	108,797,298	0.01	1,995,947.44	1,995,947.44
ORE	ORIENTAL PENINSULA RES. GROUP, INC.	-	-	-	-	12,249,200	0.37	4,532,204.00	4,532,204.00
OV	THE PHILODRILL CORPORATION	-	-	8,646,349	-	304,483,776	0.01	2,786,858.11	2,786,858.11
PA	PACIFICA INC	-	-	-	-	404,400	0.95	384,180.00	384,180.00
PAL	PAL HOLDINGS, INC.	-	-	-	-	177,739	3.80	675,408.20	675,408.20
PBB	PHILIPPINE BUSINESS BANK	-	-	375,000	-	3,330,560	7.70	28,532,812.00	28,532,812.00
PBC	PHIL. BANK OF COMMUNICATIONS	-	-	-	-	86,292	16.70	1,441,076.40	1,441,076.40
PCOR	PETRON CORP.	-	-	196,702	-	8,150,180	2.48	20,700,267.36	20,700,267.36
PCP	PICOP INC.	-	-	-	-	14,554,880	0.00	0.00	0.00
PERC	PETROENERGY RESOURCES CORP.	-	-	-	-	448,364	3.50	1,569,274.00	1,569,274.00
PGOLD	PUREGOLD PRICE CLUB, INC.	-	-	-	-	357,220	38.00	13,574,360.00	13,574,360.00
PHA	PREMIERE HORIZON ALLIANCE CORP.	-	-	-	-	113,755,162	0.24	26,959,973.39	26,959,973.39
PHC	PHILCOMSAT HOLDINGS, CORP.	-	-	-	-	57,000	0.00	0.00	0.00
PHES	PHIL. ESTATES CORP.	-	-	-	-	1,180,000	0.28	330,400.00	330,400.00
PHN	PHINMA CORPORATION	-	-	385	-	12,120	16.70	208,833.50	208,833.50
PHR	PH RESORTS GROUP HOLDINGS INC.	-	-	-	-	1,115,432	0.13	148,352.46	148,352.46
PIZZA	SHAKY'S PIZZA ASIA VENTURES INC.	-	-	-	-	215,200	6.80	1,463,360.00	1,463,360.00
PLC	PREMIUM LEISURE CORPORATION	-	-	20,355,000	-	-20,355,000	0.71	0.00	0.00
PLUS	DIGIPLUS INTERACTIVE GROUP	-	-	-	-	4,865,948	16.20	78,828,357.60	78,828,357.60
PMPC	PANASONIC MANUFACTURING PHILS. CORP.	-	-	2,595	-	18,622	10.80	229,143.60	229,143.60
PMT	PRIMETOWN PROPERTIES	-	-	-	-	106,000	0.00	0.00	0.00
PNB	PHIL NATIONAL BANK	-	-	15,036	-	484,852	54.40	27,193,907.20	27,193,907.20
PNC	PHIL. NATIONAL CONSTRUCTION	-	-	1,259	-	33,186	0.00	0.00	0.00
PNX	P-H-O-E-N-I-X PETROLEUM PHILS., INC	-	-	-	-	358,152	4.17	1,493,493.84	1,493,493.84
PNX3B	PHOENIX PET. PHILS INC. PREF "3B"	-	-	-	-	2,100	24.95	52,395.00	52,395.00
PNX4	PNX PREF. 4	-	-	-	-	7,545	177.90	1,342,255.50	1,342,255.50
PORT	GLOBALPORT 900, INC.	-	-	-	-	500	7.30	3,650.00	3,650.00
PPC	PRYCE PROPERTIES-A	-	-	41,000	-	-40,000	13.20	13,200.00	13,200.00
PRC	PHIL. RACING CLUB	-	-	-	-	1,331,603	6.60	8,788,579.80	8,788,579.80
PREIT	PREMIERE ISLAND POWER REIT CORP	-	-	-	-	5,000	1.02	5,100.00	5,100.00
PRF3B	PETRON CORPORATION PPREF SERIES 3B	-	-	-	-	11,270	1,005.00	11,326,350.00	11,326,350.00
PRF4A	PRF4A PCOR PREF 4A	-	-	-	-	150	979.50	146,925.00	146,925.00
PRF4C	PRF4C PCOR PREF 4C	-	-	-	-	1,000	1,009.00	1,009,000.00	1,009,000.00
PRF4E	PRF4E PCOR PREF 4E	-	-	-	-	1,300	1,000.00	1,300,000.00	1,300,000.00
PRIM	PRIME MEDIA HOLDINGS, INC.	-	-	-	-	231,632	1.30	301,121.60	301,121.60
PRMX	PRIMEX CORPRATION	-	-	-	-	99,000	1.28	126,720.00	126,720.00
PSB	PHIL. SAVINGS BANK	-	-	53,151	-	42,295	54.00	5,154,084.00	5,154,084.00
PSE	THE PHILIPPINE STOCK EXCHANGE, INC.	-	-	-	-	274,881	205.40	56,460,557.40	56,460,557.40
PTT	PHIL. TELEGRAPH & TEL. CORP.	-	-	-	-	2,148,495	0.00	0.00	0.00
PX	PHILEX MNG. CORP. "A"	-	-	1,458,576	-	14,957,738	16,416,314	162,521,508.60	162,521,508.60
PXP	PXP ENERGY CORPORATION	-	-	237,437	-	3,989,222	2.38	10,059,448.42	10,059,448.42
RCB	RIZAL COMMERCIAL BANKING CORP.	-	-	-	-	1,298,405	25.95	33,693,609.75	33,693,609.75
RCI	ROXAS AND COMPANY, INC.	-	-	-	-	66,897	2.68	179,283.96	179,283.96
RCR	RL COMMERCIAL REIT INC.	-	-	-	-	4,106,100	8.02	32,930,922.00	32,930,922.00
REG	REPUBLIC GLASS CORP.	-	-	-	-	82,632	2.30	190,053.60	190,053.60
RFM	RFM CORPORATION	-	-	1,000	-	1,772,937	4.75	8,426,200.75	8,426,200.75
RLC	ROBINSONS LAND CORP.	-	-	1,200	-	1,769,828	16.16	28,619,812.48	28,619,812.48
RLT	PHIL. REALTY & HOLDINGS CORP.	-	-	50,600	-	24,984,183	0.11	2,728,791.35	2,728,791.35
ROCK	ROCKWELL LAND CORPORATION	-	-	276,028	-	2,706,590	1.85	5,517,843.30	5,517,843.30
ROX	ROXAS HOLDINGS, INC.	-	-	-	-	779,287	1.45	1,129,966.15	1,129,966.15
RPC	REYNOLDS PHILIPPINE CORPORATION	-	-	-	-	206,271	0.00	0.00	0.00
RRHI	ROBINSONS RETAIL HOLDINGS, INC.	-	-	-	-	148,150	33.05	4,896,357.50	4,896,357.50
RWM	TRAVELLERS INT'L. HOTEL GROUP, INC.	-	-	-	-	44,200	5.42	239,564.00	239,564.00
SBS	SBS PHILIPPINES CORPORATION	-	-	-	-	15,373	3.89	59,800.97	59,800.97
SCC	SEMIRARA MINING & POWER CORPORATION	-	-	30,200	-	2,280,080	28.25	65,265,410.00	65,265,410.00
SECB	SECURITY BANK CORP.	-	-	7,036	-	519,667	65.65	34,578,051.95	34,578,051.95
SECBP	SECURITY BANK & TRUST PREFERRED	274,989	-	-	-	274,989	0.00	0.00	0.00
SFI	SWIFT FOODS, INC.	-	-	7,220	-	1,580,042	0.05	74,601.31	74,601.31
SFIP	SWIFT FOODS, INC. CONV. PREF.	-	-	-	-	14,225	1.55	22,048.75	22,048.75
SGI	SOLID GROUP, INC.	-	-	1,082,000	-	3,566,000	1.27	5,902,960.00	5,902,960.00
SGP	SYNERGY GRID & DEV., PHIL., INC.	-	-	-	-	1,846,000	16.56	30,569,760.00	30,569,760.00
SHLPH	SHELL PILIPINAS CORPORATION	-	-	10,000	-	524,210	6.93	3,702,075.30	3,702,075.30

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
SHNG	SHANG PROPERTIES, INC	-	-	9,818	608,852	618,670	3.54	2,190,091.80	2,190,091.80
SLF	SUN LIFE FINANCIAL, INC.	-	-	4,610	-1,589	3,021	3,440.00	10,392,240.00	10,392,240.00
SLI	STA. LUCIA LAND, INC.	-	-	-	1,779,000	1,779,000	2.60	4,625,400.00	4,625,400.00
SM	SM INVESTMENTS CORPORATION	-	-	-	23,987	23,987	699.50	16,778,906.50	16,778,906.50
SMC	SAN MIGUEL CORP. "A"	-	-	325,698	1,694,518	2,020,216	82.00	165,657,712.00	165,657,712.00
SMC2I	SMC2I, SAN MIGUEL CORP PEF. "2I"	-	-	-	183,100	183,100	74.50	13,640,950.00	13,640,950.00
SMC2L	SMC 2L PREF	-	-	-	10,100	10,100	77.65	784,265.00	784,265.00
SMC2O	SMC2O SAN MIGUEL CORP PEF. "2O"	-	-	-	68,800	68,800	81.00	5,572,800.00	5,572,800.00
SMC2P	SMC PREF 2P	-	-	-	139,500	139,500	77.00	10,741,500.00	10,741,500.00
SMC2Q	SMC PREF 2Q	-	-	-	10,000	10,000	77.80	778,000.00	778,000.00
SMC2R	SMC PREF 2R	-	-	-	58,600	58,600	77.50	4,541,500.00	4,541,500.00
SMC2S	SMC PREF 2S	-	-	-	88,600	88,600	77.80	6,893,080.00	6,893,080.00
SMC2T	SMC PREF 2T	-	-	-	24,370	24,370	76.50	1,864,305.00	1,864,305.00
SMC2U	SMC PREF 2U	-	-	-	14,000	14,000	76.00	1,064,000.00	1,064,000.00
SMPH	SM PRIME HOLDINGS INC	-	-	78,182	1,744,679	1,822,861	22.75	41,470,087.75	41,470,087.75
SOC	SOCRESOURCES INC.	-	-	-	26,000	26,000	0.18	4,732.00	4,732.00
SPC	SPC POWER CORPORATION	-	-	-	395,700	395,700	9.74	3,854,118.00	3,854,118.00
SPM	SEAFRONT PET. "A"	-	-	-	88,976	88,976	2.36	209,983.36	209,983.36
SPNEC	SOLAR PHILS NUEVA ECJA CORP.	-	-	-	28,542,466	28,542,466	1.17	33,394,685.22	33,394,685.22
SSI	SSI GROUP INCORPORATED	-	-	-	1,132,000	1,132,000	2.63	2,977,160.00	2,977,160.00
STI	STI EDUCATION SYSTEMS HOLDINGS, INC	-	-	-	13,873,814	13,873,814	1.41	19,562,077.74	19,562,077.74
STN	STENIEL MANUFACTURING CORP.	-	-	-	595,462	595,462	0.00	0.00	0.00
STR	VISTA MALLS INC.	-	-	2,000	8,000	10,000	1.25	12,500.00	12,500.00
SUN	SUNTRUST HOME DEVELOPERS, INC.	-	-	-	3,800,200	3,800,200	0.76	2,888,152.00	2,888,152.00
T	TKC METALS CORPORATION	-	-	-	752,000	752,000	0.44	330,880.00	330,880.00
TBGI	TRANSPACIFIC BROADBAND GROUP INC.	-	-	-	42,855,000	42,855,000	0.13	5,699,715.00	5,699,715.00
TCB2C	TECH PREF 2C	-	-	-	1,400	1,400	13.00	18,200.00	18,200.00
TCB2D	TECH PREF 2D	-	-	-	6,900	6,900	8.26	56,994.00	56,994.00
TECH	CIRTEK HOLDINGS PHILIPPINES CORP.	-	-	-	15,967,700	15,967,700	0.63	10,059,651.00	10,059,651.00
TECHW	CIRTEK HLDGS PHIL CORP	-	-	-	319,623	319,623	0.00	671.21	671.21
TEL	PLDT INC.	-	-	8,088	123,153	131,241	1,260.00	165,363,660.00	165,363,660.00
TFHI	TOP FRONTIER INVESTMENT HLDG, INC.	-	-	545	70,852	71,397	61.00	4,355,217.00	4,355,217.00
TOP	TOP LINE BUSINESS DEVELOPMENT CORP	-	-	-	1,170,000	1,170,000	1.60	1,872,000.00	1,872,000.00
TUGS	HARBOR STAR SHIPPING SERV. INC	-	-	-	4,287,000	4,287,000	0.59	2,529,330.00	2,529,330.00
UBP	UNION BANK OF THE PHILS.	-	-	37,408	286,934	324,342	26.60	8,627,497.20	8,627,497.20
UNI	UNIOIL RESOURCES HOLDINGS CO., INC.	-	-	-	948,250	948,250	0.25	233,269.50	233,269.50
UP	UNIVERSAL RIGHTFIELD	-	-	-	12,925,999	12,925,999	0.00	0.00	0.00
UPM	UNITED PARAGON MINING CORP	-	-	-	344,867,000	344,867,000	0.01	2,000,228.60	2,000,228.60
UPSON	UPSON INTERNATIONAL CORP	-	-	-	66,000	66,000	0.70	46,200.00	46,200.00
URC	UNIVERSAL ROBINA CORP.	-	-	-	448,020	448,020	67.30	30,151,746.00	30,151,746.00
V	VANTAGE EQUITIES, INC.	-	-	150,937	66,672,311	66,823,248	0.89	59,472,690.72	59,472,690.72
VITA	VITARICH CORP.	-	-	-	3,825,700	3,825,700	0.53	2,027,621.00	2,027,621.00
VLL	VISTA LAND & LIFESCAPES, INC.	-	-	-	2,031,030	2,031,030	1.04	2,112,271.20	2,112,271.20
VLL2A	VLL SERIES 2 PREF A	-	-	-	1,900	1,900	91.95	174,705.00	174,705.00
VLL2B	VLL SERIES 2 PREF. B	-	-	-	10,000	10,000	90.00	900,000.00	900,000.00
VMC	VICTORIAS MILLING CO., INC.	-	-	30,885	1,649,931	1,680,816	1.73	2,907,811.68	2,907,811.68
VREIT	VISTAREIT INC.	-	-	-	2,514,000	2,514,000	1.37	3,444,180.00	3,444,180.00
VVT	VIVANT CORPORATION	-	-	-	200	200	19.44	3,888.00	3,888.00
WEB	PHILWEB CORPORATION	-	-	-	2,221,385	2,221,385	6.20	13,772,587.00	13,772,587.00
WIN	WELLEX INDUSTRIES, INC.	-	-	-	468,748	468,748	0.26	121,874.48	121,874.48
WLCON	WILCON DEPOT, INC.	-	-	100,000	1,715,800	1,815,800	6.96	12,637,968.00	12,637,968.00
WPI	WATERFRONT PHILS. INC.	-	-	-	2,821,200	2,821,200	0.41	1,142,586.00	1,142,586.00
X	XURPAS INC.	-	-	-	2,329,100	2,329,100	0.25	577,616.80	577,616.80
XG	NEXGEN ENERGY CORPORATION	-	-	-	114,000	114,000	3.18	362,520.00	362,520.00
ZHI	ZEUS HOLDINGS, INC.	-	-	-	4,536,600	4,536,600	0.07	303,952.20	303,952.20
URC	UNIVERSAL ROBINA CORP.	-	-	-	448,020	448,020	67.30	30,151,746.00	30,151,746.00
V	VANTAGE EQUITIES, INC.	-	-	150,937	66,672,311	66,823,248	0.89	59,472,690.72	59,472,690.72
VITA	VITARICH CORP.	-	-	-	3,825,700	3,825,700	0.53	2,027,621.00	2,027,621.00
VLL	VISTA LAND & LIFESCAPES, INC.	-	-	-	2,031,030	2,031,030	1.04	2,112,271.20	2,112,271.20
VLL2A	VLL SERIES 2 PREF A	-	-	-	1,900	1,900	91.95	174,705.00	174,705.00
VLL2B	VLL SERIES 2 PREF. B	-	-	-	10,000	10,000	90.00	900,000.00	900,000.00
VMC	VICTORIAS MILLING CO., INC.	-	-	30,885	1,649,931	1,680,816	1.73	2,907,811.68	2,907,811.68
VREIT	VISTAREIT INC.	-	-	-	2,514,000	2,514,000	1.37	3,444,180.00	3,444,180.00
VVT	VIVANT CORPORATION	-	-	-	200	200	19.44	3,888.00	3,888.00
WEB	PHILWEB CORPORATION	-	-	-	2,221,385	2,221,385	6.20	13,772,587.00	13,772,587.00
WIN	WELLEX INDUSTRIES, INC.	-	-	-	468,748	468,748	0.26	121,874.48	121,874.48
WLCON	WILCON DEPOT, INC.	-	-	100,000	1,715,800	1,815,800	6.96	12,637,968.00	12,637,968.00
WPI	WATERFRONT PHILS. INC.	-	-	-	2,821,200	2,821,200	0.41	1,142,586.00	1,142,586.00
X	XURPAS INC.	-	-	-	2,329,100	2,329,100	0.25	577,616.80	577,616.80
XG	NEXGEN ENERGY CORPORATION	-	-	-	114,000	114,000	3.18	362,520.00	362,520.00
ZHI	ZEUS HOLDINGS, INC.	-	-	-	4,536,600	4,536,600	0.07	303,952.20	303,952.20
WIN	WELLEX INDUSTRIES, INC.	-	-	-	468,748	468,748	0.26	121,874.48	121,874.48
WLCON	WILCON DEPOT, INC.	-	-	100,000	1,715,800	1,815,800	6.96	12,637,968.00	12,637,968.00
WPI	WATERFRONT PHILS. INC.	-	-	-	2,821,200	2,821,200	0.41	1,142,586.00	1,142,586.00
X	XURPAS INC.	-	-	-	2,329,100	2,329,100	0.25	577,616.80	577,616.80
XG	NEXGEN ENERGY CORPORATION	-	-	-	114,000	114,000	3.18	362,520.00	362,520.00
ZHI	ZEUS HOLDINGS, INC.	-	-	-	4,536,600	4,536,600	0.07	303,952.20	303,952.20
		1,616,986	-	668,003,994	6,174,436,598	6,844,057,578		5,642,134,123.74	5,642,134,123.74

Number of Shares in Vault 1,616,986  
Number of Shares in Clearing House -  
Number of Shares in Transfer Office 668,003,994  
Number of Shares in PCD 6,174,436,598  
Total Number of Shares 6,844,057,578

# EASTERN SECURITIES DEVELOPMENT CORP.

MEMBER: PHILIPPINE STOCK EXCHANGE, INC

## OATH

REPUBLIC OF THE PHILIPPINES)

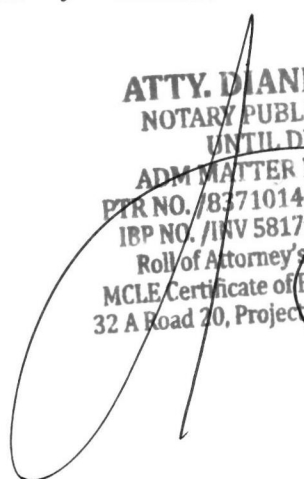
Binondo, Manila) S.S.

I, **Marian Peña**, President of **Eastern Securities Development Corporation** do solemnly swear that all matters set forth in this summary of securities count for the month ended December 31, 2025 are true and correct to the best of my knowledge and belief.

  
**Marian Peña**  
President

SUBSCRIBED AND SWORN to before me this MAR 25 2026 day of \_\_\_\_\_ affiant exhibiting to me his TIN No. 101-934-913.

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Series of 2024

  
**ATTY. DIANE M. ABOLUCION**  
NOTARY PUBLIC FOR QUEZON CITY  
UNTIL DECEMBER 2026  
ADM MATTER NO. -055 (2025-2026)  
PTR NO. /8371014/ 03 Jan 2026 / Quezon City  
IBP NO. /INV 581798/ 01 Jan 2026 / Pasig City  
Roll of Attorney's No. 75460 / 27 July 2020  
MCLE Certificate of Exemption No. VIII-BEP002760  
32 A Road 20, Project 8, Brgy. Bahay Toro, Quezon city