



SECURITIES AND EXCHANGE COMMISSION

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Company Information

SEC Registration No.: 0000167631

Company Name: GOLDSTAR SECURITIES INC.

Industry Classification: J66930

Company Type: Stock Corporation

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Acceptance of this document is subject to review of forms and contents

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 52-AR
ANNUAL AUDITED FINANCIAL REPORT**

Information Required of Brokers and Dealers Pursuant to Rule 52.1.5 of the Securities Regulation Code.

Report for the Period Beginning JANUARY and Ending DECEMBER 2025

IDENTIFICATION OF BROKER OR DEALER

Name of Broker Dealer: GOLDSTAR SECURITIES, INC.

Address of Principal Place of Business: 2201 - B East Tower Tektite Bldg.

Email Address: goldstarsecurities@gmail.com

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

Name: Blythe Jayne O. Mancilla Tel. No. (02) 8633-7485

Fax No. _____

Paid-up Capital of Registrant: 100,000,000

IDENTIFICATION OF ACCOUNTANT

Name of Independent Certified Accountant whose opinion is contained in this report:

Name: Rose Angeli S. Bernaldo Tel. No. 88121718-22

Address: 18 F Cityland Condo Tower 1 Ayala North Makati City Fax No. _____

Email Address: rose.bernaldo@pkfrsbernaldo@gmail.com

Certificate Number: 114127

PTR Number: 10780860 Date Issued January 20, 2026

BOA Registration No. 0300/P-006 Date Issued November 19, 2026

Type of SEC Accreditation: A Accreditation No. 114127 - SEC

Date Accredited: _____ Expiry Date: 2027

This Report Contains:

- Cover Page
- Statement of Management's Responsibility
- Statement of Financial Condition
- Statement of Comprehensive Income
- Statement of Cash Flow
- Statement of Changes in Equity
- Notes to Financial Statements
- Statement of Changes in Liabilities Subordinated to Claims of General Creditors
- Computation of Risk Based Capital Adequacy Requirement pursuant to Rule 49.1.1
- Information Relating to the Possession or Control Requirements under Annex 49.2-A
- Computation for Determination of Reserve Requirements under Annex 49.2-B
- A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- Results of Monthly Securities Count conducted pursuant to Rule 52.1.10 as of the date of the balance sheet statement in the Annual Audited Financial Statement

Additional schedules required under Revised SRC Rule 68 and SEC Memorandum Circular No. 18, series of 2024:

- Schedule of Financial Soundness Indicators
- Reconciliation of Retained Earnings Available for Dividend Declaration¹
- Schedule of External Audit Fee-Related Information

¹ Section 1 of SEC Memorandum No. 16, series of 2023.

x x x

The Reconciliation of Retained Earnings under Annex "A" of this Circular shall apply to the following:

1. Issuers of securities to the public;
2. Stock corporation with unappropriated/unrestricted retained earnings in excess of 100% of its paid-in capital; or
3. A company that applies for an acknowledgement from the Commission of its dividend declaration, i.e., cash, stock or property dividends.



Your BIR AFS eSubmission uploads were received

1 message

eafs@bir.gov.ph <eafs@bir.gov.ph>
To: GOLDSTARSECURITIES@gmail.com
Cc: ROMEO.DEJESUS@rsberaldo.com

Fri, May 15, 2026 at 10:02 AM

Hi GOLDSTAR SECURITIES, INC.,

Valid files

- EAFS000222746ITRTY122025.pdf
- EAFS000222746AFSTY122025.pdf

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Submission Date/Time: **May 15, 2026 10:02 AM**
Company TIN: **000-222-746**

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- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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G O L D S T A R
SECURITIES INCORPORATED
Member Philippine Stock Exchange

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

The Management of **GOLDSTAR SECURITIES, INC.** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein for the years ended December 31, 2025 and 2024, in accordance with the Philippine Financial Reporting Standards (PFRS) Accounting Standards, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

R.S. Bernaldo & Associates, the independent auditor appointed by the stockholders has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


JOSEPH L. MANCILLA, JR.
Chairman of the Board


JENNIE L. MANCILLA
President


PEARL NICKYLA ONG
Treasurer

Signed this 14th day of May 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Stockholders
GOLDSTAR SECURITIES, INC.
E-2201B East Tower, Philippine Stock Exchange Center
Exchange Road, Ortigas Center, Pasig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **GOLDSTAR SECURITIES, INC.** (the "Company"), which comprise the statements of financial position as of 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 information.

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

Basis for Opinion

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 audits. 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 audits 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 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 audits 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 Nos. 15-2010, 19-2011, and 34-2020. in Note 34, respectively, to the financial statements, is presented for purposes of filing with Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the Management of **GOLDSTAR SECURITIES, INC.** The information 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.

R.S. BERNALDO & ASSOCIATES

BOA/PRC No. 0300

Valid until November 19, 2026

SEC Group A Accreditation No. 0300-SEC

Valid until 2024 audit period (extended until 2025 audit period)

BSP Group B Accreditation No. 0300-BSP

Valid until 2026 audit period

BIR Accreditation No. 08-007679-000-2026

Valid from February 2, 2026 until February 1, 2029

IC Group A Accreditation No. 0300-IC

Valid until 2026 audit period

CDA CEA No. 013 - AF

Valid from August 28, 2025 to August 27, 2030



ROSE ANGELI S. BERNALDO

Managing Partner

CPA Certificate No. 114127

BOA/PRC No. 0300/P-006

Valid until November 19, 2026

SEC Group A Accreditation No. 114127-SEC

Valid until 2027 audit period

BSP Group B Accreditation No. 114127-BSP

Valid until 2025 audit period

BIR Accreditation No. 08-007679-001-2023

Valid from October 20, 2023 until October 19, 2026

Tax Identification No. 211-870-290

IC Group A Accreditation No. IC-EA-2025-0033-N

Valid until 2027 audit period

CDA CEA No. 1940

Valid from November 20, 2024 to November 19, 2029

PTR No. 10780860

Issued on January 20, 2026 at Makati City

May 4, 2026

GOLDSTAR SECURITIES, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2025, 2024 and 2023
(In Philippine Peso)

	NOTES	2025			2024, as restated			2023, as restated		
		Book Value	Security Valuation		Book Value	Security Valuation		Book Value	Security Valuation	
			Long	Short		Long	Short		Long	Short
A S S E T S										
Current Assets										
Cash	7	63,378,727			48,584,178			52,422,802		
Trade and other receivables – net	8	585,772	22,069,270		9,215,607	26,882,115		15,308,323	78,802,468	
Financial assets at FVTPL	9	72,381,044	72,381,044		101,811,345	101,811,345		97,195,228	97,195,228	
Prepayments and other current assets	10	547,433			424,210			359,096		
		137,262,896	94,450,314		160,115,340	128,773,460		165,285,449	176,697,694	
Non-current Assets										
Financial asset at FVOCI	9	24,648,000	24,648,000		19,680,000	19,680,000		20,400,000	20,400,000	
Property and equipment – net	11	2,253,977			2,899,559			528,313		
Intangible asset	12	633,600			633,600			833,600		
Other non-current assets	13	4,108,917			4,042,144			4,042,144		
Deferred taxes – net	26	-			3,240,426			1,977,000		
		31,644,494	24,648,000		30,495,728	19,680,000		27,581,057	20,400,000	
TOTAL ASSETS		168,907,490	119,098,314		190,611,068	148,453,460		192,866,506	196,097,694	
SECURITIES										
In Vault, Transfer Office and Philippine Central Depository, Inc.				1,577,069,124		1,584,922,623			1,404,888,962	
LIABILITIES AND STOCKHOLDERS' EQUITY										
LIABILITIES										
Current Liabilities										
Trade and other payables	14	12,672,225	1,457,970,810		19,570,948	1,436,469,183		20,141,859	1,208,791,268	
Loans payable	15	20,000,000			35,000,000			28,000,000		
		32,672,225	1,457,970,810		54,570,948	1,438,469,183		48,141,859	1,208,791,268	
Non-current Liability										
Deferred taxes – net	26	1,080,421			-			-		
TOTAL LIABILITIES		33,752,646	1,457,970,810		54,570,948	1,438,469,183		48,141,859	1,208,791,268	
STOCKHOLDERS' EQUITY										
Capital Stock	17	100,000,000			100,000,000			100,000,000		
Reserves (OCI) – net	9	18,488,000			14,760,000			15,300,000		
Appropriated Retained Earnings	18	2,831,928			2,831,928			2,831,928		
Unappropriated Retained Earnings		13,688,916			18,448,192			26,582,719		
TOTAL STOCKHOLDERS' EQUITY		135,204,844			136,040,120			144,724,647		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		168,907,490	1,577,069,124	1,577,069,124	190,611,068	1,584,922,623	1,584,922,623	192,866,506	1,404,888,962	1,404,888,962

(See Notes to Financial Statements)

GOLDSTAR SECURITIES, INC.
STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2025 and 2024
(In Philippine Peso)

	NOTES	2025	2024, <i>As restated</i>
REVENUE	19	6,008,942	5,326,910
COST OF SERVICES	20	8,785,446	8,440,288
GROSS LOSS		(2,776,504)	(3,113,378)
FAIR VALUE GAIN (LOSS) ON FINANCIAL ASSETS AT FVTPL	9	2,080,900	(4,265,467)
OTHER INCOME	21	5,827,633	4,390,438
		5,132,029	(2,988,407)
OPERATING EXPENSES	22	6,524,352	6,094,060
FINANCE COST	15	110,107	145,485
LOSS BEFORE TAX		(1,502,430)	(9,227,952)
INCOME TAX EXPENSE (BENEFIT)	25	3,058,846	(1,083,425)
LOSS		(4,561,276)	(8,144,527)
OTHER COMPREHENSIVE INCOME (LOSS)			
ITEMS THAT WILL NOT BE RECLASSIFIED			
SUBSEQUENTLY TO PROFIT OR LOSS			
FAIR VALUE GAIN (LOSS) ON FINANCIAL ASSETS			
AT FVOCI – net of tax	9	3,726,000	(540,000)
TOTAL COMPREHENSIVE LOSS		(835,276)	(8,684,527)
LOSS PER SHARE			
Basic Loss per Share	27	(4.56)	(8.14)

(See Notes to Financial Statements)

GOLDSTAR SECURITIES, INC.
STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025 and 2024
(In Philippine Peso)

	Notes	Capital Stock	Reserves (OCI) – net	Retained Earnings		Total
				Appropriated	Unappropriated	
Balance at January 1, 2024, <i>as restated</i>		100,000,000	15,300,000	2,831,928	26,592,719	144,724,647
Loss					(8,144,527)	(8,144,527)
Other comprehensive loss, <i>as restated</i>	9		(540,000)			(540,000)
Balance at December 31, 2024, <i>as restated</i>	9,17,18	100,000,000	14,760,000	2,831,928	18,448,192	136,040,120
Loss					(4,561,276)	(4,561,276)
Other comprehensive income	9		3,726,000			3,726,000
Balance at December 31, 2025	9,17,18	100,000,000	18,486,000	2,831,928	13,886,916	135,204,844

(See Notes to Financial Statements)

GOLDSTAR SECURITIES, INC.**STATEMENTS OF CASH FLOWS**

For the Years Ended December 31, 2025 and 2024

(In Philippine Peso)

	NOTES	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(1,502,430)	(9,227,952)
Adjustments for:			
Depreciation	11,22	752,942	499,212
Finance cost	15	110,107	145,485
Provision for expected credit losses	8,22	137,450	-
Finance income	7,8,21	(526,504)	(2,294,287)
Gain on reversal of accrued expenses	14,21	(1,216,496)	-
Fair value loss (gain) on financial assets at FVTPL	9	(2,080,900)	4,265,467
Dividend income	9,21	(3,626,330)	(1,375,565)
Operating cash flows before changes in working capital		(7,952,161)	(7,987,640)
Decrease (Increase) in operating assets:			
Trade and other receivables		8,514,263	8,234,366
Financial assets at FVTPL		31,611,201	(8,981,584)
Prepayments and other current asset		(123,243)	(65,114)
Other non-current assets		(66,773)	-
Decrease in trade and other payables		(5,682,227)	(553,022)
Net cash from (used in) operating activities		26,301,060	(9,352,994)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend income received	9,21	3,626,330	1,375,565
Finance income received	7,21	104,626	152,637
Additions to property and equipment	11	(107,360)	(2,870,458)
Net cash from (used in) investing activities		3,623,596	(1,342,256)
CASH FLOWS FROM FINANCING ACTIVITIES			
Availment of loans	15	20,000,000	35,000,000
Finance cost paid	15	(110,107)	(163,374)
Payments of loans	15	(35,000,000)	(28,000,000)
Net cash from (used in) financing activities		(15,110,107)	6,836,626
NET INCREASE (DECREASE) IN CASH		14,814,549	(3,858,624)
CASH AT BEGINNING OF YEAR		48,564,178	52,422,802
CASH AT END OF YEAR		63,378,727	48,564,178

(See Notes to Financial Statements)

GOLDSTAR SECURITIES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

1. CORPORATE INFORMATION

Goldstar Securities, Inc. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 29, 1989 with Registration No. 167631 and with Bureau Internal Revenue with Tax Identification Number (TIN) 000-222-746. The Company is primarily engaged in the brokerage business of stocks, bonds and other financial securities and in all activities directly or indirectly connected therewith or incidental thereto and to be a member of any stocks or commodity exchange, as well as board of realtors, national, regional or local.

Pursuant to the requirements of SEC, the Company holds a secondary license to engage in the business of a securities dealer, License Number 01-2004-00063, issued on the 29th day of December 2011, valid unless revoked for cause or suspended or voluntarily surrendered and subject to compliance with the qualification and monitoring requirements of the Commission and payment of the required annual fee every November of each year.

The Company is 100% wholly-owned by Filipino individuals.

The Company's registered office address is located at E-2201B East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The Philippine Financial and Sustainability Reporting Standards Council (FSRSC) approved the issuance of new and revised Philippine Financial Reporting Standards (PFRS) Accounting Standards. The term "PFRS Accounting Standards" in general includes all applicable PFRS, Philippine Accounting Standards (PAS), and Interpretations issued by the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the FSRSC and adopted by SEC.

These new and revised PFRS Accounting Standards prescribe new accounting recognition, measurement and disclosure requirements applicable to the Company. When applicable, the adoption of the new standards was made in accordance with their transitional provisions, otherwise the adoption is accounted for as change in accounting policy under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

2.01 New and Revised PFRS Accounting Standards Applied with No Material Effect on the Financial Statements

The following new and revised PFRS Accounting Standards have been adopted in these financial statements. The application of these new and revised PFRS Accounting Standards has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- **Amendments to PAS 21, *Lack of Exchangeability***

The amendments contains guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

The amendments cover the following areas:

- Specify when a currency is exchangeable into another currency and when it is not – a currency is exchangeable if it can be exchanged for another currency through markets or mechanisms that establish enforceable rights and obligations without delay, while it is not exchangeable if an entity can only obtain a small amount of the other currency.
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable – when a currency isn't exchangeable at a measurement date, an entity estimates the spot exchange rate as the rate that would have applied in an orderly transaction.
- Require the disclosure of additional information when a currency is not exchangeable - when a currency is not exchangeable, an entity discloses information to its financial statements, allowing users to assess its financial performance, position, and cash flows.

The amendments are effective to annual reporting periods beginning on or after January 1, 2025

2.02 New and Revised PFRS Accounting Standards in Issue but Not Yet Effective

The Company will adopt the following standards and interpretations enumerated below when they become effective. Except as otherwise indicated, the Company does not expect the adoption of these new and amended PFRS Accounting Standards, to have significant impact on the financial statements.

2.02.01 Standard Adopted by FSRSC and Approved by the Board of Accountancy (BOA)

- **Amendments to PFRS 9 and PFRS 7, *Amendments to the Classification and Measurement of Financial Instruments***

The amendments cover the following areas:

- Derecognition of a financial liability settled through electronic transfer – the amendments allow entities to discharge a financial liability settled in cash using an electronic payment system if specific criteria are met, and apply the derecognition option to all settlements made through the same system.

- **Classification of financial assets:**
 - **Contractual terms that are consistent with a basic lending arrangement – the amendments outline how entities can evaluate whether contractual cash flows of a financial asset align with a basic lending arrangement, illustrating this through examples of financial assets with or without principal and interest payments.**
 - **Assets with non-recourse features – the term 'non-recourse' is enhanced, defining a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.**
 - **Contractually linked instruments – the amendments clarify that not all transactions with multiple debt instruments meet classification criteria, and that instruments in the underlying pool can include financial instruments not covered by classification requirements.**
- **There are amendments in the required disclosure for financial assets and liabilities with contractual terms that reference a contingent event 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. Earlier application of either all the amendments at the same time or only the amendments to the classification of financial assets is permitted.

An entity is required to apply the amendments retrospectively. An entity is not required to restate prior periods to reflect the application of the amendments, but may do so if, and only if, it is possible to do so without the use of hindsight.

- **Annual Improvements to PFRS Accounting Standards - Volume 11**

The International Accounting Standards Board (IASB) has published proposed narrow-scope amendments to PFRS Accounting Standards and accompanying guidance as part of its periodic maintenance of the Accounting Standards.

The proposed amendments included in the Exposure Draft *Annual Improvements to PFRS Accounting Standards—Volume 11* relate to:

- **PFRS 1, *First-time Adoption of International Financial Reporting Standards, Hedge Accounting by a First-Time Adopter* – the amendment addresses a potential confusion arising from an inconsistency in wording between paragraph B6 of PFRS 1 and requirements for hedge accounting in PFRS 9, *Financial Instruments*.**
- **PFRS 7, *Financial Instruments: Disclosures***
 - **Gain or Loss on Derecognition – the amendment addresses a potential confusion in paragraph B38 of PFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when PFRS 13, *Fair Value Measurement* was issued.**
 - **Disclosure of Deferred Difference Between Fair Value and Transaction Price – the amendment addresses an inconsistency between paragraph 28 of PFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of PFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance.**

- Introduction and Credit Risk Disclosures – the amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7 and by simplifying some explanations.
- PFRS 9, *Financial Instruments*
 - Lessee derecognition of lease liabilities – the amendment addresses a potential lack of clarity in the application of the requirements in PFRS 9 to account for an extinguishment of a lessee’s lease liability that arises because paragraph 2.1(b)(ii) of PFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of PFRS 9.
 - Transaction price – the amendment addresses a potential confusion arising from a reference in Appendix A to PFRS 9 to the definition of ‘transaction price’ in PFRS 15, *Revenue from Contracts with Customers* while term ‘transaction price’ is used in particular paragraphs of PFRS 9 with a meaning that is not necessarily consistent with the definition of that term in PFRS 15.
- PFRS 10, *Consolidated Financial Statements, Determination of a ‘de facto agent’* – the amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of PFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.
- PAS 7, *Statement of Cash Flows, Cost Method* – the amendment addresses a potential confusion in applying paragraph 37 of PAS 7 that arises from the use of the term ‘cost method’ that is no longer defined in PFRS Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

- PFRS 17, *Insurance Contracts*

PFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. It requires an entity that issues insurance contracts to report them on the balance sheet as the total of the fulfilment cash flows and the contractual service margin. It requires an entity to provide information that distinguishes two ways insurers earn profits from insurance contracts: the insurance service result and the financial result. It requires an entity to report as insurance revenue the amount charged for insurance coverage when it is earned, rather than when the entity receives premium. It requires that insurance revenue exclude the deposits that represent the investment of the policyholder, rather than an amount charged for services. Similarly, it requires the entity to present deposit repayments as settlements of liabilities rather than as insurance expense.

PFRS 17 is effective for annual periods beginning on or after January 1, 2027. However, the effectivity date for all Health Maintenance Organizations (HMOs) is beginning on or after January 1, 2030, and all Mutual Benefits Associations (MBAs) doing business in the Philippines is effective beginning on or after January 1, 2030. Early application is permitted for entities that apply PFRS 9, *Financial Instruments* and PFRS 15, *Revenue from Contracts with Customers* on or before the date of initial application of PFRS 17.

- Introduction and Credit Risk Disclosures – the amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7 and by simplifying some explanations.
- PFRS 9, *Financial Instruments*
 - Lessee derecognition of lease liabilities – the amendment addresses a potential lack of clarity in the application of the requirements in PFRS 9 to account for an extinguishment of a lessee’s lease liability that arises because paragraph 2.1(b)(ii) of PFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of PFRS 9.
 - Transaction price – the amendment addresses a potential confusion arising from a reference in Appendix A to PFRS 9 to the definition of ‘transaction price’ in PFRS 15, *Revenue from Contracts with Customers* while term ‘transaction price’ is used in particular paragraphs of PFRS 9 with a meaning that is not necessarily consistent with the definition of that term in PFRS 15.
- PFRS 10, *Consolidated Financial Statements, Determination of a ‘de facto agent’* – the amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of PFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.
- PAS 7, *Statement of Cash Flows, Cost Method* – the amendment addresses a potential confusion in applying paragraph 37 of PAS 7 that arises from the use of the term ‘cost method’ that is no longer defined in PFRS Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

- PFRS 17, *Insurance Contracts*

PFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. It requires an entity that issues insurance contracts to report them on the balance sheet as the total of the fulfilment cash flows and the contractual service margin. It requires an entity to provide information that distinguishes two ways insurers earn profits from insurance contracts: the insurance service result and the financial result. It requires an entity to report as insurance revenue the amount charged for insurance coverage when it is earned, rather than when the entity receives premium. It requires that insurance revenue exclude the deposits that represent the investment of the policyholder, rather than an amount charged for services. Similarly, it requires the entity to present deposit repayments as settlements of liabilities rather than as insurance expense.

PFRS 17 is effective for annual periods beginning on or after January 1, 2027. However, the effectivity date for all Health Maintenance Organizations (HMOs) is beginning on or after January 1, 2030, and all Mutual Benefits Associations (MBAs) doing business in the Philippines is effective beginning on or after January 1, 2030. Early application is permitted for entities that apply PFRS 9, *Financial Instruments* and PFRS 15, *Revenue from Contracts with Customers* on or before the date of initial application of PFRS 17.

An entity shall apply PFRS 17 retrospectively unless impracticable, except that an entity is not required to present the quantitative information required by paragraph 28(f) of PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* and an entity shall not apply the option in paragraph B115 for periods before the date of initial application of PFRS 17. If, and only if, it is impracticable, an entity shall apply either the modified retrospective approach or the fair value approach.

- **Amendments to PFRS 17, *Insurance Contracts***

The amendments cover the following areas:

- Insurance acquisition cash flows for renewals outside the contract boundary;
- Reinsurance contracts held—onerous underlying insurance contracts;
- Reinsurance contracts held—underlying insurance contracts with direct participation features; and
- Recognition of the contractual service margin in profit or loss in the general model.

The amendments are effective to annual reporting periods beginning on or after January 1, 2027. However, all Mutual Benefits Associations (MBAs) doing business in the Philippines is effective beginning on or after January 1, 2030.

- **Amendment to PFRS 17, *Initial Application of PFRS 17 and PFRS 9—Comparative Information***

The amendment is a transition option relating to comparative information about financial assets presented on initial application of PFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements.

PFRS 17 incorporating the amendment is effective for annual reporting periods beginning on or after January 1, 2027. However, all Mutual Benefits Associations (MBAs) doing business in the Philippines is effective beginning on or after January 1, 2030.

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

PFRS 18 supersedes PAS 1, *Presentation and Disclosure in Financial Statements*. This new standard is a result of IASB's Primary Financial Statements project, which aimed at improving comparability and transparency of communication in financial statements.

While several sections from PAS 1, have been retained with minimal changes in wording, PFRS 18 introduces new requirements for the presentation and disclosures in financial statements.

The new requirements include:

- Improved comparability in the statement of profit or loss (income statement);
- Enhanced transparency of management-defined performance measures; and

- More useful grouping of information in the financial statements.

Retrospective application is required in both annual and interim financial statements. PFRS 18 is effective beginning on or after January 1, 2027, with early application permitted.

- **PFRS 19, *Subsidiaries without Public Accountability: Disclosures***

PFRS 19 allows eligible entities to provide reduced disclosures compared to the requirements in other PFRS Accounting Standards. Entities that elect PFRS 19 are still required to apply the recognition, measurement and presentation requirements of other PFRS Accounting Standards.

An entity may elect to apply the PFRS 19 if at the end of reporting period:

- It is a subsidiary as defined in PFRS 10, *Consolidated Financial Statements*;
- It does not have public accountability; and
- It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with PFRS Accounting Standards.

An eligible entity (including an intermediate parent) can apply PFRS 19 in its consolidated, separate or individual financial statements. PFRS 19 is applicable for both annual and interim reporting.

PFRS 19 is effective beginning on or after January 1, 2027, with early application permitted.

2.02.02 Deferred

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

The amendments clarify the treatment of the sale or contribution of assets between an investor and its associate and joint venture. This requires an investor in its financial statements to recognize in full the gains and losses arising from the sale or contribution of assets that constitute a business while recognize partial gains and losses if the assets do not constitute a business (i.e. up to the extent only of unrelated investor share).

On January 13, 2016, the FSRSC decided to postpone the original effective date of January 1, 2016 of the said amendments until the IASB has completed 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.

3. BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

3.01 Statement of Compliance

The financial statements have been prepared in conformity with PFRS Accounting Standards and are under the historical cost convention, except for certain financial instruments that are carried at fair value or amortized cost.

3.02 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using Philippine Peso (P), the currency of the primary economic environment in which the Company operates (the "functional currency").

The Company chose to present its financial statements using its functional currency.

3.03 Current and Non-Current Presentation

The Company classifies an asset as current when:

- It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- It holds the asset primarily for the purpose of trading;
- It expects to realize the asset within twelve (12) months after the reporting period; or
- The asset is cash unless the asset is restricted from being exchanged or used to settle a liability for at least twelve (12) months after the reporting period.

The Company classifies all other assets as non-current.

The Company classifies a liability as current when:

- It expects to settle the liability in its normal operating cycle;
- It holds the liability primarily for the purpose of trading;
- The liability is due to be settled within twelve (12) months after the reporting period; or
- It does not have an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

4. MATERIAL ACCOUNTING POLICIES

Principal accounting and financial reporting policies applied by the Company in the preparation of its financial statements are enumerated below and are consistently applied to all the years presented, unless otherwise stated.

4.01 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.

When measuring fair value, the Company takes into consideration the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement assumes that the transaction to sell the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions. In addition, it assumes that the transaction takes place either: (a) in the principal market; or (b) in the absence of a principal market, in the most advantageous market.

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

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

4.02 Financial Assets

4.02.01 Initial Recognition and Measurement

The Company recognizes a financial asset in its statements of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Except for trade receivables that do not have a significant financing component, at initial recognition, the Company measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At initial recognition, the Company measures trade receivables that do not have a significant financing component at their transaction price.

4.02.02 Classification

➤ Financial Asset at Amortized Cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is 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 solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortized cost includes cash in banks, reserve bank account, trade and other receivables, and refundable deposits.

a) Cash in Banks and Reserve Bank Account

Cash in banks and reserve bank account pertain to cash deposits held at call with banks that are subject to insignificant risk of change in value. This shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

b) Trade and Other Receivables

Trade and other receivables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method, less estimated credit loss. An estimated credit loss of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of trade and other receivables.

➤ **Financial Asset at Fair Value through Profit or Loss (FVTPL)**

The Company, at initial recognition, irrevocably designates a financial asset as measured at fair value through profit or loss, because it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

The Company's financial asset measured at FVTPL pertains to investment in equity securities traded in the stock exchange.

➤ **Financial Assets at Fair Value through Other Comprehensive Income**

The Company makes an irrevocable election at initial recognition for investments in equity instruments that would otherwise be measured at fair value through profit or loss (FVPL) to present subsequent changes in fair value through other comprehensive income (FVOCI).

Financial assets at FVOCI pertains to investment in equity securities with The Philippine Stock Exchange, Inc. (PSE).

4.02.03 Effective Interest Method

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for: purchased or originated credit-impaired financial assets and financial assets that are not purchased or originated credit-impaired but subsequently have become credit-impaired.

4.02.04 Impairment

The Company measures expected losses of a financial instrument in a way that reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable assumption that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Company adopted the following approaches in accounting for impairment.

➤ **General Approach**

The Company applies the general approach to cash in banks, reserve bank account, other receivables, and refundable deposits. At each reporting date, the Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. However, if the credit risk has not increased significantly, the Company measures the loss allowance equal to twelve (12) month expected credit losses.

The Company compares the risk of default occurring as at the reporting date with the risk of default occurring as at the date of initial recognition and considers the banks' credit ratings, macro-economic factors such as GDP, interest, and inflation rates, the performance of the counterparties' industry, and the available financial information of each counterparty to determine whether there is a significant increase in credit risk or not since initial recognition.

The Company determines that there has been a significant increase in credit risk when there is a significant decline in the factors.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition because the financial instrument is determined to have low credit risk at the reporting date.

The Company does not apply the 30 days past due rebuttable presumption because the Company determines that there have been no significant increases in credit risks before contractual payments are more than 30 days past due.

The Company does not apply the 90 days past due rebuttable presumption in determining whether a financial asset is credit-impaired or not, since based on the Company's historical experiences and aging schedules, a creditor's account will be written off when they become 365 days past due and upon further assessment and approval.

If the Company has measured the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date, that the credit quality improves (i.e. there is no longer a significant increase in credit risk since initial recognition), then the Company shall measure the loss allowance at an amount equal to twelve (12)-month expected credit losses at the current reporting date.

The Company recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

The Company performs the assessment of significant increases in credit risk on an individual basis.

The Company determines that a financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the counterparty;
- A breach of contract, such as a default or past due event;

- The lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; and
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganization.

➤ **Simplified Approach**

The Company always measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables. The Company determines that a financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the counterparty;
- A breach of contract, such as a default or past due event;
- The lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider; and
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganization.

4.02.05 Derecognition

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows the financial asset have expired or it transfers the financial asset

and the transfer qualifies for derecognition. The difference between the carrying amount and the consideration received is recognized in profit or loss.

4.03 Property and Equipment

Property and equipment are initially measured at cost. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Subsequent to initial recognition, property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on the straight-line method based on the estimated useful lives of the assets as follows:

Condominium and improvements	20 years
Transportation equipment	3 to 5 years
Furniture and equipment	3 years

The residual values, useful lives and depreciation method of the Company's property and equipment is reviewed, and adjusted prospectively if appropriate, if there is an indication of a change since the last reporting date.

An item of property and equipment is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of a property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss.

4.04 Intangible Asset

Intangible assets acquired separately are initially carried at cost. Subsequently, intangible assets with definite useful life are carried at cost less accumulated amortization and accumulated impairment losses.

The estimated useful life, residual value and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite life are not amortized. However, such assets are reviewed annually to ensure the carrying amount does not exceed the recoverable amount regardless of whether an indicator of impairment is present. The Company considers its Philippine Stock Exchange trading rights as having an indefinite useful life for the reason that there is no limit in the period in which the Company may generate cash inflows from this asset. The assessment of indefinite life is reviewed annually to determine whether indefinite useful life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. Any impairment losses determined is recognized in profit or loss.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss.

4.05 Impairment of Assets

At each reporting date, the Company assesses whether there is any indication that any assets other than deferred tax assets and financial assets that are within the scope of PFRS 9, *Financial Instruments* may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized as an expense.

When an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized as an income.

4.06 Borrowing Costs

All borrowing costs are recognized in profit or loss in the period in which they are incurred.

4.07 Financial Liabilities

4.07.01 Initial Recognition and Measurement

The Company recognizes financial liability in its statements of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument.

At initial recognition, the Company measures financial liability at its fair value minus, in the case of financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the liability.

4.07.02 Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for:

- financial liabilities at fair value through profit or loss;
- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies;
- financial guarantee contracts;
- commitments to provide a loan at a below-market interest rate; and
- contingent consideration recognized by an acquirer in a business combination.

The Company's financial liabilities measured at amortized cost include trade and other payables (excluding due to government agencies) and loans payable.

The Company has no financial liability at fair value through profit or loss in both years.

4.07.03 Derecognition

The Company removes a financial liability (or part of a financial liability) from its statements of financial position when, and only when, it is extinguished (i.e., when the obligation in the contract is discharged or cancelled or has expired).

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4.08 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Ordinary shares are classified as equity.

4.09 Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is 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 assets and settle the liabilities simultaneously.

4.10 Employee Benefits

4.10.01 Short-term Employee Benefits

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term employee benefits are composed of salaries, wages and other benefits and SSS, PhilHealth, HDMF and other contributions.

4.11 Revenue Recognition

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

4.11.01 Performance Obligations Satisfied Over Time

The Company's revenue from commission on stock brokering is recognized over time. The Company transfers control of a service over time and, therefore, satisfies a performance obligation and recognizes revenue over time when the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

Commission income is recognized upon confirmation of the buying and selling transaction. Commission rates charged differ from one client to another, but should not be below the minimum commission of P20 and above the maximum commission of 1.5% set by Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC).

Per 2015 SRC Rule 30.2, the following minimum commission rates apply:

Transaction Value	Commission Rate
> P100M and below	0.00250
> P100M up to P500M	0.00150 but not less than P250K
> P500M up to P1B	0.00125 but not less than P750K
> P1B up to P5B	0.00100 but not less than P1.25M
> P5B up to P10B	0.00075 but not less than P5M
> P10B	0.00050 but not less than P7.5M

SEC Memorandum Circular No. 7, Series of 2024, issued on April 17, 2024, removes the minimum commission charged by PSE stockbrokers.

4.11.02 Principal versus Agent Considerations

The Company should determine whether it is a principal or an agent in a transaction through the nature of its promise in a performance obligation.

The Company is a principal when the entity controls a promised service before the entity delivers the service to a customer. However, the entity is not necessarily acting as a principal if the entity obtains a legal title of a product only momentarily before legal title is transferred to a customer. An entity that is a principal in a contract may satisfy a performance obligation by itself or it may engage another party to satisfy some or all of a performance obligation, thus, the entity recognizes revenue in the gross amount of consideration which it expects to be entitled in exchange of services transferred.

The Company is an agent if the entity's performance obligation is to arrange for the provision of services by another party. When an entity that is an agent satisfies a performance obligation, the entity recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide services. An entity's fee or commission might be the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the services to be provided by that party.

4.11.03 Dividend Income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably.

4.12 Expense Recognition

Expense encompasses losses as well as those expenses that arise in the course of the ordinary activities of the Company.

The Company recognizes expenses in the statements of comprehensive income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

4.13 Related Parties and Related Party Transactions

A related party is a person or entity that is related to the Company that is preparing its financial statements. A person or a close member of that person's family is related to Company if that person has control or joint control over the Company, has significant influence over the Company or is a member of the key management personnel of the Company or of a parent of the Company.

An entity is related to the Company if any of the following conditions applies:

- The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- Both entities are joint ventures of the same third party.
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

- The lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; and
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganization.

➤ **Simplified Approach**

The Company always measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables. The Company determines that a financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the counterparty;
- A breach of contract, such as a default or past due event;
- The lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider; and
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganization.

4.02.05 Derecognition

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows the financial asset have expired or it transfers the financial asset and the transfer qualifies for derecognition. The difference between the carrying amount and the consideration received is recognized in profit or loss.

4.03 Property and Equipment

Property and equipment are initially measured at cost. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Subsequent to initial recognition, property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on the straight-line method based on the estimated useful lives of the assets as follows:

Condominium and improvements	20 years
Transportation equipment	3 to 5 years
Furniture and equipment	3 years

The residual values, useful lives and depreciation method of the Company's property and equipment is reviewed, and adjusted prospectively if appropriate, if there is an indication of a change since the last reporting date.

An item of property and equipment is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of a property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss.

4.04 Intangible Asset

Intangible assets acquired separately are initially carried at cost. Subsequently, intangible assets with definite useful life are carried at cost less accumulated amortization and accumulated impairment losses.

The estimated useful life, residual value and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite life are not amortized. However, such assets are reviewed annually to ensure the carrying amount does not exceed the recoverable amount regardless of whether an indicator of impairment is present. The Company considers its Philippine Stock Exchange trading rights as having an indefinite useful life for the reason that there is no limit in the period in which the Company may generate cash inflows from this asset. The assessment of indefinite life is reviewed annually to determine whether indefinite useful life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. Any impairment losses determined is recognized in profit or loss.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss.

4.05 Impairment of Assets

At each reporting date, the Company assesses whether there is any indication that any assets other than deferred tax assets and financial assets that are within the scope of PFRS 9, *Financial Instruments* may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized as an expense.

When an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized as an income.

4.06 Borrowing Costs

All borrowing costs are recognized in profit or loss in the period in which they are incurred.

4.07 Financial Liabilities

4.07.01 Initial Recognition and Measurement

The Company recognizes financial liability in its statements of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument.

At initial recognition, the Company measures financial liability at its fair value minus, in the case of financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the liability.

4.07.02 Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for:

- financial liabilities at fair value through profit or loss;
- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies;
- financial guarantee contracts;
- commitments to provide a loan at a below-market interest rate; and
- contingent consideration recognized by an acquirer in a business combination.

The Company's financial liabilities measured at amortized cost include trade and other payables (excluding due to government agencies) and loans payable.

The Company has no financial liability at fair value through profit or loss in both years.

4.07.03 Derecognition

The Company removes a financial liability (or part of a financial liability) from its statements of financial position when, and only when, it is extinguished (i.e., when the obligation in the contract is discharged or cancelled or has expired).

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4.08 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Ordinary shares are classified as equity.

4.09 Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is 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 assets and settle the liabilities simultaneously.

4.10 Employee Benefits

4.10.01 Short-term Employee Benefits

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term employee benefits are composed of salaries, wages and other benefits and SSS, PhilHealth, HDMF and other contributions.

4.11 Revenue Recognition

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

4.11.01 Performance Obligations Satisfied Over Time

The Company's revenue from commission on stock brokering is recognized over time. The Company transfers control of a service over time and, therefore, satisfies a performance obligation and recognizes revenue over time when the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

Commission income is recognized upon confirmation of the buying and selling transaction. Commission rates charged differ from one client to another, but should not be below the minimum commission of P20 and above the maximum commission of 1.5% set by Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC).

Per 2015 SRC Rule 30.2, the following minimum commission rates apply:

Transaction Value	Commission Rate
> P100M and below	0.00250
> P100M up to P500M	0.00150 but not less than P250K
> P500M up to P1B	0.00125 but not less than P750K
> P1B up to P5B	0.00100 but not less than P1.25M
> P5B up to P10B	0.00075 but not less than P5M
> P10B	0.00050 but not less than P7.5M

SEC Memorandum Circular No. 7, Series of 2024, issued on April 17, 2024, removes the minimum commission charged by PSE stockbrokers.

4.11.02 Principal versus Agent Considerations

The Company should determine whether it is a principal or an agent in a transaction through the nature of its promise in a performance obligation.

The Company is a principal when the entity controls a promised service before the entity delivers the service to a customer. However, the entity is not necessarily acting as a principal if the entity obtains a legal title of a product only momentarily before legal title is transferred to a customer. An entity that is a principal in a contract may satisfy a performance obligation by itself or it may engage another party to satisfy some or all of a performance obligation, thus, the entity recognizes revenue in the gross amount of consideration which it expects to be entitled in exchange of services transferred.

The Company is an agent if the entity's performance obligation is to arrange for the provision of services by another party. When an entity that is an agent satisfies a performance obligation, the entity recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide services. An entity's fee or commission might be the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the services to be provided by that party.

4.11.03 Dividend Income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably.

4.12 Expense Recognition

Expense encompasses losses as well as those expenses that arise in the course of the ordinary activities of the Company.

The Company recognizes expenses in the statements of comprehensive income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

4.13 Related Parties and Related Party Transactions

A related party is a person or entity that is related to the Company that is preparing its financial statements. A person or a close member of that person's family is related to Company if that person has control or joint control over the Company, has significant influence over the Company or is a member of the key management personnel of the Company or of a parent of the Company.

An entity is related to the Company if any of the following conditions applies:

- The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- Both entities are joint ventures of the same third party.
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

- The entity has a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- The entity is controlled or jointly controlled by the person identified above.
- A person identified above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- Management entity providing key management personnel services to a reporting entity.

Close members of the family of a person are those family members, who may be expected to influence, or be influenced by, that person in their dealings with the Company and include that person's children and spouse or domestic partner; children of that person's spouse or domestic partner; and dependents of that person or that person's spouse or domestic partner.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

4.14 Taxation

Income tax expense represents the sum of the current and deferred taxes.

4.14.01 Current Tax

Current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4.14.02 Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits from excess Minimum Corporate Income Tax (MCIT) over Regular Corporate Income Tax (RCIT) and unused Net Operating Loss Carry-over (NOLCO), to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and carry forward of unused MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognized for taxable temporary differences. Deferred tax assets arising from deductible temporary differences are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4.14.03 Current and Deferred Taxes for the Period

Current and deferred taxes are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss, whether in other comprehensive income or directly in equity, in which case the tax is also recognized outside profit or loss.

4.15 Earnings per Share

The Company computes its basic earnings (loss) per share by dividing net income or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

4.16 Prior Period Errors

The Company corrects material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by: (a) restating the comparative amounts for the prior period presented in which the error occurred; or (b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

4.17 Changes in Accounting Policies

The adoption of the new and revised standards and interpretations disclosed in Note 2.01 was made in accordance with their transitional provisions, otherwise the adoption is accounted for as change in accounting policy under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

In the application of the Company's accounting policies, which are disclosed in Note 4, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

5.01 Critical Judgments in Applying Accounting Policies

Below are the critical judgments, apart from those involving estimations that Management has made in the process of applying the entity's accounting policies and have the most significant effect on the amounts recognized in financial statements.

5.01.01 Assessment of Principal-Agency Arrangements

Commission income includes only the gross inflows of economic benefits received and receivable by the Company on its own account. Amounts collected on behalf of third parties such as sales taxes and value added taxes are not economic benefits which flow to the Company and do not result in increases in equity. Therefore, they are excluded from revenue. The Company is in an agency relationship where the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result in increases in equity for the Company. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission.

Furthermore, when another party is involved in providing goods or services to a customer, the Company shall determine whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the entity is a principal) or to arrange for the other party to provide those goods or services (i.e. the Company is an agent).

In 2025 and 2024, the Company assessed that it is acting as an agent and recognized commission income from agency relationship amounting to P6,008,942 and P5,326,910, respectively, as disclosed in Note 19.

5.01.02 Assessment of Contractual Terms of a Financial Asset

The Company determines whether the contractual terms of a financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In making its judgments, the Company considers whether the cash flows before and after the changes in timing or in the amount of payments represent only payments of principal and interest on the principal amount outstanding.

Management assessed that the contractual terms of all its financial assets (except financial assets at FVTPL and financial asset at FVOCI) are payments of principal and interest that is consistent with basic lending arrangement.

As of December 31, 2025 and 2024, the Company's financial assets measured at amortized cost amounted to P64,402,351 and P57,817,638, respectively, as disclosed in Note 29.02.

As of December 31, 2025 and 2024, the Company's financial assets measured at FVTPL amounted to P72,381,044 and P101,911,345, respectively, as disclosed in Note 9.

As of December 31, 2025 and 2024, the Company's financial asset measured at FVOCI amounted to P24,648,000 and P19,680,000, respectively, as disclosed in Note 9.

5.01.03 Assessment of Timing of Satisfaction of Performance Obligations

The Company satisfies a performance obligation by transferring control of a promised good or service to the customer, which could occur over time or at a point in time.

Management assessed that performance obligation is satisfied over time for its commission income. This is recognized over time when the Company transfers control of a service over time and, therefore, satisfies a performance obligation and when the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

In 2025 and 2024, revenue earned from commission amounted to P6,008,942 and P5,326,910, respectively, as disclosed in Note 19. While gain and loss on sale of investments amounted to P458,302 and P720,079 in 2025 and 2024, respectively, as disclosed in Notes 9 and 21.

5.01.04 Assessment of the Transaction Price and the Amounts Allocated to Performance Obligations

A performance obligation is a vendor's promise to transfer a good or service that is 'distinct' from other goods and services identified in the contract.

Management assessed that allocation of transaction price to performance obligation is not applicable because there are separate agreements for the sale of financial assets at FVTPL and for the revenue from commission on stock brokering.

5.01.05 Assessment of 30 days Rebuttable Presumption

The Company determines when a significant increase in credit risks occurs on its financial assets based on the credit management practice.

Management believes that the 30 days rebuttable presumption on determining whether credit risk has increased significantly or not is not applicable since the Company determined that there has been no significant increases in credit risk before contractual payments are more than 30 days past due.

5.01.06 Assessment of 90 days Rebuttable Presumption

The Company determines when a default occurs on its financial assets based on its credit management practice.

Management believed that the 90 days rebuttable presumption on determining whether financial assets are credit-impaired is not applicable based on the Company's historical experiences and aging schedules, a creditor's account will be written off when they become 365 days past due and upon further assessment and approval.

5.01.07 Determining Whether or not a Contract Contains a Lease

Management assessed that contract for use of parking slots qualified as a lease since the contract contains an identified asset, the Company has the right to obtain substantially all of the economic benefits, and the Company has the right to direct the use of the identified asset throughout the period of use.

5.01.08 Determining whether or not it is Reasonably Certain that an Extension Option will be Exercised and Termination Option will not be Exercised

Lease term is the non-cancellable period for which the Company has the right to use an underlying asset including optional periods when the Company is reasonably certain to exercise an option to extend a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term and the enforceability of the option. The option to extend the lease term should be included in the lease term if it is reasonably certain that the lessee will exercise the option and the option is enforceable. The Company is required to reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

The lease contracts state the lease is terminated upon the expiration of the lease period, unless renewed by both parties. Thus, the lease term covers only the non-cancellable term of the contract, which is one (1) year for its parking slots.

5.02 Key Sources of Estimation of Uncertainties

The following are the key assumptions concerning the future, and other key sources of estimation uncertainties at the end of the reporting periods that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.02.01 Estimating Allowance for Expected Credit Losses

The Company evaluates the expected credit losses related to its financial assets (except financial assets at FVTPL and financial asset at FVOCI) based on an individual assessment and available facts and circumstances including, but not limited to, historical loss experience macro-economic factors, industry performance and financial information.

Management estimates proportion of the financial assets that has experienced a significant increase in credit risk using general information and calculate expected credit losses on that basis. A number of qualitative and quantitative factors may be considered to adjust the allowance for credit losses to reflect a more considerable value.

To measure the expected credit losses, the Company uses three (3) components for calculations, the probability of default, the loss given default, and the exposure at default, as disclosed in Note 29.02.

The Company uses credit ratings, performance of banking industry, macro-economic and bank's financial information to assess the expected credit losses on its cash in banks. In view of the foregoing factors, the Company determined that counterparty banks and Securities Clearing Corporation of the Philippines (SCCP) have low-credit risk or considered as investment grade and the probability of default is immaterial. Hence, no provision for expected credit loss was recognized in both years.

The Company uses advancements in technologies, stock market information and macro-economic factors, considers behavior of the receivables and financial status of customers and the clearing house to assess the expected credit losses on its trade and other receivables. In 2025, and 2024, the Company carried out a review on the collectability of trade receivables and decided to recognize a provision for expected credit losses amounting to P137,450 and nil in 2025 and 2024, respectively, as disclosed in Notes 8, 22 and 29.02.

Management believes that the amount of expected credit loss on its refundable deposits is considered immaterial.

As of December 31, 2025 and 2024, the Company's financial assets measured at amortized cost amounted to P64,402,351 and P57,817,638, respectively, as disclosed in Note 29.02.

5.02.02 Reviewing Residual Values, Useful Lives and Depreciation Method of Property and Equipment

The residual values, useful lives and depreciation method of the Company's property and equipment are reviewed at least annually, and adjusted prospectively if appropriate, if there is an indication of a significant change in, how an asset is used; significant unexpected wear and tear; technological advancement; and changes in market prices since the most recent annual reporting date.

The useful lives of the Company's assets are estimated based on the period over which the assets are expected to be available for use. In determining the useful life of an asset, the Company considers the expected usage, expected physical wear and tear, technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output and legal or other limits on the use of the Company's assets.

In addition, the estimation of the useful lives is based on Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. Reduction in the estimated useful lives of property and equipment would increase the recognized operating expenses and decrease non-current assets. The Company uses a depreciation method that reflects the pattern in which it expects to consume the asset's future economic benefits. If there is an indication that there has been a significant change in the pattern used by which a Company expects to consume an asset's future economic benefits, the entity shall review its present depreciation method and, if current expectations differ, change the depreciation method to reflect the new pattern.

In all years, Management assessed that there is no significant change in the residual values, useful lives and depreciation method used from previous estimates since the most recent annual reporting period. As of December 31, 2025 and 2024, the carrying amounts of property and equipment amounted to P2,253,977 and P2,899,559, respectively, as disclosed in Note 11.

5.02.03 Reviewing Residual Value, Useful Life and Amortization Method of Intangible Asset

The residual value, useful life and amortization method of an intangible asset are reviewed at least annually, and adjusted prospectively if appropriate, if there is an indication of a significant change in, how an asset is used; technological advancement; and changes in market prices since the most recent annual reporting date. Amortization begins when the intangible asset is available for use, i.e., when it is in the location and condition necessary for it to be usable in the manner intended by Management. Amortization ceases when the asset is derecognized.

PSE trading rights are assessed to have indefinite life and are not amortized. However, such assets are reviewed annually to ensure the carrying amount does not exceed the recoverable amount regardless of whether an indicator of impairment is present.

In all years, Management assessed that events and circumstances continue to support an indefinite useful life for its PSE trading rights. In all years, PSE trading rights amounted to P633,600, as disclosed in Note 12.

5.02.04 Asset Impairment

Impairment review is performed when certain impairment indicators are present. Determining the fair values of prepayments and other current asset, property and equipment, intangible asset and Contribution to Clearing and Trade Guarantee Fund (CTGF) requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. In assessing value in use, the estimated future cash flows shall be 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.

In addition, intangible asset with indefinite useful life is required to test impairment by comparing its recoverable amount with its carrying amount annually and whenever there is an indication that the intangible asset may be impaired.

While it is believed that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse impact on the results of operations.

In both years, Management believes that there is no indication of impairment in the value of its prepayments and other current assets, property and equipment, intangible asset and Contribution to Clearing and Trade Guarantee Fund (CTGF). As of December 31, 2025 and 2024, the aggregate carrying amounts of the aforementioned assets amounted to P7,491,095, P7,946,661 and P5,510,301, respectively, as disclosed in Notes 10, 11, 12 and 13.

5.02.05 Recoverability of Deferred Tax Assets

The Company reviews the carrying amounts at each reporting date and reduces deferred tax assets 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 prior to expiration.

The Company believes that it will generate sufficient taxable profit to allow all or part of its deferred tax assets to be utilized prior to expiration. As a result, deferred tax assets recognized in the statements of financial position as of December 31, 2025 and 2024 amounted to P5,621,804 and P8,160,425, respectively, as disclosed in Note 26.

5.02.06 Post-employment Benefits

The determination of the retirement benefit obligation and cost is dependent on the selection of certain assumptions used by actuaries in calculating such amounts.

Those assumptions include among others, discount rates, mortality of plan members and rates of compensation increase. In accordance with generally accepted accounting principle, actual results that differ from the assumptions and the effects of changes in actuarial assumptions are recognized directly as remeasurements in other comprehensive income. While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the pension and other retirement obligations.

The Company has three (3) qualified employees who have met the minimum length of service of at least five (5) years in the Company in accordance with the provisioning requirements of Republic Act (RA) No. 7641. However, the Company is explicitly exempted from the provision for RA 7641 since they are engaged in service industries with not more than (10) employees. The Company opted to not recognize retirement benefits in all years.

6. OFFSETTING OF FINANCIAL ASSET AND LIABILITY

The details of the offsetting between the financial asset and financial liability are as follows:

	Gross carrying amount (before offsetting)	Gross amount set off	Net amount presented as part of trade and other receivables (Note 8)
December 31, 2025			
Financial asset:			
Receivable from clearing house	P 2,373,382,118	P (2,373,031,036)	P 351,082
Financial liability:			
Payable to clearing house	(2,373,031,036)	(2,373,031,036)	-
December 31, 2024			
Financial asset:			
Receivable from clearing house	P 2,665,369,488	P (2,657,561,323)	P 7,808,165
Financial liability:			
Payable to clearing house	(2,657,561,323)	(2,657,561,323)	-

7. CASH

For the purpose of the statements of cash flows, cash includes cash on hand, cash in banks, and reserve bank account.

Cash at the end of the reporting period, as shown in the statements of cash flows, can be reconciled to the related items in the statements of financial position as follows:

	2025		2024	
Cash on hand	P	15,000	P	15,000
Cash in banks		38,073,222		27,993,614
Reserve bank account		25,290,505		20,555,564
	P	63,378,727	P	48,564,178

Securities Regulation Code (SRC) Rule 49.2, *Customer Protection Reserves and Custody of Securities* requires every broker dealer to maintain at all times a special reserve bank account for the exclusive benefit of the customers which shall be separate from any other bank account of the broker-dealer. Withdrawals may be made from the reserve bank account to the extent that at the time of the withdrawals, the amount remaining in the reserve bank account is not less than the required minimum balance.

The Company is compliant with the reserve requirements.

In both years, the effective interest rates on bank deposits are 0.65% on the reserve bank account and at floating rates based on daily deposit rates on other bank accounts. Aggregate finance income on cash amounted to P104,626 and P152,637 in 2025 and 2024, respectively, as disclosed in Note 21.

8. TRADE AND OTHER RECEIVABLES – net

The Company's trade and other receivables consist of:

	2025		2024	
Trade	P	766,840	P	1,407,442
Allowance for expected credit loss (Note 22)		(137,450)		-
		629,390		1,407,442
Receivable from clearing house – net		351,082		7,808,165
Others		5,300		-
	P	985,772	P	9,215,607

The average credit period on sales of trading securities is two (2) trading days. No interest is charged on trade receivables.

Receivable from clearing house pertains to the net-selling transactions (i.e., amount of selling transactions less the buying transactions) for the last two (2) trading days of the year, which will be settled in two (2) trading days following the date of the transaction. The amount is net of payable to clearing house amounting to P2,373,031,036 and P2,657,561,323 as of December 31, 2025 and 2024, respectively, as disclosed in Note 6.

The Company's trade receivables as of December 31, 2025 and 2024, arising from its security valuation are as follows:

	Security Value of Debit Balances			
	Debit Balances	Long	Short	Company Exposure
December 31, 2025				
Cash and fully secured accounts:				
More than 250%	P 609,764	P 22,039,591	-	P -
Less than 100%	154,786	29,679	-	-
Unsecured accounts	2,290	-	-	-
	P 766,840	P 22,069,270	P -	P -
December 31, 2024				
Cash and fully secured accounts:				
More than 250%	P 1,250,542	P 26,823,263	-	P -
Between 200% and 250%	1,032	2,458	-	-
Less than 100%	125	204	-	-
Unsecured accounts	155,743	36,190	-	-
	P 1,407,442	P 26,862,115	P -	P -

The Company's aging of trade receivables as of December 31, 2025 and 2024 are as follows:

Classifications	2025	2024
T+0 - T+1	P 607,541	P 120,489
T+2 - T+12	284	1,117,293
T+13 - T+30	-	2,379
T+31 - T+365	159,015	167,281
	P 766,840	P 1,407,442

All past due accounts have sufficient collateral to cover the outstanding sufficient balances.

In 2025 and 2024, the Company carried out a review on the collectability of trade receivables and decided to recognize a provision for expected credit losses amounting to P137,450 and nil, respectively, as disclosed in Note 22.

In 2025 and 2024, the Company recognized finance income from margin accounts amounting to P421,879 and P2,142,156, respectively, as disclosed in Note 21.

In determining the recoverability of trade receivables, the Company considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

9. INVESTMENT IN EQUITY SECURITIES

Details of the Company's investment in equity securities are as follows:

	2025		2024	
Financial assets at FVTPL (Note 9.01)	P	72,381,044	P	101,911,345
Financial asset at FVOCI (Note 9.02)		24,648,000		19,680,000
	P	97,029,044	P	121,591,345

In 2025 and 2024, dividends received from these financial assets amounted to P3,626,330 and P1,375,565, respectively, as disclosed in Note 21.

9.01 Financial Assets at Fair Value Through Profit or Loss (FVTPL)

The fair values of these equity securities are determined by reference to published price quotations in PSE. The Company's financial assets at FVTPL are as follows:

	2025		2024	
Inside PSE Index	P	2,520	P	26,727,090
Outside PSE Index		72,378,524		75,184,255
	P	72,381,044	P	101,911,345

The equity securities classified as financial assets at FVTPL represent opportunities for return through dividend income and trading gains.

In 2025 and 2024, fair value gain and loss on financial assets at FVTPL amounted to P2,080,900 and P4,265,467, respectively, as presented separately on the statements of comprehensive income.

In 2025 and 2024, the Company sold shares that resulted to gain amounting to P458,302 and P720,079, respectively, as disclosed in Note 21.

9.02 Financial Asset at Fair Value Through Other Comprehensive Income (FVOCI)

Financial asset at FVOCI consist of PSE shares in which demutualization of the Exchange in August 2001 and the listing of PSE shares on December 15, 2003.

As of December 31, 2025 and 2024, the carrying amount of 120,000 PSE shares amounted to P24,648,000 and P19,680,000, respectively. The fair values of financial asset at FVOCI have been determined directly by reference to published price quotations in PSE. The unrealized fair value gain and loss on the financial asset at FVOCI, net of tax, amounting to P3,726,000 and P540,000 in 2025 and 2024, respectively, is shown as other comprehensive income (loss) in the statements of comprehensive income. As of December 31, 2025 and 2024, the cumulative market adjustment recognized amounted to P18,486,000 and P14,760,000, net of its tax effect of P6,162,000, and P4,920,000, respectively, as disclosed in Note 26.02.

10. PREPAYMENTS AND OTHER CURRENT ASSETS

The Company's prepayments and other current assets consist of:

	2025		2024	
Prepaid expenses	P	332,417	P	236,790
Excess tax credits		161,018		117,217
Input VAT – net		54,018		70,203
	P	547,453	P	424,210

Prepaid expenses include prepaid taxes and licenses, prepaid insurance and prepaid maintenance fee for the stock brokerage system of the Company.

11. PROPERTY AND EQUIPMENT – net

The carrying amounts of the Company's property and equipment as of December 31, 2025 and 2024 are detailed as follows:

	Condominium and Improvements	Transportation Equipment	Furniture and Equipment	Total
January 1, 2024				
Cost	14,753,595	19,626,319	7,936,869	42,316,783
Accumulated depreciation	(14,620,260)	(19,390,622)	(7,877,588)	(41,788,470)
Carrying amount	233,335	235,697	59,281	528,313
Movements during 2024				
Balance, January 1	233,335	235,697	59,281	528,313
Additions	-	2,780,000	90,458	2,870,458
Depreciation (Note 22)	(99,998)	(310,877)	(88,337)	(499,212)
Balance, December 31	133,337	2,704,820	61,402	2,899,559
December 31, 2024				
Cost	14,753,595	22,406,319	8,027,327	45,187,241
Accumulated depreciation	(14,620,258)	(19,701,499)	(7965,925)	(42,287,682)
Carrying amount	133,337	2,704,820	61,402	2,899,559
Movements during 2025				
Balance, January 1	133,337	2,704,820	61,402	2,899,559
Additions	71,820	-	35,540	107,360
Depreciation (Note 22)	(100,000)	(556,000)	(96,942)	(752,942)
Balance, December 31	105,157	2,148,820	-	2,253,977
December 31, 2025				
Cost	14,825,415	22,406,319	8,062,867	45,294,601
Accumulated depreciation	(14,720,258)	(20,257,499)	(8,062,867)	(43,040,624)
Carrying amount	P 105,157 P	2,148,820 P	- P	2,253,977

All additions were paid in cash in both years.

Fully depreciated property and equipment amounting to P27,563,188 are still in use by the Company in all years.

In all years, the Company has determined that there is no indication that impairment has occurred to its property and equipment.

12. INTANGIBLE ASSET

12.01 PSE Trading Rights

On August 13, 2009, in compliance with Section 8, Article III of the Amended By Laws of the Exchange, the Company's trading rights (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 participants of the Exchange arising out of or in connection with the present or future contracts relating to securities 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 participant of the Exchange and to the Securities Clearing Corporation of the Philippines.

There is no impairment in PSE trading rights' value for both years. In all years, the carrying amount of the Company's trading rights amounted to P633,600.

13. OTHER NON-CURRENT ASSETS

The components of other non-current assets are as follows:

	2025		2024	
Contribution to Clearing and Trade Guarantee Fund (CTGF)	P	4,056,065	P	3,989,292
Refundable deposits (Note 13.01)		52,852		52,852
	P	4,108,917	P	4,042,144

Contribution to CTGF comprises of monthly payments as active clearing member of Securities Clearing Corporation of the Philippines (SCCP).

13.01 Refundable Deposits

The components of refundable deposits are as follows:

	2025		2024	
PLDT deposit	P	44,452	P	44,452
IT services deposit		6,000		6,000
Safety box deposit		2,400		2,400
	P	52,852	P	52,852

14. TRADE AND OTHER PAYABLES

The components of trade and other payables account are as follows:

		2025		2024
Trade	P	9,645,767	P	14,798,406
Accrued expenses		272,080		1,307,133
Payable to government agencies		66,095		78,596
Others		2,688,283		3,386,813
	P	12,672,225	P	19,570,948

Trade pertains to amounts due to customers arising from brokerage services rendered, including value of securities sold on behalf of customer, commission and other charges. These are non-interest bearing, unsecured and have no collateral.

Accrued expenses include accruals of commission, bonuses and finance cost on loans. In 2025 and 2024, Management recognized gain on reversal of accrued expenses amounting to P1,216,496 and nil, respectively, as disclosed in Note 21. Accrued finance cost as of December 31, 2025 and 2024 amounted to nil in both years, respectively, as disclosed in Note 15.

Payable to government agencies includes withholding taxes, SSS, PhilHealth, HDMF and other government payables.

Others include payable to Philippine Central Depository, Securities Clearing Corporation of the Philippines and miscellaneous liabilities.

The Company's trade payable as of December 31, 2025 and 2024 consists of the following:

	2025		2024	
	Credit Balances	Security Valuation Long	Credit Balances	Security Valuation Long
With money balance	P 9,645,767	P 670,234,896	P 14,798,406	P 1,036,909,828
No money balance	-	787,735,914	-	399,559,335
	P 9,645,767	P 1,457,970,810	P 14,798,406	P 1,436,469,163

Payable to customers are non-interest bearing and are normally paid within three (3) trading days after the trading date. Payable to clearing house should also be paid within three (3) trading days after the transaction date. Otherwise, the Company will be considered in default and will be charged with penalties. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

15. LOANS PAYABLE

The account pertains to the short-term loans payable availed with BDO Unibank, Inc. to finance the working capital requirements of the Company. As of December 31, 2025, and 2024, the outstanding balance of the loans payable amounted to P20,000,000, and P35,000,000, respectively.

The movement analysis of loans from BDO is as follows:

	2025		2024	
Balance, January 1	P	35,000,000	P	28,000,000
Availments		20,000,000		35,000,000
Payments made		(35,000,000)		(28,000,000)
Balance, December 31	P	20,000,000	P	35,000,000

These loans are payable in seven (7) days to 35 days having interest rates ranging at 4.725% and 5.357% per annum for the years ended December 31, 2025, and 2024, respectively. Finance cost incurred on loans amounted to P110,107 and P145,485 in 2025 and 2024, respectively. The finance cost paid amounted to P110,107 and P163,374 in 2025 and 2024, respectively. Accrued finance cost as of December 31, 2025 and 2024 amounted to nil in both years, as disclosed in Note 15.

No ratio or threshold is required to be maintained related to the loans. In all years, the Company is compliant in the terms and conditions of the loan contracts.

16. RELATED PARTY TRANSACTIONS

The Company is related to its directors and officers as members of its key management personnel.

Balance and transactions between the Company and its related party are disclosed below:

16.01 Buying and Selling Transactions

Buying and selling transactions of directors or officers are set out below:

	December 31, 2025		December 31, 2024	
	Amounts/ Volume	Outstanding Balances	Amounts/ Volume	Outstanding Balances
Directors/Officers				
Buying	P 193,531,416	P -	P 315,890,705	P -
Selling	314,971,540	-	272,375,007	-
	P 508,502,956	P -	P 588,265,712	P -

16.02 Remuneration of Key Management Personnel

The remuneration of the directors and other members of key management personnel of the Company amounted to P1,491,200 and P1,560,000 in 2025 and 2024, respectively.

17. CAPITAL STOCK

The capital stock of the Company, as of December 31, 2025 and 2024 is as follows:

	Shares	Amount
Authorized, issued and outstanding: P100 par value	1,000,000 P	100,000,000

Ordinary shares carry one (1) vote per share and a right to dividend.

18. APPROPRIATED RETAINED EARNINGS

The following are among the reserve fund requirement provisions under Rule 49.1 (B) of SEC Memorandum Circular No. 16 (2004 series), Part I: Adoption of the Risk-based Capital Adequacy (RBCA) Requirement Ratio Framework for all registered Brokers Dealers in accordance with the SRC:

- a. Every dealer broker shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to the Appropriated Retained Earnings account in accordance with the balance of its Unimpaired Paid-up Capital;
- b. Consistent with the general usage under SRC Rule 28.1, the term "Unimpaired Paid-up Capital" shall refer to the Company's Total Paid-up Capital less any deficiency in the Retained Earnings account;
- c. The amount appropriated shall not be available for the payment of dividends; and
- d. Where in any financial year the Broker Dealer's paid-up capital is impaired, the Broker Dealer is required to transfer from Appropriated Retained Earnings to the capital account an amount equivalent to the impairment. Such an amount transferred out should not be available for payment of dividend.

Retained earnings to be appropriated are computed as follows:

Unimpaired Paid-up Capital	Minimum percentage of profit after tax to be placed in the Appropriated Retained Earnings
Between P10M – P30M	30%
Between P30M – P50M	20%
More than P50M	10%

Results of the Company's financial performance require no additional appropriation for both years.

As of December 31, 2025 and 2024, the appropriated retained earnings amounted to P2,831,928. No additional appropriation was made since the Company reported a net loss in both years. The Company is compliant with the above requirements.

19. REVENUE

The commissions earned from stock brokerage services rendered to customers amounted to P6,008,942 and P5,326,910 in 2025 and 2024, respectively.

The Company charges its clients for the buying and selling of securities at rates ranging from 0.25% to 1.50% based on transaction value, but not below the minimum commission of P20 per transaction.

20. COST OF SERVICES

The following is an analysis of the Company's cost of services:

	2025	2024
Short-term employee benefits (Note 23)	P 5,504,736	P 5,403,865
Commission	2,253,851	1,849,321
Stock exchange fees and dues	937,000	870,899
Research and development cost	89,859	316,203
	P 8,785,446	P 8,440,288

21. OTHER INCOME

Components of other income are as follows:

	2025	2024
Dividend income (Note 9)	P 3,626,330	P 1,375,565
Gain on reversal of accrued expense (Note 14)	1,216,496	-
Gain on sale of securities (Note 9)	458,302	720,079
Finance income from margin accounts (Note 8)	421,879	2,142,157
Finance income (Note 7)	104,626	152,637
	P 5,827,633	P 4,390,438

Finance income from margin accounts pertains to the interest charged by the Company to the margin clients' outstanding receivables which were not paid at a given time.

22. OPERATING EXPENSES

The account is composed of the following expenses:

		2025		2024
Depreciation (Note 11)	P	752,942	P	499,212
Communication, light and water		659,978		731,142
Taxes and licenses		580,434		377,681
Training and seminars		410,344		433,857
Professional fees		394,667		207,264
Meetings and conferences		392,334		337,573
Subscriptions, books and periodicals		346,489		318,683
Fuel and oil		296,509		436,183
Representation and entertainment		229,039		752,528
Condominium dues		215,460		257,040
Repair and maintenance		169,495		331,202
Provision for expected credit losses (Note 8)		137,450		-
Insurance		96,376		60,403
IT expenses		86,823		79,788
Fines and penalties		58,000		60,660
Office supplies		39,698		10,778
Transportation and travel		38,431		-
Rentals (Note 24)		8,029		1,800
Pantry supplies		7,515		9,430
Postage		2,141		286
Miscellaneous		1,602,198		1,188,550
	P	6,524,352	P	6,094,060

Communication, light and water pertain to the monthly bills charged by the service provider for the cost of calls made over telecommunication networks.

Representation and entertainment pertain to meals and other expenses incurred during client meetings.

Fines and penalties pertain to deficiency taxes on expanded withholding tax, income tax and PSE fines for non-compliance of some SRC rulings.

Miscellaneous pertains to system development cost and year-end expenses.

23. SHORT-TERM EMPLOYEE BENEFITS

Details of the Company's short-term employee benefits, as disclosed in Note 20, are as follows:

		2025		2024
Salaries, wages, and other benefits	P	5,255,298	P	5,151,517
SSS, PhilHealth, HDMF and other contributions		249,438		252,348
	P	5,504,736	P	5,403,865

24. LEASE AGREEMENTS

The Company has elected not to recognize a lease liability for short-term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

Leases relate to rental of two (2) parking slots for cars and one (1) parking slot for motorcycle located on the Basement 1 of the parking facility of the PSE Centre 'Building' located at Exchange Road, Ortigas Center, Pasig City with lease term of one (1) year renewable upon mutual agreement of the Company and the Lessor. Operating lease payments represent variable rental expense by the Company for the parking slots.

Rent expense recognized amounted to ₱8,029 and ₱1,800 in 2025 and 2024, respectively, under operating expense, as disclosed in Note 22.

In both years, the Company has no outstanding future minimum lease payments.

25. INCOME TAXES

25.01 Income Tax Recognized in Profit or Loss

Income tax expense and benefit amounting to ₱3,058,846 and ₱1,083,425 in 2025 and 2024, respectively pertains to deferred taxes as disclosed in Note 26.

A numerical reconciliation between tax benefit and the product of accounting loss multiplied by the tax rate in 2025 and 2024 is as follows:

	2025	2024
Accounting loss	P (1,502,430)	P (9,227,952)
Tax benefit at 25%	(375,608)	(2,306,988)
Tax effects of the following:		
Reversal of deferred tax	4,303,916	1,324,478
Non-deductible expenses	63,278	281,135
Finance income subject to final tax	(26,157)	(38,159)
Dividend income exempt from taxation	(906,583)	(343,891)
	P 3,058,846	P (1,083,425)

Details of NOLCO are as follows:

Year Incurred	Amount	Applied Previous Year	Applied Current Year	Expired	Unapplied	Expiry Date
2022	P 12,935,998	P -	P -	P 12,935,998	P -	2025
2023	10,059,897	-	-	-	10,059,897	2026
2024	5,366,142	-	-	-	5,366,142	2027
2025	6,923,729	-	-	-	6,923,729	2028
	P 35,285,766	P -	P -	P 12,935,998	P 22,349,768	

Details of Company's MCIT which can be claimed as tax credits against regular income tax are as follows:

Year Incurred	Amount	Applied Previous Year	Applied Current Year	Expired	Unapplied	Expiry Date
2022	P 3,549	P -	P -	P 3,549	P -	2025

26. DEFERRED TAXES

	2025	2024
Deferred tax assets	P 5,621,804	P 8,160,425
Deferred tax liabilities	(6,682,225)	(4,920,000)
	P (1,060,421)	P 3,240,425

26.01 Deferred Tax Assets

The components of the Company's deferred tax assets as of December 31, 2025 and 2024 and their respective movements are as follows:

	Allowance for Expected Credit Losses	NOLCO	Excess MCIT	Unrealized Market Loss of FA at FVTPL	Total
Balance at January 1, 2024	P -	P 5,748,973	P 3,549	P 1,324,478	P 7,077,000
Recognized in profit or loss	-	1,341,535	-	(258,110)	1,083,425
Balance at December 31, 2024	-	7,090,508	3,549	1,066,368	8,160,425
Recognized in profit or loss	34,364	(1,503,068)	(3,549)	(1,066,368)	(2,538,621)
Balance at December 31, 2025	P 34,364	P 5,587,440	P -	P -	P 5,621,804

26.02 Deferred Tax Liabilities

The components of the Company's deferred tax liabilities as of December 31, 2025 and 2024 and their respective movements are as follows:

	Unrealized Market Gain of FA at FVOCI	Unrealized Market Gain of FA at FVTPL	Total
Balance at January 31, 2024	5,100,000	-	5,100,000
Recognized in OCI	(180,000)	-	(180,000)
Balance at December 31, 2024	4,920,000	-	4,920,000
Recognized in OCI	1,242,000	-	1,242,000
Recognized in P/L	-	520,225	520,225
Balance at December 31, 2025	P 6,162,000	P 520,225	P 6,682,225

27. BASIC LOSS PER SHARE

The Company's basic loss per share is presented below:

	2025	2024
Loss	P (4,561,276)	P (8,144,527)
Divided by:		
Weighted average number of shares outstanding	1,000,000	1,000,000
	P (4.56)	P (8.14)

The Company's diluted earnings per share in 2025 and 2024 are the same with respective basic loss per share in 2025 and 2024.

28. FAIR VALUE MEASUREMENTS

28.01 Fair Value of Financial Assets and Liabilities

The carrying amounts and estimated fair values of the Company's financial assets and financial liabilities as of December 31, 2025 and 2024 are presented below:

	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets:				
Cash	P 63,378,727	P 63,378,727	P 48,564,178	P 48,564,178
Trade and other receivables – net	985,772	985,772	9,215,607	9,215,607
Financial assets at FVTPL	72,381,044	72,381,044	101,911,345	101,911,345
Financial asset at FVOCI	24,648,000	24,648,000	19,680,000	19,680,000
Refundable deposits	52,852	52,852	52,852	52,852
	P 161,446,395	P 161,446,395	P 179,423,982	P 179,423,982
Financial Liabilities:				
Trade and other payables	P 12,606,130	P 12,606,130	P 19,492,351	P 19,492,351
Loans payable	20,000,000	20,000,000	35,000,000	35,000,000
	P 32,606,130	P 32,606,130	P 54,492,351	P 54,492,351

The fair values of financial assets and financial liabilities are determined as follows:

- Due to short-term maturities, the carrying amounts of cash, trade and other receivables, and trade and other payables (excluding payable to government agencies) approximate their fair values.
- Refundable deposits approximate their fair value despite long-term maturities.
- Loans payable bear market interest rates; hence, Management believes that carrying amounts approximate their fair values.
- Financial assets at FVTPL and financial asset at FVOCI are measured at fair values as determined by reference to published price quotations in the PSE at the financial reporting dates.

28.02 Fair Value Measurements Recognized in the Statements of Financial Position

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

The Company used Level 1 to value its financial assets at FVTPL and financial asset at FVOCI. Accordingly, fair value of the said investments as of December 31, 2025 and 2024 are as follows:

	2025		2024	
Financial assets at FVTPL	P	72,381,044	P	101,911,345
Financial asset at FVOCI		24,648,000		19,680,000
	P	97,029,044	P	121,591,345

There were no transfers between Level 1 and 2 in both years.

28.03 Fair Value Determinations of Assets and Liabilities

The following provides an analysis of assets and liabilities that are measured at fair value on a recurring and non-recurring basis subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which inputs to valuation techniques are observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within the Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

28.03.01 Fair Value Hierarchy

Recurring Fair Value Measurements

	Level 1	Level 2	Level 3	Total
2025				
Financial assets at FVTPL	P 72,381,044	P -	P -	P 72,381,044
Financial assets at FVOCI	24,648,000	-	-	24,648,000
2024				
Financial assets at FVTPL	P 101,911,345	P -	P -	P 101,911,345
Financial assets at FVOCI	19,680,000	-	-	19,680,000

There were no transfers between level 1 and 2 of the fair value hierarchy in the periods covered.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

Management is responsible to monitor and manage the financial risks relating to the operations of the Company and analyzes exposures by degree and magnitude of risks. These risks include market risk which includes interest rate risk and price risk, credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks through compliance with policies and exposure limits imposed by the Securities Regulation Code, Implementing Rules and Regulation and PSE Trading Rules. Compliance with the policies and exposure limits is reviewed by the Associated Person and the Management on a continuous basis.

29.01 Market Risk Management

29.01.01 Interest Rate Risk Management

The Company's exposure to interest rate risk arises from its cash deposits in banks and loans payable which are subject to variable interest rates and fixed interest rates, respectively.

The interest rate risk arising from deposits with banks is managed by means of effective investment planning and analysis and maximizing investment opportunities in various local banks and financial institutions. The risk on loans payable is managed by maintaining fixed rate borrowings only.

The Company's losses for the years ended December 31, 2025 and 2024 would not be affected since the Company has no deposits and borrowings at variable rates.

29.02 Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risks from cash in banks, reserve bank account, trade and other receivables, and refundable deposits all at amortized cost.

The Company considers the following policies to manage its credit risk:

➤ Banks

The Company transacts only to banks with investment grade credit rating. This information is supplied by independent rating agencies. The Company uses other publicly available information such as annual reports to monitor the financial status of the banks. The Company assesses the current and forecast information of the banking industry and the macro-economic factors such as GDP, interest, and inflation rates to determine the possible impact to banks.

➤ Trade and other receivables

The Company only transacts with individuals that are referred by agents and existing customers who underwent background investigation. The Company assesses the creditworthiness of each recurring client before engaging to new trade transactions. The acceptance or continuance of principal-agent contract needs approval from the Management. The Company assesses the current and forecast information of the clients' industry and the macro-economic factors such as GDP, interest, and inflation to determine the possible impact to clients.

Financial assets measured at amortized cost are as follows:

	2025		2024	
Cash in banks and reserve bank account	P	63,363,727	P	48,549,178
Trade and other receivables		985,772		9,215,608
Refundable deposits		52,852		52,852
	P	64,402,351	P	57,817,638

The calculation of allowance for expected credit losses are based on the following three (3) components:

➤ **Probability of Default (PD)**

PD is the likelihood over a specified period, usually one year that a client will not be able to make scheduled repayments. PD depends not only on the client's characteristics, but, also on the economic environment. PD may be estimated using historical data and statistical techniques.

➤ **Loss Given Default (LGD)**

LGD is the amount of money a company loses when a client defaults on a contract. The most frequently used method to calculate this loss is by comparing the actual total losses and the total amount of potential exposure sustained at the time that a contract goes into default.

➤ **Exposure at Default (EAD)**

EAD is the total value a company is exposed to when a loan default. It refers to the gross carrying amount of financial asset.

Below is the summary of computation of allowance for expected credit losses in 2025, and 2024:

	PD rate	LGD rate	EAD	ECL
	a	b	c	d=a*b*c
December 31, 2025				
Cash in banks and reserve bank account	0.00%	0.00% to 98.41%	P 63,363,727	P -
Trade and other receivables	0.00%	0.00% to 17.92%	1,123,222	137,450
Refundable deposits	0.00%	100.00%	52,852	-
			P 64,539,801	P 137,450
December 31, 2024				
Cash in banks and reserve bank account	0.00%	0.00% to 99.07%	P 48,549,178	P -
Trade and other receivables	0.00%	0.00%	9,215,608	-
Refundable deposits	0.00%	100.00%	52,852	-
			P 57,817,638	P -

Cash in Banks and Reserve Bank Account

The Company determined the probability of default rate by considering the following: the credit ratings; the past, current, and forecast performance of Banking Industry; the past, current, and forecast macro-economic factors that may affect the banks; and the current and projected financial information. The Company estimated the probability of default to be nil in all years.

Loss given default rate is calculated by taking into consideration the amount of insured deposit and estimated to be 0.00% to 98.41% and 0.00% to 99.07% in 2025 and 2024, respectively.

Exposure at default is equal to the gross carrying amounts of cash in banks and reserve bank account in all years.

Trade and Other Receivables

The Company determined the probability of default rate by considering the following: the schedules of trade and other receivables for the past five years; the nature of business and industry classification of the Company's clients; the past, current, and forecast performance of each client's industry; and the past, current, and forecast macro-economic factors that may affect the Company's clients. While the receivable from clearing house poses minimal risk for expected credit loss. Balances from this account usually clears within two (2) trading days from the day executed for trade. The Company estimated the probability of default to be nil in all years.

Loss given default rate is 0.00% to 17.92% and 0.00% for all clients depending on the market value of the collateral the Company holds against the receivable in 2025 and 2024, respectively.

Exposure at default is equal to the gross carrying amount of trade and other receivables in all years.

Refundable Deposits

These financial assets represent immaterial portion of total financial assets at a rate of 0.08% and 0.09% as of December 31, 2025 and 2024, respectively. Hence, Management believes that the effect of provision for expected credit loss is immaterial to the financial statements as a whole.

29.03 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	Weighted Average Effective Interest Rate		Within One (1) Year
December 31, 2025			
Trade and other payables*	-	P	12,606,130
Loans payable	4.725%		20,000,000
		P	32,606,130

The Board of Directors has overall responsibility for monitoring capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business, operation and industry.

The Company, in maintaining or adjusting the capital structure, may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. This is to ensure that the financial resources of the Company are adequate and available to absorb unforeseen or unanticipated losses.

The Company monitors capital on the basis of the following:

1. Proportion of debt to equity.

	2025	2024
Debt	P 33,732,646	P 54,570,948
Equity	135,204,844	136,040,120
Debt to equity ratio	0.25:1	0.40:1

Debt is defined as total liabilities while equity includes all capital and reserves of the Company that are managed as capital.

2. Rules and regulations of the SRC with respect to the minimum:
 - a. Unimpaired paid-up capital;
 - b. Net liquid capital; and
 - c. RBCA ratio.

The following governs the regulatory capital requirements of the Company under the Amended Implementing Rules and Regulations of the SRC issued by the SEC and SEC Memorandum Circular No. 16 series of 2004:

30.01 Paid-up Capital Requirement

Every Broker Dealer shall maintain the minimum unimpaired paid-up capital as governed by the existing requirements of SRC 28.1. For this purpose, the term "paid up capital" shall include the following:

- a. Capital contributions of partners or par value or stated value of common stock;
- b. Payment made on subscribed common stock;
- c. Par or stated value of preferred stock;
- d. Payment made on subscribed preferred stock;
- e. Common stock to be distributed (arising from a stock dividend declaration);
- f. Additional paid in capital for both common and preferred stocks; and
- g. Donated capital.

Under present regulations, the minimum paid-up capital for existing broker dealer participating in a registered clearing agency is P30,000,000, provided it is not (a) a first-time registrant and (b) is not acquiring the business of existing broker-dealer firms. The Company's paid-up capital amounted to P100,000,000 in both years.

30.02 Net Liquid Capital Requirement

Every broker dealer shall, at all times, have and maintain net liquid capital (NLC) of at least P5,000,000 or 5% of the aggregate indebtedness (AI), whichever is higher. However, a broker dealer who deals only with proprietary shares and does not keep the shares under its custody shall maintain an NLC of P2,500,000 or 2.5% of the AI, whichever is higher.

NLC is the sum of paid-up capital and equities eligible for NLC less non-allowable assets/equities, and collateralized liabilities as specified in the applicable regulations, provided further, that the following items shall be excluded from eligible equity for NLC:

- a. Deferred income tax;
- b. Revaluation reserves; and
- c. Minority interest and any outside investment in affiliates and associates.

The Company's AI is P32,672,225 and P54,570,948 as of December 31, 2025 and 2024, respectively.

The Company's NLC is P104,107,590 and P115,829,693 as of December 31, 2025 and 2024, respectively. Hence, the Company is in compliance with the NLC requirement.

30.03 RBCA Ratio Requirement

Every Broker Dealer shall ensure that its Risk Based Capital Adequacy (RBCA) ratio is greater than or equal to 1.1, its aggregate indebtedness should not be in excess of 2000% of its NLC at all times, and its core equity is at all times greater than its operational risk requirement (ORR). Core equity is the sum of paid up capital and surplus reserves.

RBCA ratio is the ratio of NLC to the Broker Dealer's total risk exposure (Total Risk Capital Requirement), calculated as the Brokers Dealers NLC divided by its Total Risk Capital Requirement (TRCR), which is the sum of:

- a. Operational risk requirement;
- b. Credit risk requirement which includes 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 is 302% and 295% as of December 31, 2025 and 2024, respectively. The Company's RBCA ratio is beyond the required limit. The Company is compliant with the RBCA requirements.

The Company's ratio of AI to NLC is 31% and 47% in 2025 and 2024, respectively. The Company is in compliance with the required ratio of AI to NLC.

The Company's core equity is P121,280,120 and P129,424,647 as of December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, the Company's ORR amounted to P2,337,295 and P3,508,094, respectively. Hence, the Company is in compliance with the core equity requirement.

31. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

Reconciliation of liabilities arising from financing activities is as follows:

		2025		2024
Balance, January 1	P	35,000,000	P	28,017,889
Availments of loan		20,000,000		35,000,000
Finance cost incurred		110,107		145,485
Finance cost paid		(110,107)		(163,374)
Payments of loans		(35,000,000)		(28,000,000)
Balance, December 31	P	20,000,000	P	35,000,000

32. CORRECTION OF PRIOR PERIOD ERRORS

Below is the summary of the affected accounts and related adjustments in the respective financial statements:

Accounts	January 1, 2024, as previously stated	Adjustments	January 1, 2024, as restated
<i>Statements of Financial Position</i>			
Other non-current assets	52,852	3,989,292	4,042,144
Financial asset FVOCI	-	20,400,000	20,400,000
Deferred taxes – net	7,077,000	(5,100,000)	1,977,000
<i>Statements of Changes in Equity</i>			
Unappropriated retained earnings	22,603,427	3,989,292	26,592,719
Reserves (OCI) – net	-	15,300,000	15,300,000

Accounts	December 31, 2024, as previously stated	Adjustments	December 31, 2024, as restated
<i>Statements of Financial Position</i>			
Other non-current assets	52,852	3,989,292	4,042,144
Financial asset FVOCI	-	19,680,000	19,680,000
Deferred taxes – net	8,160,425	(4,920,000)	3,240,425
<i>Statements of Comprehensive Income</i>			
Other comprehensive loss – net	-	(540,000)	(540,000)
<i>Statements of Changes in Equity</i>			
Unappropriated retained earnings	14,458,900	3,989,292	18,448,192
Reserves (OCI) – net	-	14,760,000	14,760,000

The following are the reasons for the adjustments:

- The adjustments on other non-current assets pertain to the Contribution to Clearing and Trade Guarantee Fund (CTGF) previously recognized as expense that must be recognized as asset as of December 31, 2023.
- Financial asset at FVOCI pertain to 120,000 PSE shares that was previously classified as financial assets at FVTPL as of December 31, 2019. In 2020, a fair value loss on financial assets was recognized including the entire PSE shares amounting to ₱18,468,000. Fair value of financial asset at FVOCI as of January 1, 2024 and December 31, 2024 amounted to ₱20,400,000 and ₱19,680,000, respectively.

33. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issuance by the Board of Directors on May 14, 2026.

34. SUPPLEMENTARY INFORMATION UNDER REVENUE REGULATIONS

The Bureau of Internal Revenue (BIR) released a revenue regulation dated November 25, 2010 amending Revenue Regulations No. 21-2002 setting forth additional disclosures on Notes to Financial Statements. Below are the disclosures required by the said Regulation:

34.01 Revenue Regulations No. 15-2010

34.01.01 Taxes and Licenses Paid or Accrued

The details of the Company's taxes and licenses fees paid or accrued in 2025 are as follows:

34.01.01.01 Output VAT

The Company's total output VAT declared during the year amounted to P2,156,595 based on the amount reflected in the revenue and other income.

The Company has no zero-rated and exempt sales for the year.

34.01.01.02 Input VAT

An analysis of the Company's input VAT claimed during the taxable year is as follows:

Balance, January 1	P	70,203
Current year's domestic purchases/payments for:		
Domestic purchases of goods other than capital goods		253,259
Domestic purchase of services		55,917
Total available input VAT		379,379
Applied against output VAT		(325,361)
Balance, December 31	P	54,018

34.01.01.03 Taxes and Licenses

An analysis on the Company's taxes and licenses and permit fees paid or accrued during the taxable year is as follows:

Registration fees, permits and licenses	P	549,377
Documentary stamp taxes		29,408
Real property taxes		1,649
	P	580,434

34.01.01.04 Withholding Taxes

An analysis on the Company's withholding taxes paid or accrued during the taxable year is as follows:

Withholding tax on compensation and benefits	P	250,545
Expanded withholding taxes		168,014
	P	418,559

Expanded withholding taxes include amounts withheld on payments of professional fees, agents' commission, office supplies and rental.

34.02 Revenue Regulations No. 19-2011

Pursuant to Section 244 in relation to Section 6(H) of the National Internal Revenue Code of 1997 (Tax Code), as amended, these Regulations are prescribed to revise BIR Form 1702 setting forth the following schedules. Below are the disclosures required by the said Regulation:

34.02.01 Revenues

The Company's revenue for the taxable year pertains to commission amounting to P6,008,942.

34.02.02 Direct Costs

The following is an analysis of the Company's direct costs, net of accruals, for the taxable year:

Salaries, wages and other benefits	P	5,504,736
Commission		2,253,851
Stock exchange fees and dues		937,000
Others		89,859
	P	8,785,446

34.02.03 Taxable Other Income

The following is an analysis of the Company's taxable other income net of accruals for the taxable year:

Finance income from margin account	P	1,638,374
Gain on sale of securities		458,302
	P	2,096,676

34.02.04 Itemized Deductions

The following is an analysis of the Company 's itemized deductions net of accruals for the taxable year:

Depreciation	P	752,942
Communication, light and water		659,978
Taxes and licenses		580,434
Training and seminars		410,344
Professional fees		394,667
Meetings and conferences		392,334
Subscriptions, books and periodicals		346,489
Fuel and oil		296,509
Condominium dues		215,460
Repairs and maintenance		169,495
Insurance		96,376
IT expenses		86,823
Finance cost		83,950
Representation and entertainment		60,089
Office supplies		39,698
Pantry supplies		7,515
Rentals		8,029
Postage		2,141
Others		1,640,628
	P	6,243,901

34.03 Revenue Regulations No. 34-2020

Revenue Regulations (RR) No. 34-2020 prescribes the guidelines and procedures for the submission of BIR Form No. 1709, transfer pricing documentation and other supporting documents, amending for this purpose pertinent provisions of RR Nos. 19-2020 and 21-2002, as amended by RR No. 15-2010.

The Company is covered by the requirements and procedures for related transactions provided in RR No. 34-2020.



SUPPLEMENTAL INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Stockholders
GOLDSTAR SECURITIES, INC.
E-2201B East Tower, Philippine Stock Exchange Center
Exchange road, Ortigas Center, Pasig City

We have audited the financial statements of **GOLDSTAR SECURITIES, INC.** for the years ended December 31, 2025 and 2024 on which we have rendered the attached report dated May 4, 2026.

In compliance with Revenue Regulation V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholders of the Company.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the above Company has a total number of five (5) stockholders owning one hundred (100) or more shares each.

R.S. BERNALDO & ASSOCIATES

BOA/PRC No. 0300
Valid until November 19, 2026
SEC Group A Accreditation No. 0300-SEC
Valid until 2025 audit period
BSP Group B Accreditation No. 0300-BSP
Valid until 2026 audit period
BIR Accreditation No. 08-007679-000-2026
Valid from February 2, 2026 until February 1, 2029
IC Group A Accreditation No. 0300-IC
Valid until 2026 audit period

ROSE ANGELI S. BERNALDO

Partner
CPA Certificate No. 114127
BOA/PRC No. 0300/P-006
Valid until November 19, 2026
SEC Group A Accreditation No. 114127-SEC
Valid until 2027 audit period
BSP Group B Accreditation No. 114127-BSP
Valid until 2025 audit period
BIR Accreditation No. 08-007679-001-2023
Valid from October 20, 2023 until October 19, 2026
Tax Identification No. 211-870-290
IC Group A Accreditation No. IC-EA-2025-0033-N
Valid until 2027 audit period
CDA CEA No. 1940
Valid from November 20, 2024 to November 19, 2029
PTR No. 10780860
Issued on January 20, 2026 at Makati City

May 4, 2026

BOA/PRC No. 0300 • BIR Accredited • SEC Group A Accredited • BSP Group B Accredited • IC Group A Accredited

PKF R.S. Bernaldo & Associates is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

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

ANNUAL AUDITED FINANCIAL REPORT

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

Report for the period beginning January 1, 2025 and ended December 31, 2025.

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker/Dealer: GOLDSTAR SECURITIES, INC.	
Address of Principal Place of Business	Unit 2201-B PSE Centre, East Tower, Exchange Road, Ortigas Center, Pasig City
Name and Phone Number of Person to Contact in Regard to this Report	
Name: Christopher Abad	Tel. No. 8633 7485

IDENTIFICATION OF ACCOUNTANT	
Name of Independent Certified Public Accountant whose opinion is contained in this report:	
Name: Rose Angeli S. Bernaldo	Tel. No. 8812-1718 to 24 (loc 102)
	Fax No. N/A
Address: 18/F Cityland Condominium 10 Tower 1, 156 H.V. Dela Costa Street, Ayala North Makati City	
Certificate Number	114127
PTR Number	10780860
Date Issued	January 20, 2026

GOLDSTAR SECURITIES, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
For the Years Ended December 31, 2025 and 2024

	2025	2024
A. SHORT-TERM LIQUIDITY RATIO		
CURRENT RATIO	4.20	2.93
<u>Current Assets</u>	<u>137,292,996</u>	<u>160,115,340</u>
<u>Current Liabilities</u>	<u>32,672,225</u>	<u>54,570,948</u>
WORKING CAPITAL TO ASSETS	0.62	0.55
<u>(Current Assets - Current Liabilities)</u>	<u>104,620,771</u>	<u>105,544,392</u>
<u>Total Assets</u>	<u>168,937,490</u>	<u>190,611,068</u>
B. LONG-TERM SOLVENCY		
ASSET TO EQUITY	1.25	1.40
<u>Total Assets</u>	<u>168,937,490</u>	<u>190,611,068</u>
<u>Shareholders' Equity</u>	<u>135,204,844</u>	<u>136,040,120</u>
DEBT TO EQUITY	0.25	0.40
<u>Total Liabilities</u>	<u>33,732,646</u>	<u>54,570,948</u>
<u>Shareholders' Equity</u>	<u>135,204,844</u>	<u>136,040,120</u>
LONG-TERM DEBT TO EQUITY	-	-
<u>Long-Term Debt</u>	<u>-</u>	<u>-</u>
<u>Shareholders' Equity</u>	<u>135,204,844</u>	<u>136,040,120</u>
FIXED ASSETS TO EQUITY	0.02	0.02
<u>Fixed Assets - Accumulated Depreciation)</u>	<u>2,253,977</u>	<u>2,899,559</u>
<u>Shareholders' Equity</u>	<u>135,204,844</u>	<u>136,040,120</u>

GOLDSTAR SECURITIES, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
For the Years Ended December 31, 2025 and 2024

CREDITORS EQUITY TO TOTAL ASSETS	0.20	0.29
<u>Total Liabilities</u>	<u>33,732,646</u>	<u>54,570,948</u>
Total Assets	168,937,490	190,611,068
FIXED ASSETS TO LONG-TERM DEBT	-	-
<u>Fixed Assets - Accumulated Depreciation)</u>	<u>2,253,977</u>	<u>2,899,559</u>
Long-Term Debt	-	-
C. RETURN ON INVESTMENTS		
RATE OF RETURN ON TOTAL ASSETS	(0.03)	(0.05)
<u>Net Loss</u>	<u>(4,561,276)</u>	<u>(8,144,527)</u>
Average Total Assets	179,774,279	170,395,620
RATE OF RETURN ON EQUITY	(0.03)	(0.06)
<u>Net Loss</u>	<u>(4,561,276)</u>	<u>(8,144,527)</u>
Average Stockholders' Equity	135,622,482	140,382,384
D. PROFITABILITY RATIOS		
GROSS PROFIT RATIO	(0.46)	(0.58)
<u>Gross Loss</u>	<u>(2,776,504)</u>	<u>(3,113,378)</u>
Commision Income	6,008,942	5,326,910
OPERATING INCOME TO COMMISSION INCOME	(0.25)	(1.73)
<u>Loss from Operations</u>	<u>(1,502,430)</u>	<u>(9,227,952)</u>
Commission Income	6,008,942	5,326,910

GOLDSTAR SECURITIES, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
For the Years Ended December 31, 2025 and 2024

PRETAX INCOME TO COMMISSION INCOME	(0.25)	(1.73)
<u>Pretax Loss</u>	<u>(1,502,430)</u>	<u>(9,227,952)</u>
Commission Income	6,008,942	5,326,910
NET INCOME TO COMMISSION INCOME	(0.76)	(1.53)
<u>Net Loss</u>	<u>(4,561,276)</u>	<u>(8,144,527)</u>
Commission Income	6,008,942	5,326,910
E. INTEREST COVERAGE RATIO		
INTEREST COVERAGE RATIO	(12.65)	(62.43)
<u>Net Loss Before Interest and Tax</u>	<u>(1,392,323)</u>	<u>(9,082,467)</u>
Interest Expense	110,107	145,485

GOLDSTAR SECURITIES, INC.
COMPUTATION OF RISK-BASED CAPITAL
ADEQUACY (RBCA) RATIO UNDER SRC RULE 49.1
For the Year Ended December 31, 2025
(In Philippine Peso)

Total assets	168,937,490
Less: Total liabilities	33,732,646
Equity as per books	<u>135,204,844</u>
Adjustments	
Add (Deduct):	
Subordinated liability	-
Deferred income tax	1,060,421
Equity eligible for net liquid capital	<u>136,265,265</u>
Less: Ineligible assets	
Trading right and intangible asset	633,600
Intercompany receivables	-
Property and equipment, net	2,253,977
All other current assets	337,717
Negative exposure (SCCP)	4,229
Other assets including equity investments in PSE	28,928,152
Total ineligible assets	<u>32,157,675</u>
Net liquid capital (NLC)	<u>104,107,590</u>
Less: Operational risk requirement	2,337,295
Position risk requirement	25,333,113
Counter party risk requirement	-
Large exposure risk requirement to single issuer and group of companies	6,752,887
Total risk capital requirement	<u>34,423,295</u>
Net RBCA margin (NLC - TRCR)	<u>69,684,295</u>
Liabilities	33,732,646
Less: Exclusions from aggregate indebtedness	
Subordinated liability	-
Net deferred tax liabilities	1,060,421
Others	-
Aggregate indebtedness (AI)	<u>32,672,225</u>
5% of Aggregate indebtedness	<u>1,633,611</u>
Required NLC (5% of AI or P5 million whichever is higher)	<u>5,000,000</u>
Net risk-based capital excess	<u>99,107,590</u>
Ratio of AI to NLC	<u>31%</u>
RBCA Ratio (NLC/TRCR)	<u>302%</u>

GOLDSTAR SECURITIES, INC.**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS****PURSUANT TO SRC RULE 49.2 (UNDER ANNEX 49.2 - B)**

December 31, 2025

(In Philippine Peso)

	<u>Credits</u>	<u>Debits</u>
Free credit balances and other balances in customer securities accounts:		
Unadjusted trial balance amount	9,645,767	
Credit balance in the accounts of non-customers	(761,999)	
Any other customer credit balance not accounted for elsewhere (explain nature)		
Clients Dividend Account	574,947	
Debit balances in customers cash accounts:		
Unadjusted trial balance amount		766,840
Due from clearing house		
Due from other brokers		
Dividends payable		
Unsecured accounts		(137,450)
Debit balance in accounts of general partners and principal officers		-
Reduction by 1%		(6,294)
Clearing Accounts with net debit balances attributable to customer transactions (Clearing Corporations)		351,082.00
Total	<u>9,458,715</u>	<u>974,178</u>
Net credit balance	<u>8,484,537</u>	
Required reserve (100% of net credit if making a weekly computation or 105% if making a monthly computation)		<u>8,908,764</u>
Special reserve account balance prior to computation		25,290,505
Deposit required		8,908,764
Additional Deposit Required		-

GOLDSTAR SECURITIES, INC.

INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS

PURSUANT TO SRC RULE 49.2 (UNDER ANNEX 49.2 - A)

December 31, 2025

1. Customers fully paid securities and excess margin securities not in the broker's or dealer's possession or control as of the December 31, 2025, for which instructions to reduce to possession or control had been issued as of the report date but for which the required action was not taken by respondent within the time frame specified under SRC Rule 49.2 (Annex 49.2 - A):

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

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

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

GOLDSTAR SECURITIES, INC.

**STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF
GENERAL CREDITORS**

December 31, 2025

(In Philippine Peso)

**The Company has no liabilities subordinated to claims of general creditors
in both years.**

GOLDSTAR SECURITIES, INC.

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

December 31, 2025

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

GOLDSTAR SECURITIES, INC.

**RESULTS OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO SRC
RULE 52.1-10, AS AMENDED**

December 31, 2025

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

GOLDSTAR SECURITIES, INC.
SCHEDULE VII - EXTERNAL AUDITOR FEE-RELATED INFORMATION
DECEMBER 31, 2025 and 2024

	2025	2024
Total Audit Fees (Section 2.1 a)	80,000	75,882
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees (Section 2.1 b)	-	-
TOTAL AUDIT AND NON-AUDIT FEES	80,000	75,882

Audit and Non-audit fees of other related entities (Section 2.1c)

	2025	2024
Audit fees	-	-
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
TOTAL AUDIT AND NON-AUDIT FEES OF OTHER RELATED ENTITIES	-	-

Section 2.1a: Disclose agreed fees (excluding out of pocket expenses and VAT) with the external auditor/audit firm and its network firms (as applicable) for the audit of the covered company's standalone and/or consolidated financial statements and the covered company's consolidated subsidiaries' financial statements on which the external auditor/audit firm expresses an opinion. These do not include fees for special purpose audit or review of financial statements.

Section 2.1b: Disclose charged or billed fees (excluding out of pocket expenses and VAT) by the external auditor/audit firm or a network firm (as applicable) for non-audit services to the covered company and its related entities over which the covered company has direct or indirect control that are consolidated in the financial statements on which the external auditor/audit firm expresses an opinion. These include other assurance services such as special purpose audit or review of financial statements.

Section 2.1c: Disclose fees for services (excluding out of pocket expenses and VAT) charged to any related entities of the covered company over which the covered company has direct or indirect control, which are not yet disclosed in (a) or (b), such as fees for services to any unconsolidated subsidiaries that meet the consolidation exemption criteria of Philippine Financial Reporting Standard (PFRS) 10 applicable to investment entities, if the external auditor/audit firm has reason to believe that these are relevant to the evaluation of the external auditor/audit firm's independence, as communicated by the external auditor/audit firm with the covered company's Those Charged with Governance or equivalent (e.g., Audit Committee).

Section 2.1d: As applicable, disclose any fee dependency situation or (a) the fact that the total fees received by the external auditor/audit firm from the covered company represent, or are likely to represent, more than 15% of the total fees received by the external auditor/audit firm for two consecutive years and (b) the year that this situation first arose, as communicated by the external auditor/audit firm with the covered company's Those Charged with Governance or equivalent (e.g., Audit Committee).

GOLDSTAR SECURITIES, INC.
INVENTORY REPORT BY LOCATION - SUMMARIZED

As of December 31, 2025
Customer : ARMSTRONG (AHI) - VARRS (VARRS)

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE
2GO	2GO GROUP, INC.(ATS CONS-COMMON	0	0	0	14,000	14,000	0.00	0.00
AAA	ASIAN AMALGATED HLDGS. CORP.	0	0	0	75,000	75,000	1.61	120,750.00
AB	ATOK BIG WEDGE	0	0	0	42,950	42,950	2.06	88,477.00
ABA	ABACORE CAPITAL HOLDINGS, INC.	0	0	0	7,123,320	7,123,320	0.26	1,852,063.20
ABG	ASIABEST GROUP INT'L. INC.(FRM AGF	0	0	0	11,500	11,500	18.78	215,970.00
ABS	ABS-CBN CORPORATION	0	0	0	368,900	368,900	4.21	1,553,069.00
ABSP	ABS-CBN HOLDINGS CORP. (PDR)	0	0	0	100,020	100,020	4.10	410,082.00
AC	AYALA CORPORATION	0	0	0	49,673	49,673	468.00	23,246,964.00
ACEN	ACEN CORPORATION (AC ENERGY CC	0	0	0	29,950,207	29,950,207	2.72	81,464,563.04
ACENB	ACEN CORPORATION	0	0	0	500	500	1,070.00	535,000.00
ACPAR	AYALA CORPORATION CLASS "A"	0	0	0	6,400	6,400	2,540.00	16,256,000.00
ACR	ALSON CONSOLIDATED RES.	0	0	0	6,930,000	6,930,000	0.47	3,257,100.00
AC-VPS	AYALA CORP-VOTING PREF. SHARES	4,228	0	0	0	4,228	0.00	0.00
AEV	ABOITIZ EQUITY VENTURES	200	0	0	393,910	394,110	28.00	11,035,080.00
AGI	ALLIANCE GLOBAL , INC.	0	0	0	1,636,500	1,636,500	8.19	13,402,935.00
AGIW	ALLIANCE GLOBAL INC WARRANT	0	0	0	2,500	2,500	1.17	2,925.00
ALCD	ALSONS CEMENT CORP.-DELISTED	7,000	0	0	0	7,000	0.00	0.00
ALCO	ARTHALAND CORP.-PREV.EIB REALTY	4,000	0	0	499,575	503,575	0.42	211,501.50
ALCPF	ARTHALAND CORP SERIES F PREFERI	0	0	0	2,160	2,160	500.00	1,080,000.00
ALI	AYALA LAND, INC.	0	0	0	1,220,367	1,220,367	22.45	27,397,239.15
ALI-VP	AYALA LAND, INC.-VOTING PREFERRE	53,480	0	0	0	53,480	0.00	0.00
ALLDY	ALLDAY MARTS, INC.	0	0	0	22,821,000	22,821,000	0.03	707,451.00
ALLHC	AYALALAND LOGISTICS HOLDINGS CC	0	0	0	660,000	660,000	1.30	858,000.00
ALTER	ALTERNERGY HOLDINGS CORPORATI	0	0	0	222,000	222,000	0.84	186,480.00
ANI	AGRINURTURE, INC.	0	0	0	247,600	247,600	0.00	0.00
ANS	A. SORIANO CORP.	0	0	0	29,349	29,349	14.40	422,625.60
AP	ABOITIZ POWER CORP.	0	0	0	398,500	398,500	44.00	17,534,000.00
APC	APC GROUP, INC.	0	0	0	10,487,000	10,487,000	0.11	1,111,622.00
APL	APOLLO GLOBAL CAPITAL, INC.(YEHE)	0	0	0	103,828,700	103,828,700	0.01	519,143.50
APO	ANGLO PHIL. HLDGS. CORP.	0	0	0	572,100	572,100	0.70	400,470.00
APVI	ALTUS PROPERTY VENTURES, INC.	0	0	0	8,009	8,009	8.40	67,275.60
APX	APEX MINING	0	0	0	427,500	427,500	12.44	5,318,100.00
AR	ABRA MINING	0	0	0	176,000,000	176,000,000	0.00	0.00
ARA	ARANETA PROPERTIES, INC.	0	0	0	497,200	497,200	0.40	198,880.00
AREIT	AREIT, INC.	0	0	0	338,700	338,700	43.50	14,733,450.00

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ASLAG	RASLAG CORP.	0	0	0	85,000	85,000	0.82	69,700.00
AT	ATLAS CONS. MNG.	0	0	0	643,908	643,908	6.03	3,882,765.24
ATI	ASIAN TERMINALS INC.	0	0	0	333	333	34.50	11,488.50
ATN	ATN HOLDINGS, INC. (JINICO)	0	0	0	768,000	768,000	0.50	380,160.00
AUB	ASIA UNITED BANK CORPORATION	0	0	0	95,524	95,524	39.20	3,744,540.80
AXLM	AXELUM RESOURCES CORP.	0	0	0	300,000	300,000	2.36	708,000.00
BALAI	BALAI NI FRUITAS, INC.	0	0	0	30,000	30,000	0.35	10,500.00
BC	BENGUET CORPORATION	0	0	0	128,064	128,064	5.00	640,320.00
BDO	BDO UNIBANK, INC.	180	0	0	454,166	454,346	134.60	61,154,971.60
BEL	BELLE CORPORATION	0	0	0	1,858,279	1,858,279	1.32	2,452,928.28
BHI	BOULEVARD HLDGS. INC.	0	0	0	11,960,000	11,960,000	0.00	0.00
BKR	BRIGHT KINDLE RES. & INVEST.,INC.	0	0	0	53,500	53,500	0.65	34,775.00
BLOOM	BLOOMBERRY RESORTS CORP.(PREV	0	0	0	12,268,900	12,268,900	2.54	31,163,006.00
BNCOM	BANK OF COMMERCE	0	0	0	58,000	58,000	9.20	533,600.00
BPI	BANK OF THE PHILIPPINE ISLANDS	0	0	0	419,334	419,334	116.10	48,684,677.40
BRN	A. BROWN COMPANY, INC.	0	0	0	210,561	210,561	0.93	195,821.73
BSC	BASIC ENERGY CORP.	0	0	0	6,335,436	6,335,436	0.12	741,246.01
C	CHELSEA LOGISTICS HOLDINGS CORP	0	0	0	770,900	770,900	0.95	732,355.00
CA	CONCRETE AGGREGATES CORPORAT	0	0	0	1,000	1,000	48.35	48,350.00
CAL	CALATA CORPORATION	835,608	0	0	0	835,608	0.00	0.00
CBC	CHINA BANK CORPORATION	0	0	0	918,848	918,848	57.00	52,374,336.00
CDC	CITYLAND DEVT CORP.	0	0	0	89,742	89,742	0.59	52,947.78
CEB	CEBU AIR, INC.	0	0	0	295,900	295,900	32.00	9,468,800.00
CEBCP	CEBU AIR, INC.PREFERRED SHARES	0	0	0	80,791	80,791	35.00	2,827,685.00
CEI	CROWN EQUITIES, INC.	0	0	0	14,344,000	14,344,000	0.07	1,032,768.00
CEU	CENTRO ESCOLAR UNIVERSITY	0	0	0	20,400	20,400	15.70	320,280.00
CHP	CONCREAT HOLDINGS PHILIPPINES, II	0	0	0	23,353,063	23,353,063	1.09	25,454,838.67
CIC	CONCEPCION INDUSTRIAL CORP.	0	0	0	1,700	1,700	13.60	23,120.00
CLI	CEBU LANDMASTERS, INC.	0	0	0	422,117	422,117	2.35	991,974.95
CLIA1	CEBU LANDMASTERS, INC SERIES A	0	0	0	150	150	1,000.00	150,000.00
CNVRG	CONVERGE INFO & COMMUNICATIONS	0	0	0	488,400	488,400	15.32	7,482,288.00
COAL	COAL ASIA HLDNGS, INC.	0	0	0	9,130,000	9,130,000	0.00	0.00
COL	COL FINANCIAL GROUP,INC.(CITISECC	0	0	0	421,000	421,000	1.42	597,820.00
COSCO	COSCO CAPITAL, INC.	0	0	0	3,980,225	3,980,225	6.99	27,821,772.75
CPG	CENTURY PROPERTIES GROUP, INC.(I	0	0	0	5,666,862	5,666,862	0.69	3,910,134.78
CPGPB	CENTURY PROPERTIES GROUP, INC.S	0	0	0	11,000	11,000	102.00	1,122,000.00
CPM	CENTURY PEAK HOLDINGS CORP.	0	0	0	470,000	470,000	2.39	1,123,300.00
CREC	CITICORE RENEWABLE ENERGY CORI	0	0	0	50,000	50,000	4.28	214,000.00
CREIT	CITICORE ENERGY REIT CORP.	0	0	0	2,749,000	2,749,000	3.57	9,813,930.00
CROWN	CROWN ASIA CHEMICALS CORP.	0	0	0	45,000	45,000	1.68	75,600.00
CYBR	CYBER BAY CORP. (FORMERLY CITY)	0	0	0	5,854,580	5,854,580	0.00	0.00
DD	DOUBLEDRAGON PROPERTIES CORP.	0	0	0	219,700	219,700	9.28	2,038,816.00

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DDMPR	DDMP REIT, INC.	0	0	0	7,493,000	7,493,000	1.02	7,642,860.00
DDPR	DOUBLEDRAGON PROP. CORP. - PREF	0	0	0	2,000	2,000	97.00	194,000.00
DFNN	DFNN INC. (DIVRSIFIED FIN'L NETWRK	0	0	0	74,000	74,000	0.80	59,200.00
DHI	DOMINION HOLDINGS, INC.	0	0	0	158,360	158,360	1.39	220,120.40
DITO	DITO CME HOLDINGS CORP.	0	0	0	3,392,399	3,392,399	0.68	2,306,831.32
DIZ	DIZON COPPER	0	0	0	163,925	163,925	5.00	819,625.00
DMC	DMCI HOLDINGS, INC.	0	0	0	1,038,800	1,038,800	10.54	10,948,952.00
DMW	D.M. WENCESLAO & ASSOCIATES, INC	0	0	0	69,200	69,200	5.00	346,000.00
DNA	PHILAB HOLDINGS CORP.(FRM. ALT)	0	0	0	75,400	75,400	0.00	0.00
DNL	D&L INDUSTRIES, INC.	0	0	0	1,850,000	1,850,000	3.85	7,122,500.00
DWC	DISCOVERY WORLD CORPORATION	0	0	0	20,000	20,000	1.08	21,600.00
ECP	EASYCALL COMMUNCTNS, PHILS.INC.	0	0	0	13,000	13,000	2.60	33,800.00
ECVC	EAST COAST VULCAN CORPORATION	0	0	0	1,622,000	1,622,000	0.27	437,940.00
EEI	EEI CORPORATION	0	0	0	35,000	35,000	2.84	99,400.00
EEIPB	EEI CORPORATON SERIES B PREF.	0	0	0	3,000	3,000	98.40	295,200.00
EG	IP E-GAME VENTURES, INC.	0	0	0	18,000,000	18,000,000	0.01	169,200.00
EGRN	EVERWOODS GREEN RESOURCES HL	0	0	0	42,000	42,000	0.00	0.00
EIBA	EXPORT & INDUSTRY BANK, INC. -A	0	0	0	6,108,000	6,108,000	0.26	1,588,080.00
EIBB	EXPORT & INDUSTRY BANK, INC. -B	0	0	0	7,990,000	7,990,000	0.26	2,077,400.00
ELI	EMPIRE EAST LAND HLDGS. INC.	0	0	0	48,828,896	48,828,896	0.10	5,078,205.18
ENEX	ENEX ENERGY CORP.	0	0	0	26,660	26,660	3.34	89,044.40
ETELW	ETELECARE WARRANT	1	0	0	0	1	1.00	1.00
EURO	EUROMED LABORATORIES, INC.	0	0	0	50,000	50,000	1.00	50,000.00
EW	EAST WEST BANKING CORPORATION	0	0	0	1,207,495	1,207,495	11.60	14,006,942.00
FAF	FIRST ABACUS FIN'L HLDGS. CORP.	0	0	0	75,000	75,000	0.66	49,500.00
FB	SAN MIGUEL FOOD AND BEVERAGE, IF	0	0	0	28,500	28,500	55.00	1,567,500.00
FCG	FIGARO CULINARY GROUP, INC	0	0	0	1,436,000	1,436,000	0.58	832,880.00
FDC	FILINVEST DEVELOPMENT	0	0	0	178,792	178,792	4.55	813,503.60
FDCPA	FILINVEST DEVELOPMENT CORP SERI	0	0	0	9,755	9,755	1,010.00	9,852,550.00
FFI	FILIPINO FUND, INC.	0	0	0	13,896	13,896	7.50	104,220.00
FFI SPT	FILIFINO FUND SPECIAL PURPOSE TRI	30,000	0	0	0	30,000	0.00	0.00
FGEN	FIRST GEN CORPORATION	0	0	0	1,512,000	1,512,000	17.74	26,822,880.00
FH-PROP	FIL-HISPANO PROPERTY DIV	107,300	0	0	0	107,300	0.00	0.00
FILRT	FILINVEST REIT CORP.	0	0	0	955,921	955,921	3.10	2,963,355.10
FJP	F&J PRINCE HOLDINGS, CORP.	0	0	0	17,500	17,500	2.60	45,500.00
FLI	FILINVEST LAND, INC.	0	0	0	7,636,913	7,636,913	0.77	5,880,423.01
FNI	GLOBAL FERRONICKEL HLDGS., INC.	0	0	0	1,510,749	1,510,749	1.35	2,039,511.15
FOOD	ALLIANCE SELECT FOODS INT'L. INC.	0	0	0	724,336	724,336	0.37	268,004.32
FPH	FIRST PHIL. HOLDINGS, CORP.	0	0	0	56,397	56,397	77.00	4,342,569.00
FPI	FORUM PACIFIC, INC. (FORMERLY AIR	60,000	0	0	1,420,000	1,480,000	0.24	355,200.00
FRUIT	FRUITAS HOLDINGS, INC.	0	0	0	3,019,000	3,019,000	0.64	1,932,160.00
FWBC	FWBC	1,920,596	0	0	0	1,920,596	0.00	0.00

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GEO	GEOGRACE RES. PHILS., INC.-PREV.GI	0	0	0	15,967,071	15,967,071	0.09	1,389,135.18
GERI	GLOBAL-ESTATE RESORT, INC.-PREV	0	0	0	2,136,775	2,136,775	0.69	1,474,374.75
GLO	GLOBE TELECOM, INC. (PREV. GMCR)	0	0	0	13,994	13,994	1,584.00	22,166,496.00
GMA7	GMA NETWORK, INC.	0	0	0	278,500	278,500	5.41	1,506,685.00
GMAP	GMA HOLDINGS, INC. (PDR)	0	0	0	90,000	90,000	5.29	476,100.00
GO	GOTESCO LAND, INC.-A(DELISTED)	4,359,213	0	0	0	4,359,213	0.00	0.00
GOB	GOTESCO LAND, INC. -B(DELISTED)	1,727,100	0	0	0	1,727,100	0.00	0.00
GREEN	GREENERGY HOLDINGS, INC.(MUSX)	0	0	0	332,502	332,502	0.18	59,850.36
GSMI	GINEBRA SAN MIGUEL, INC.	0	0	0	10,000	10,000	295.00	2,950,000.00
GTCAP	GT CAPITAL HOLDINGS, INC	0	0	0	25,256	25,256	595.00	15,027,320.00
HOME	ALLHOME CORP.	0	0	0	14,400	14,400	0.24	3,412.80
HTI	HAUS TALK INC.	0	0	0	800,000	800,000	1.10	880,000.00
I	I-REMIT, INC.	0	0	0	115,375	115,375	0.00	0.00
ICT	INTL. CONTAINER TERMINAL SERV.	0	0	0	40	40	567.00	22,680.00
IDC	ITALPINAS DEVELOPMENT CORP.	0	0	0	23	23	0.87	20.01
IMI	INTEGRATED MICRO-ELECTRONICS, I	0	0	0	2,484,158	2,484,158	3.47	8,620,028.26
IMP	IMPERIAL RESOURCES, INC.	0	0	0	1,780,500	1,780,500	0.70	1,246,350.00
INFRA	PHILIPPINE INFRADEV HLDNGS. (IRC)	0	0	0	100,000	100,000	0.32	31,500.00
ION	IONICS, INC.	0	0	0	14,116,300	14,116,300	1.02	14,398,626.00
IPM	IPM HOLDINGS, INC.(FORMER MIC)	0	0	0	707,500	707,500	1.57	1,110,775.00
IPO	IPEOPLE, INC.(FORMERLY PETROFIEL)	0	0	0	28,051	28,051	6.00	168,306.00
IS	ISLAND INFORMATION & TECH, INC.	0	0	0	3,450,000	3,450,000	0.12	424,350.00
JAS	JACKSTONES, INC.	0	0	0	10,000	10,000	1.12	11,200.00
JFC	JOLLIBEE FOODS CORPORATION	500	0	0	115,131	115,631	180.00	20,813,580.00
JFCPB	JOLLIBEE FOODS CORP. SERIES B	0	0	0	9,600	9,600	994.00	9,542,400.00
JGS	JG SUMMIT HOLDINGS, INC.	0	0	0	1,603,295	1,603,295	23.65	37,917,926.75
JOH	JOLLIVILLE HOLDINGS CORP.	0	0	0	277,200	277,200	3.08	853,776.00
KEEPR	THE KEEPERS HOLDINGS, INC.(DAVIN	0	0	0	124,950	124,950	2.48	309,876.00
KEP	KEPPEL PHIL. PROP. (FORMERLY CSE	0	0	0	133	133	2.20	292.60
LC	LEPANTO CONSOLIDATED MINING COI	0	0	0	69,702,115	69,702,115	0.19	12,894,891.28
LCB	LEPANTO CONSOLIDATED MINING - B	0	0	0	20,064,842	20,064,842	0.19	3,752,125.45
LMG	LMG CHEMICALS CORPORATION	0	0	0	1,290,000	1,290,000	0.25	322,500.00
LODE	LODESTAR INVESTMENT HOLDINGS C	0	0	0	2,090,000	2,090,000	0.35	731,500.00
LOTO	PACIFIC ONLINE SYSTEMS CORP.	0	0	0	485,850	485,850	1.70	825,945.00
LPZ	LOPEZ HOLDINGS CORPORATION(FRM	0	0	0	584,100	584,100	3.72	2,172,852.00
LSC	LORENZO SHIPPING CORPORATION	0	0	0	543,750	543,750	0.61	331,687.50
LTG	LT GROUP, INC. (OLD-TDY)	0	0	0	325,860	325,860	14.78	4,816,210.80
MA	MANILA MINING CORP.-A	0	0	0	257,831,286	257,831,286	0.01	1,882,168.39
MAB	MANILA MINING CORP.-B	0	0	0	83,826,255	83,826,255	0.01	603,549.04
MAC	MACROASIA CORPORATION	0	0	0	301,600	301,600	4.34	1,308,944.00
MAH	METRO ALLIANCE HOLDINGS-A	0	0	0	34,000	34,000	0.00	0.00
MAHB	METRO ALLIANCE HOLDINGS- B	0	0	0	117,500	117,500	0.00	0.00

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MARC	MARCVENTURES HOLDINGS,INC.(FRM	0	0	0	426,960	426,960	0.70	298,872.00
MAXS	MAX'S GROUP INC (FORMER PCKH)	0	0	0	254,200	254,200	2.45	622,790.00
MB	MANILA BULLETIN PUBLISHING CORP.	0	0	0	2,087,197	2,087,197	0.16	342,300.31
MBT	METROPOLITAN BANK & TRUST COMP	2,089	0	0	1,193,376	1,195,465	68.50	81,889,352.50
MED	MEDCO HOLDINGS, INC.	0	0	0	90,000	90,000	0.09	8,100.00
MEDIC	MEDILINES DISTRIBUTORS INCORPOR	0	0	0	1,277,000	1,277,000	0.26	332,020.00
MEG	MEGAWORLD CORPORATION	0	0	0	5,990,414	5,990,414	2.08	12,460,061.12
MER	MANILA ELECTRIC CO.	200	0	0	52,273	52,473	574.00	30,119,502.00
MFC	MANULIFE FINANCIAL COMPANY	0	0	0	18	18	1,880.00	33,840.00
MG	MILLENIUM GLOBAL HLDGS. INC. (IP)	0	0	0	1,401,000	1,401,000	0.06	84,060.00
MGH	METRO GLOBAL HOLDINGS CORP. (S.	0	0	0	142,200	142,200	0.00	0.00
MHC	MABUHAY HOLDINGS	0	0	0	316,000	316,000	0.12	36,340.00
MJC	MANILA JOCKEY CLUB INC.	0	0	0	76,513	76,513	1.27	97,171.51
MJIC	MJC INVESTMENT CORP. (FORM.MII)	0	0	0	16,000	16,000	1.00	16,000.00
MM	MERRYMART CONSUMER CORP.	0	0	0	332,200	332,200	0.40	132,880.00
MOND	MONDRAGON INT'L. PHILS. INC.-DELIS'	4,655,225	0	0	0	4,655,225	0.00	0.00
MONDE	MONDE NISSIN CORPORATION	0	0	0	13,126,200	13,126,200	5.80	76,131,960.00
MRC	MRC ALLIED, INC.	0	0	0	1,545,800	1,545,800	0.87	1,344,846.00
MREIT	MREIT, INC.	0	0	0	1,035,400	1,035,400	14.00	14,495,600.00
MRP	MELCO RESORT & ENTMT.(PHILS.) COI	25	0	0	0	25	7.25	181.25
MRSGI	METRO RETAIL STORE GROUP, INC.	0	0	0	183,000	183,000	1.15	210,450.00
MVC	MABUHAY VINYL CORP.	0	0	0	81,600	81,600	5.19	423,504.00
MWC	MANILA WATER CO. INC.	0	0	0	225,900	225,900	40.30	9,103,770.00
MWIDE	MEGAWIDE CONSTRUCTION CORP.	0	0	0	210,305	210,305	2.99	628,811.95
MWP6A	MEGAWIDE CONSTRUCTION CORP. PF	0	0	0	800	800	100.00	80,000.00
MWP7A	MEGAWIDE CONSTRUCTION CORP. PF	0	0	0	1,000	1,000	100.40	100,400.00
MYNLD	MAYNILAD WATER SERVICES, INC.	0	0	0	1,716,400	1,716,400	16.90	29,007,160.00
NI	NIHAO MIN'L RESOURCES	0	0	0	868,300	868,300	0.32	273,514.50
NIKL	NICKEL ASIA CORPORATION	0	0	0	1,187,048	1,187,048	3.89	4,617,616.72
NN	NEGROS NAVIGATION CO.,INC.-DELIS1	33,000	0	0	0	33,000	0.44	14,520.00
NOW	NOW CORPORATION (FORMER ICTV)	0	0	0	369,000	369,000	0.68	250,920.00
NRCP	NATIONAL REINSURANCE CORP.	0	0	0	1,523,000	1,523,000	0.77	1,172,710.00
NXGEN	NEXTGENESIS CORP.(FRM ASIA)	0	0	0	801,100	801,100	0.00	0.00
OGP	OCEANAGOLD PHILIPPINES, INC.	0	0	0	30,000	30,000	32.20	966,000.00
OM	OMICO CORPORATION	0	0	0	14,979,000	14,979,000	0.10	1,512,879.00
OPM	ORIENTAL PET A	0	0	0	903,707,315	903,707,315	0.01	10,844,487.78
OPMB	ORIENTAL PET- B	0	0	0	410,980,283	410,980,283	0.01	4,931,763.40
ORE	ORIENTAL PENINSULA RESOURCES G	0	0	0	650,000	650,000	0.37	240,500.00
OV	THE PHILODRILL-A	0	0	0	731,955,075	731,955,075	0.01	6,514,400.17
PA	PACIFICA HOLDINGS, INC.	0	0	0	1,354,200	1,354,200	0.95	1,286,490.00
PAL	PAL HOLDINGS, INC. (FORMER BAGUIC	0	0	0	10,350	10,350	3.80	39,330.00
PBB	PHILIPPINE BUSINESS BANK	0	0	0	918,750	918,750	7.70	7,074,375.00

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE
PCEVD	PLDT COMM. & ENERGY DEV. (DELIST)	100,000	0	0	0	100,000	0.00	0.00
PCOR	PETRON CORPORATION	2	0	0	2,312,073	2,312,075	2.48	5,733,946.00
PCP	PICOP RESOURCES, INC.	0	0	0	12,930,160	12,930,160	0.00	0.00
PERC	PETROENERGY RESOURCES CORP.	1,093	0	0	75,601	76,694	3.50	268,429.00
PGOLD	PUREGOLD PRICE CLUB, INC..	0	0	0	259,250	259,250	38.00	9,851,500.00
PHA	PREMIERE HORIZON ALLIANCE CORP(0	0	0	3,160,000	3,160,000	0.24	748,920.00
PHC	PHILCOMSAT HOLDINGS CORP.	0	0	0	45,000	45,000	1.84	82,800.00
PHES	PHILIPPINE ESTATE CORP.	0	0	0	11,320,000	11,320,000	0.28	3,169,600.00
PHN	PHINMA CORPORATION (FORM.BACNC	0	0	0	51,465	51,465	16.70	859,465.50
PHR	PH RESORTS GROUP HOLDINGS, INC.	0	0	0	517,320	517,320	0.13	68,803.56
PIZZA	SHAKY'S PIZZA ASIA VENTURES, INC	0	0	0	5,000	5,000	6.80	34,000.00
PLUS	DIGIPLUS INTERACTIVE CORP.	0	0	0	167,992	167,992	16.20	2,721,470.40
PMT	PRIMETOWN PROPERTY GROUP, INC.	0	0	0	140,500	140,500	0.00	0.00
PNB	PHILIPPINE NATIONAL BANK	0	0	0	399,480	399,480	54.40	21,731,712.00
PNC	PHILIPPINE NATIONAL CONST'N. CORF	0	0	0	7	7	0.00	0.00
PNX	PHOENIX PETROLEUM PHILS., INC.	0	0	0	77,535	77,535	0.00	0.00
PNX3B	PNX PETROLEUM PREFERRED SERIES	0	0	0	4,000	4,000	0.00	0.00
PNX4	PHOENIX PETROLEUM PREFERRED SERIES	0	0	0	3,750	3,750	0.00	0.00
PPC	PRYCE PROPERTIES, CORP.	0	0	0	500,000	500,000	13.20	6,600,000.00
PPI	PHILTOWN PROPERTIES, INC.	21,811	0	0	0	21,811	0.00	0.00
PRC	PHILIPPINE RACING CLUB, INC.	0	0	0	2,341	2,341	6.60	15,450.60
PRF3B	PCOR PERPETUAL PREFERRED SERIE	0	0	0	3,100	3,100	1,005.00	3,115,500.00
PRF4A	PETRON CORPORATION OF SERIES 4	0	0	0	5,000	5,000	979.50	4,897,500.00
PRF4B	PETRON CORPORATION OF SERIES 4E	0	0	0	2,270	2,270	995.00	2,258,650.00
PRF4D	PCOR SERIES 4 OF PREFERRED SHAF	0	0	0	21,480	21,480	990.00	21,265,200.00
PRIM	PRIME MEDIA HOLDINGS	0	0	0	79,060	79,060	1.30	102,778.00
PSB	PHILIPPINE SAVINGS BANK	0	0	0	2,233	2,233	54.00	120,582.00
PSE	PHILIPPINE STOCK EXCHANGE, INC.	120,000	0	0	6,040	126,040	205.40	25,888,616.00
PTT	PHIL. TELEGRAPH & TEL. CORP.	0	0	0	1,236,118	1,236,118	0.00	0.00
PX	PHILEX MINING CORP.	3,896	0	0	7,117,088	7,120,984	9.90	70,497,741.60
PXP	PXP ENERGY CORPORATION	0	0	0	5,271,086	5,271,086	2.38	12,545,184.68
RCB	RIZAL COMMERCIAL BANKING CORP.	0	0	0	144,594	144,594	25.95	3,752,214.30
RCI	ROXAS AND COMPANY, INC.(CAC)	0	0	0	5,076	5,076	2.68	13,603.68
RCR	RL COMMERCIAL REIT, INC.	0	0	0	649,900	649,900	8.02	5,212,198.00
REG	REPUBLIC GLASS HOLDINGS, CORP.	0	0	0	28,000	28,000	2.30	64,400.00
RFM	RFM CORPORATION	0	0	0	51,766	51,766	4.75	245,888.50
RLC	ROBINSONS LAND CORP.	0	0	0	806,149	806,149	16.16	13,027,367.84
RLT	PHIL. RLTY. & HOLDINGS, CORP.	0	0	0	3,372,377	3,372,377	0.11	367,589.09
ROCK	ROCKWELL LAND CORPORATION	0	0	0	569,554	569,554	1.85	1,053,674.90
RRHI	ROBINSONS RETAIL HOLDINGS, INC.	0	0	0	15,100	15,100	33.05	499,055.00
SBS	SBS PHILIPPINES CORPORATION	0	0	0	40,240	40,240	3.89	156,533.60
SCC	SEMIRARA MINING COMPANY	0	0	0	456,200	456,200	28.25	12,887,650.00

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SECB	SECURITY BANK CORPORATION	0	0	0	65,922	65,922	65.65	4,327,779.30
SECB-P	SECURITY BANK CORPORATION PREF	106,550	0	0	0	106,550	0.00	0.00
SEVN	PHILIPPINE SEVEN CORP.	0	0	0	8,034	8,034	37.00	297,258.00
SFI	SWIFT FOODS, INC.	0	0	0	1,623,482	1,623,482	0.05	76,303.65
SFIP	SWIFT FOODS, INC.-PREFERRED	0	0	0	12,803	12,803	1.55	19,844.65
SGI	SOLID GROUP, INC.	0	0	0	1,758,000	1,758,000	1.27	2,232,660.00
SGP	SYNERGY GRID & DEVT. PHILS, INC-M	0	0	0	30,000	30,000	16.56	496,800.00
SHLPH	PILIPINAS SHELL PETROLEUM CORP.	0	0	0	75,750	75,750	6.93	524,947.50
SHNG	SHANG PROP., INC.(FORMER EPHI/KPI	0	0	0	1,309,272	1,309,272	3.54	4,634,822.88
SLF	SUN LIFE FINANCIAL INC.	0	0	0	3,484	3,484	3,440.00	11,984,960.00
SLI	STA. LUCIA LANC,INC(ZIP)	0	0	0	200,000	200,000	2.60	520,000.00
SM	SM INVESTMENT CORP.	0	0	0	14,800	14,800	699.50	10,352,600.00
SMC	SAN MIGUEL CORP COMMON	99	0	0	89,884	89,983	82.00	7,378,606.00
SMC2I	SMC PREFERRED SHARES SERIES 2-I	0	0	0	10,000	10,000	74.50	745,000.00
SMC2L	SAN MIGUEL CORP. SERIES L	0	0	0	70,000	70,000	77.65	5,435,500.00
SMC2N	SAN MIGUEL CORP. SERIES N	0	0	0	1,500	1,500	80.50	120,750.00
SMC2P	SMC SERIES 2P PREFERRED SHARES	0	0	0	22,000	22,000	77.00	1,694,000.00
SMC2Q	SMC SERIES 2Q PREFERRED SHARES	0	0	0	1,500	1,500	77.80	116,700.00
SMC2R	SMC SERIES 2R PREFERRED SHARES	0	0	0	15,000	15,000	77.50	1,162,500.00
SMDC	SM DEVELOPMENT CORP.	0	0	2,787	0	2,787	6.81	18,979.47
SMPH	SM PRIME HOLDINGS	0	0	0	1,328,305	1,328,305	22.75	30,218,938.75
SOC	SOCRESOURCES, INC.	0	0	0	290,000	290,000	0.18	52,780.00
SPC	SPC POWER CORP.	0	0	0	5,000	5,000	9.74	48,700.00
SPM	SEAFRONT RESOURCES CORP.	0	0	0	36,948	36,948	2.36	87,197.28
SPNEC	SOLAR PHILIPPINES NUEVA ECIJA COI	0	0	0	1,876,686	1,876,686	1.17	2,195,722.62
SSI	SSI GROUP, INC.	0	0	0	1,810,000	1,810,000	2.63	4,760,300.00
STI	STI EDUCATION SYSTEMS HLDNGS, IN	0	0	0	810,000	810,000	1.41	1,142,100.00
STN	STENIEL MANUFACTURING CORP.	0	0	0	120,768	120,768	2.18	263,274.24
STR	VISTAMALLS, INC.(STARMALLS)	0	0	0	70,000	70,000	0.00	0.00
SUN	SUNTRUST RESORT HOLDINGS, INC.	22,500	0	0	2,831,400	2,853,900	0.76	2,168,964.00
T	TKC METALS CORP.	0	0	0	47,000	47,000	0.44	20,680.00
TBGI	TRANSPACIFIC BROADBAND	0	0	0	2,620,000	2,620,000	0.13	348,460.00
TECH	CIRTEK HLDNGS PHIL.CORP.(FRM CHI	0	0	0	163,889	163,889	0.63	103,250.07
TEL	PLDT INC. "COMMON"	0	0	0	39,108	39,108	1,260.00	49,276,080.00
TELO	PLDT "O"	170	0	0	0	170	11.26	1,914.20
TFHI	TOP FRONTIER INVESTMENT HLDGS II	0	0	0	28,806	28,806	61.00	1,757,166.00
TOP	TOP LINE BUSINESS DEVELOPMENT C	0	0	0	10,000	10,000	1.60	16,000.00
TUGS	HARBOR STAR SHIPPING SERVICES, II	0	0	0	595,000	595,000	0.59	351,050.00
UBP	UNION BANK OF THE PHILIPPINES, INC	0	0	0	373,819	373,819	26.60	9,943,585.40
UNI	UNIOIL RES & HLDGS., INC.	0	0	0	772,000	772,000	0.25	189,912.00
UPM	UNITED PARAGON	0	0	0	204,800,000	204,800,000	0.01	1,187,840.00
URC	UNIVERSAL ROBINA CORP.	0	0	0	832,260	832,260	67.30	56,011,098.00

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UW	UNIWIDE HOLDINGS, INC.	17,395,000	0	0	0	17,395,000	0.00	0.00
V	VANTAGE EQUITIES, INC.(IVANTAGEC	0	0	0	721,500	721,500	0.89	642,135.00
VITA	VITARICH CORPORATION	0	0	0	11,528,700	11,528,700	0.53	6,110,211.00
VLL	VISTA LAND & LIFESCAPES, INC.	0	0	0	250,325	250,325	1.04	260,338.00
VLL2A	VISTA LAND SERIES 2A PREFERRED	0	0	0	49,580	49,580	91.95	4,558,881.00
VMC	VICTORIAS MILLING COMPANY, INC.	0	0	0	424	424	1.73	733.52
VREIT	VISTAREIT, INC.	0	0	0	30,000	30,000	1.37	41,100.00
VVT	VIVANT CORP. (FORMERLY STAR/ SLT	0	0	0	937	937	19.44	18,215.28
WEB	PHILWEB CORPORATION	0	0	0	903,480	903,480	6.20	5,601,576.00
WHID	WISE HOLDINGS (DELISTED)	871	0	0	0	871	0.00	0.00
WIN	WELLEX INDUSTRIES, INC.	0	0	0	1,373,400	1,373,400	0.26	357,084.00
WLCON	WILCON DEPOT. INC.	0	0	0	271,100	271,100	6.96	1,886,856.00
WPI	WATERPRONT PHILS., INC.	0	0	0	4,363,100	4,363,100	0.41	1,767,055.50
X	XURPAS INC.	0	0	0	9,831,200	9,831,200	0.25	2,438,137.60
ZHI	ZEUS HOLDINGS, INC.	0	0	0	70,244,000	70,244,000	0.07	4,706,348.00
Z-SRPET	PET-SA	1,000	0	0	0	1,000	1.00	1,000.00
		31,572,937		2,787	3,545,973,577	3,577,549,301		1,577,069,124.10