COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A S 0 9 3 0 0 8 9 8 9

COMPANY NAME

STRATEGIC EQUITIES CORPORATION

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

UNIT 1409 PSE TOWER
5TH AVENUE CORNER 28TH STREET
BONIFACIO GLOBAL CITY
TAGUIG CITY

Form Type	Department requring the report	Secondary License Type, If Applicable
AAFS		

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
12	LAST FRIDAY OF APRIL	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number

CONTACT PERSON'S ADDRESS

Note1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from occurance thereof with information and complete contact details of the new contact person designated.

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

STRATEGIC EQUITIES CORP.

FINANCIAL STATEMENTS
DECEMBER 31, 2025

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

ANNUAL AUDITED FINANCIAL STATEMENT

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

Report of the Period Beginning January 1, 2025 to December 31, 2025

IDENTIFICATION OF BROKER OR DEALER

Name of Broker/Dealer:	STRATEGIC EQUITIES CORPORATION
Address of Principal Place of Business:	Unit 1409 PSE Tower 5th Avenue Corner 28th St. BGC, Taguig City

Name and Phone Number of persons to Contact in Regards to this Report:

Name: MARIA LIZA L. GLEAN	Tel. No. 848-51-59 Fax. No. 848-51-64

IDENTIFICATION OF ACCOUNTANT

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

Name: TEODORO SANTAMARIA AND CO. Tele No. 8812-4202

Address: Suite 2108 Cityland 10 Tower 1, 156 H.V Dela Costa Street
Salcedo Village, Makati City

CPA Certificate Number:	7468	Valid until June 5, 2029
SEC Accreditation No.	5593-SEC	Valid until 2025
PTR Number:	10768480	Date Issued: January 06, 2026

strategic equities
corporation

STATEMENT OF MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

SECURITIES AND EXCHANGE COMMISSION
Philippine International Convention Center
Pasay City

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

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

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

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

Teodoro Santamaria and Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

PETER D. GARRUCHO, JR.
Chairman of the Board

CLEMENTE D. GARRUCHO
President

PAULA K. FERIA
Treasurer

Signed this 11th day of May 2026.

TEODORO SANTAMARIA AND CO.
CERTIFIED PUBLIC ACCOUNTANTS

Suite 2108 Cityland 10 Tower 1
156 H.V. Dela Costa St.
Salcedo Village 1226
Makati City, Philippines

Tel : (632) 8812 - 4202
(632) 8553 - 4845
Email: tscocpas@gmail.com

Trust Service Commitment

Supplemental Written Statement Accompanying
Report of Independent Auditors

The Board of Directors and Stockholders
Strategic Equities Corporation
Unit 1409 PSE Tower
5th Avenue, Corner 28th St., BGC Taguig City

We have audited the financial statements of **Strategic Equities Corporation** for the year ended December 31, 2025 on which we have rendered the attached report dated May 11, 2026.

In compliance with Revised SRC Rule 68 we are stating that the above Company has a total number of twelve (12) shareholders, five (5) of which own more than one hundred (100) shares each.

TEODORO SANTAMARIA AND CO.

By: Arsenio M. Dimagiba Jr.
Partner
CPA License No. 007468
Valid until June 5, 2029
BOA/ PRC Registration No. 5593 (Firm)
Valid until September 26, 2027
BOA/ PRC Registration No. 5593/P-002 (Individual)
Valid until September 26, 2027
SEC Accreditation No. 5593 – SEC (Firm)
Valid until 2025 Financial Statements of SEC covered institutions
SEC Accreditation No. 07468 – SEC (Individual)
Valid until 2025 Financial Statements of SEC covered institutions
BIR A.N. 08-008055-000-2025 (Firm)
Valid until March 11, 2028
BIR A.N. 08-008055-002-2026 (Individual)
Valid until April 07, 2029
T.I.N. 106-713-002
PTR No. 10768480 / Makati City
January 06, 2026

May 11, 2026
Makati City, Philippines

Suite 2108 Cityland 10 Tower 1
156 H.V. Dela Costa St.
Salcedo Village 1226
Makati City, Philippines
Tel : (632) 8812 - 4202
(632) 8553 - 4845
Email: tscocpas@gmail.com

Report of Independent Auditors

The Board of Directors and Stockholders
Strategic Equities Corporation
Unit 1409 PSE Tower
5th Avenue, Corner 28th St., BGC Taguig City

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Strategic Equities Corporation** which comprise the statements of financial position as at December 31, 2025 and 2024, and the related statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years then ended, and a summary of material accounting policies and other explanatory information.

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

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 audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

Report on Supplemental Information required by the Bureau of Internal Revenue

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 29 of the Notes to Financial Statements is presented for the purpose of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Report on Supplementary Information required by the Securities and Exchange Commission

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in the attached Schedules 1 to 7 is presented for the purpose of filing with the Securities and Exchange Commission as required under the Revised Securities Regulation Code, (SRC Rules), and is not a required part of the basic financial statements. Such information is the responsibility of the management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

TEODORO SANTAMARIA AND CO.

By: Arsenio M. Dimagiba Jr.
Partner
CPA License No. 007468
Valid until June 5, 2029
BOA/ PRC Registration No. 5593 (Firm)
Valid until September 26, 2027
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Valid until April 07, 2029
T.I.N. 106-713-002
PTR No. 10768480 / Makati City
January 06, 2026

May 11, 2026
Makati City, Philippines

STRATEGIC EQUITIES CORPORATION

STATEMENTS OF FINANCIAL POSITION

		December 31		Market value of securities			
				December 31, 2025		December 31, 2024	
	Notes	**2025**	2024	**Long**	**Short**	Long	Short
		(In Philippine Peso)					
Assets							
Current assets							
Cash and cash equivalents	7	**38,292,824**	39,279,720				
Trade receivables, net	8	**3,721,720**	4,012,102	66,101,766		62,484,033	
Other receivables	9	**350,353**	728,151				
Financial assets at FVPL	10	**-**	-	-		-	
Prepayments and other assets	11	**699,182**	555,701				
Total current assets		**43,064,079**	44,575,673				
Non-current assets							
Property and equipment, net	12	**11,065,406**	11,496,811				
Trading rights	13	**2,860,000**	2,860,000				
Retirement benefits asset	24	**15,216**	226,552				
Other non-current assets	25	**2,030,113**	-				
Deferred tax asset, net	26	**3,390,453**	5,943,316				
Total non-current assets		**19,361,188**	20,526,679				
Total assets		**62,425,267**	65,102,352				
Securities							
In box, with Philippine Depository and Trust Corporation, transfer offices and clearing house					2,559,157,538		2,683,230,569

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	Notes	December 31 2025	December 31 2024	Market value of securities December 31, 2025 Long	Market value of securities December 31, 2025 Short	Market value of securities December 31, 2024 Long	Market value of securities December 31, 2024 Short
		(In Philippine Peso)					
Liabilities and equity							
Current liabilities							
Trade payables	14	**31,452,269**	33,335,539	2,493,055,773		2,620,746,536	
Other current liabilities	15	**523,635**	136,006				
Total current liabilities		**31,975,904**	33,471,545				
Total liabilities		**31,975,904**	33,471,545				
Equity							
Share capital	16	**37,000,000**	35,500,000				
Remeasurement gain on defined benefit plan, net of tax	17,24	**400,403**	400,796				
Deficit	18	**(6,951,040)**	(4,269,989)				
Total equity		**30,449,363**	31,630,807				
Total liabilities and equity		**62,425,267**	65,102,352	2,559,157,538	2,559,157,538	2,683,230,569	2,683,230,569

See accompanying notes to financial statements.

STRATEGIC EQUITIES CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME

	Notes	For the years ended December 31 2025	2024
		(In Philippine Peso)	
Revenue			
Commission revenue	2	**6,155,451**	3,986,065
Cost of services	21	**(5,391,340)**	(5,023,537)
Gross gain/ (loss)		**764,111**	(1,037,472)
Gain on sale of financial assets at FVPL	10	**2,961**	216,345
Other revenue	22	**1,257,718**	1,264,599
Gross income		**2,024,790**	443,472
Operating expenses	23	**(3,925,270)**	(5,525,100)
Loss before income tax		**(1,900,480)**	(5,081,628)
Income tax benefit	26	**113,252**	925,661
Net loss		**(1,787,228)**	(4,155,967)
Other comprehensive income			
Remeasurement on defined benefits obligation, net of tax	17	**(393)**	444,778
Total comprehensive loss		**(1,787,621)**	(3,711,188)
Loss per share	19	**(5.05)**	(12.33)

See accompanying notes to financial statements.

STRATEGIC EQUITIES CORPORATION

STATEMENTS OF CHANGES IN EQUITY

	Common Share Capital (Note 16)	Remeasurement (loss)/gain on defined benefit plan (Note 17)	Retained Earnings Unappropriated (Note 18)	Retained Earnings Appropriated (Note 18)	Total
	(In Philippine Peso)				
Balance as of January 1, 2024	32,000,000	(43,982)	(1,325,169)	1,233,596	31,864,444
Additional paid-up capital	3,500,000	-	-	-	3,500,000
Total comprehensive loss	-	444,778	(4,155,967)	-	(3,711,188)
Expired MCIT (Note 25)	-	-	(22,448)	-	(22,448)
Adjustments	-	-	1,040,739	(1,040,739)	-
Balance as of December 31, 2024	35,500,000	400,796	(4,462,845)	192,856	31,630,807
Additional paid-up capital	1,500,000	-	-	-	1,500,000
Total comprehensive loss	-	(393)	(1,787,228)	-	(1,787,621)
Expired NOLCO (Note 25)	-	-	(2,908,595)	-	(2,908,595)
Refundable Deposit- CTGF	-	-	2,014,772	-	2,014,772
Balance as of December 31, 2025	**37,000,000**	**400,403**	**(7,143,896)**	**192,856**	**30,449,363**

See accompanying notes to financial statements.

STRATEGIC EQUITIES CORPORATION

STATEMENTS OF CASH FLOWS

	Notes	For the years ended December 31	
		2025	2024
		(In Philippine Peso)	
Cash flows from operating activities			
Loss before income tax		**(1,900,480)**	(5,081,628)
Adjustments for:			
Gain on sale of financial assets at FVPL	10	**(2,961)**	(216,345)
Retirement benefits cost	24	**210,845**	879,421
Depreciation	12	**431,405**	737,006
(Reversal)/ Provision for allowance for credit losses	8,22	**(43,815)**	41,103
Operating loss before working capital changes		**(1,305,006)**	(3,640,443)
Decrease/(Increase) in:			
Trade receivables	8	**334,196**	3,002,226
Other receivables	9	**377,798**	(244,803)
Financial assets at fair value through profit or loss	10	**2,961**	2,098,560
Prepayments	11	**(143,481)**	(50,951)
Increase/(Decrease) in:			
Trade payables	14	**(1,883,270)**	1,576,552
Retirement benefits liability	24	**-**	(289,546)
Other current liabilities	15	**387,629**	(128,629)
Cash (absorbed by)/ generated from operations		**(2,229,173)**	2,322,965
Contributions paid		**-**	(550,000)
Income tax paid	26	**(257,723)**	(260,359)
Net cash (used in)/ provided by operating activities		**(2,486,896)**	1,512,606
Cash flows from financing activity			
Additional paid-up capital		**1,500,000**	3,500,000
Net cash provided by financing activity		**1,500,000**	3,500,000
Net (decrease)/ increase in cash and cash equivalents		**(986,896)**	5,012,606
Cash and cash equivalents, January 1	7	**39,279,720**	34,267,114
Cash and cash equivalents, December 31	7	**38,292,824**	39,279,720

See accompanying notes to financial statement

1. Corporate Information

Strategic Equities Corporation (the Company) was incorporated and registered with the Securities and Exchange Commission on November 9, 1993. The Company is a member of the Philippine Stock Exchange (PSE) and operates within the Philippines.

Its primary purpose is to act as stockbroker of any company whether domestic or foreign or of any person, partnership, corporation or association engaged in any lawful business, entity or enterprise; and to carry on and undertake any business, undertaking, transaction or operation commonly carried on or undertaken by stock brokers.

As of December 31, 2025, of the Company's total paid-up capital, 67.83% is owned by Mr. Peter D. Garrucho, 10.54% is owned by the Peach Tree Investment Holdings, Inc., a corporation organized and existing under the laws of the British Virgin Islands., 9.68% is owned by Feria Tantoco Daos and 7.10% is owned by Paula K. Feria The rest of the stockholders are all individuals whose ownership ranges from less than 1% to 5%.

The Company's registered office and principal place of business is located at unit 1409 PSE Tower, 5th Avenue Corner 28th St., BGC, Taguig City.

2. Summary of Material Accounting Policies

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

Statement of Compliance
The accompanying financial statements were prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS), Interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC), and International Financial Reporting Standards Interpretations Committee (IFRSIC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and approved by the Board of Accountancy (BOA).

Basis of Preparation
The accompanying financial statements have been prepared on the historical cost basis except for the present value of retirement benefits liability, less fair value of plan assets, if any, and the use of fair value for financial assets at fair value through profit and loss (FVPL) as further discussed in this note. The preparation of the financial statements in accordance with PFRS requires the use of critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in Note 3.

Functional and Presentation Currency
These financial statements are presented in Philippine Peso. The Company's functional currency and all values are rounded to the nearest Peso, except when otherwise indicated.

Current Versus Non-Current Classification
The Company presents assets and liabilities in the statement of financial position on current/non-current classification.

An asset is current when it is:
- Expected to be realized or intended to be sold or consumed within a normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled within a normal operating cycle;
- It is held primarily for trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve 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.

Adoption of New and Revised IFRS Accounting Standards
Effective in 2025, the Company adopted the following new and revised PFRS Accounting Standards and Interpretations that are mandatory for the annual reporting period beginning on or after 1 January 2025.

- *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*
  The Company has adopted the amendments to IAS 21 Lack of Exchangeability for the first time for the annual reporting period commencing 1 January 2025. The amendments clarify that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would take place at a measurement date and at a spot exchange rate. The adoption of these amendments did not have a material impact on the financial position or performance of the Company as of cut-off date. The amendments were applied prospectively from 1 January 2025. No adjustments to opening retained earnings were required.

- *Amendments to IAS 1 and IFRS 7 – Supplier Finance Arrangements*
  Effective 1 January 2025, the Company adopted amendments to IAS 7 and IFRS 7 concerning supplier finance arrangements. These amendments require entities to provide both qualitative and quantitative disclosures about these arrangements. Disclosures have been updated to reflect the impact of these arrangements on liabilities and cash flows.

- *Other Amendments*
  Amendments to the SASB standards to enhance international applicability were also adopted effective 1 January 2025 but did not significantly impact the financial statements.

New Accounting Standards Issued But Not Yet Effective
In accordance with IAS 8:30, entities must disclose information about new standards that have been issued but are not yet effective.

- *IFRS 18 Presentation and Disclosures in Financial Statements*
  Issued in April 2024, IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with early application permitted. It replaces IAS 1 and introduces new categories for income and expenses (operating, investing, financing) and mandates disclosure of management-defined performance measures. The Company is evaluating the potential impact of IFRS 18 on its financial statement presentation and required disclosures.

- *IFRS 19 Subsidiaries without Public Accountability: Disclosures*
  IFRS 19, issued in May 2024 and effective for periods starting on or after 1 January 2027, allows eligible subsidiaries to use reduced disclosure requirements. The Company is assessing whether it qualifies for IFRS 19, which could lead to fewer disclosures in the financial statement notes.

- *Amendments to IAS 21 – Translation to a Hyperinflationary Currency (Effective 1 January 2027)*
  The amendments relate to the translation of financial statements from a functional currency not subject to hyperinflation into a reporting currency that is.

- *Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (Effective 1 January 2026)*
  These amendments clarify the "solely payments of principal and interest" (SPPI) criterion for financial assets, particularly those with non-recourse features or ESG-linked features.

The Company is in the process of evaluating the impact of these standards and amendments but does not expect them to have a material effect on the financial statements upon adoption.

Material Accounting Policies

Cash and Cash Equivalents
Cash includes cash on hand and with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and that are subject to an insignificant risk of changes in value.

Foreign Currency Translation
Transactions in foreign currency are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated using the functional currency rate of exchange ruling at the reporting date. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. All foreign exchange differences are taken to profit or loss, except where it relates to equity securities where gains or losses are recognized directly in other comprehensive income, the gain or loss is then recognized net of the exchange component in other comprehensive income.

Financial Instruments
Date of Recognition
Financial instruments are recognized in the statements of financial position when the Company becomes a party to the contractual provisions of the instrument. All regular way of purchases or sales of financial assets are recognized on the trade date, which is the date the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The Company has no financial liabilities at FVPL or derivatives for the years ended December 31, 2025 and 2024.

Classification, Measurement and Reclassification of Financial Assets
Under PFRS 9, the classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification and measurement of financial assets are described below and in the succeeding pages.

Financial Assets at Amortized Cost
Financial assets are measured at amortized cost if both of the following conditions are met:

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

All financial assets meeting these criteria are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less any impairment in value. Where the business model is to hold assets to collect contractual cash flows, the Company assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVPL.

The Company's financial assets at amortized cost are presented in the statement of financial position as Cash and Cash Equivalents, Loans and Other receivables, Investment securities at amortized cost and certain accounts under Other Assets account in the statement of financial position. For purposes of reporting cash flows, cash and cash equivalents include cash and other cash items, and investment securities at amortized cost with original maturities of three months or less from placement date.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for those that are subsequently identified as credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance). The interest earned is recognized in the statement of income as part of Interest Income.

Financial Assets at Fair Value Through Profit or Loss
Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorized at FVPL. Further, irrespective of business model, financial assets whose contractual cash flows are not SPPI are accounted for at FVPL. Also, equity securities are classified as financial assets at FVPL. The Company's financial assets at FVPL include equity securities which are held for trading purposes or designated as at FVPL. Financial assets at FVPL are measured at fair value with gains or losses recognized in profit or loss as part of Trading Gain – net under Other Operating Income in the statements of income. Related transaction costs are recognized directly as expense in profit or loss. The fair values of these financial assets are determined by reference to active market transactions or using valuation technique when no active market exists. Interest earned on these investments is recorded as Interest Income and dividend income is reported as part of Dividends both under Other Income account in the statements of income. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI. The Company can only reclassify financial assets if the objective of its business model for managing those financial assets changes.

Accordingly, the Company is required to reclassify financial assets:

(i) from amortized cost to FVPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and,
(ii) from FVPL to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the Company's business model will take effect only at the beginning of the next reporting period following the change in the business model.

Effective Interest Rate Method and Interest Income

Under PFRS 9, interest income is recognized using the effective interest rate (EIR) method for all financial instrument measured at amortized cost and financial instrument designated at FVPL. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of EIR. The Company recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

Hence, it recognizes the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive (negative) adjustment to the carrying amount of the asset in the balance sheet with an increase (reduction) in Interest income. The adjustment is subsequently amortized through interest and similar income in the statements of income. The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the net carrying amount of the financial assets (after deduction of the loss allowance). If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying a credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Impairment of Financial Assets

From January 1, 2018, the Company assesses its ECL on a forward-looking basis associated with its financial assets carried at amortized cost, and other contingent accounts. No impairment loss is recognized on equity investments. Recognition of credit losses or impairment is no longer dependent on the Company's identification of a credit loss event. Instead, the Company considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets. The Company measures loss allowances at an amount equal to lifetime ECL, except for the following financial instruments for which they are measured as 12-month ECL:

- debt securities that are identified to have 'low credit risk' at the reporting date; and,
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

For these financial instruments, the allowance for impairment is based on 12-month ECL associated with the probability of default of a financial instrument in the next 12 months (referred to as 'Stage 1' financial instruments). Unless there has been a significant increase in credit risk subsequent to the initial recognition of the financial asset, a lifetime ECL (which are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial asset) will be recognized (referred to as ‘Stage 2’ financial instruments). ‘Stage 2’ financial instruments also include those loan accounts and facilities where the credit risk has improved and have been reclassified from ‘Stage 3’. A lifetime ECL shall be recognized for ‘Stage 3’ financial instruments, which include financial instruments that are subsequently credit-impaired, as well as purchased or originated credit impaired (POCI) assets.

Measurement of ECL The key elements used in the calculation of ECL are as follows:

- Probability of Default (PD) – it is an estimate of likelihood of a borrower defaulting on its financial obligation over a given time horizon, either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.
- Loss Given Default (LGD) – it is an estimate of loss arising in case where a default occurs at a given time (either over the next 12 months or 12-month LGD), or over the remaining lifetime or lifetime LGD). It is based on the difference between the contractual cash flows of a financial instrument due from a counter party and those the Company would expect to receive, including the realization of any collateral. It is presented as a percentage loss per unit of exposure at the time of default.
- Exposure at Default (EAD) – it represents the gross carrying amount of the financial instruments subject to impairment calculation; hence, this is the amount that the Group expects to be owed at the time of default over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD). In case of a loan commitment, the Company shall include the undrawn balance (up to the current contractual limit) at the time of default should it occur.

The measurement of the ECL reflects:

(i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(ii) the time value of money; and,
(iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

<u>Derecognition of Financial Assets</u>
The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

<u>Other Financial Receivables</u>
Other financial receivables include “Trade receivables” which are recorded when due and measured at the original invoice amount then subsequently carried at amortized cost less allowance from any uncollectible amount. The carrying value of insurance receivables is reviewed from impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, the impairment loss is recorded in the Statement of comprehensive income.

Impairment of Financial Assets at Amortized Cost

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in the statements of comprehensive income. The asset together with the associated allowances are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the statements of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

Fair Value Measurement

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

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

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

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

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

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

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

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

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

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

<u>Other Financial Liabilities</u>
Issued financial instruments or their components, which are not classified as financial liabilities at FVPL are classified as other financial liabilities, where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder or lender, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. The amortization is included as part of interest expense in the statements of comprehensive income. Any effect of restatement of foreign currency-denominated liabilities is recognized in foreign exchange gains/(losses) account in the statements of comprehensive income.

As at December 31, 2025 and 2024, the Company's other financial liabilities include trade payables, payable to non-customers and other current liabilities, except taxes payable, accrued expenses and due to SSS/PHIC and HDMF.

<u>Derecognition of Financial Liabilities</u>
Financial liabilities are derecognized in the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

<u>Offsetting Financial Instruments</u>
Financial assets and financial liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and must be legally enforceable for both entity and all counterparties to the financial instruments.

<u>Property and Equipment</u>
Property and equipment are carried at cost, net of accumulated depreciation and any impairment in value. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Office furniture and fixtures and equipment	34 years
Condominium unit	10 years
Leasehold improvements	15 years

The initial cost of property and equipment comprises its purchase price and all directly attributable cost necessary to bring an asset to its working condition and location for its intended use. Repairs and maintenance, and overhaul costs, are normally charged to operations in the period they are incurred. However, subsequent expenditures incurred for an item in the property and equipment are capitalized and added to the carrying amount of the asset when it is probable that the future economic benefits have been increased beyond its originally assessed standard of performance.

Derecognition of Property and Equipment
An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognized.

Trading Rights
The demutualization of the Philippine Stock Exchange (PSE) has resulted to the conversion of the "Membership Seat in Exchange" account into two asset accounts in the books of the Company – "Investment in PSE shares" and "Exchange Trading Rights" accounts. The cost of the "Membership Seat in Exchange" account was allocated between the Investment in PSE shares and Exchange Trading Rights based in their relative fair values.

The Company considered the Exchange Trading Rights as an intangible asset having an indefinite useful life, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflow to the Company. Exchange Trading Rights is carried at cost less impairment and is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Company has no intention to sell the Exchange Trading Rights in the near future.

Impairment of Non-Financial Assets
At each reporting date, the Company assesses whether there is any indication that its non-financial assets may be impaired. When an indicator of impairment exists (or when annual impairment testing for an asset is required), the Company estimates the recoverable amount of the impaired assets. The recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is the present value of future cash flows expected to be derived from an asset while fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties less cost of disposal. Where the carrying amount of an asset exceeds its recoverable amount, the impaired asset is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

An impairment loss is charged to profit or loss in the period when it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is charged directly to the revaluation increment of the said asset.

For non-financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the net recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its net recoverable amount.

The reversal can be made only to the extent that the resulting carrying value does not exceed the carrying value that would have been determined, net of depreciation and amortization, had no impairment loss been recognized. Such reversal is recognized in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining life.

Related Party Transactions

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operation decisions. This includes: (1) individual owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with, the Company; (2) associates; (3) individual owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

Equity

Share capital is determined using the par value of shares that have been issued.

Reserves comprise gains and losses due to the changes in fair value of Available for sale financial assets and unrecognized actuarial gain or loss on retirement benefits obligation.

Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- Commission income – revenue is recognized when stock brokerage services were rendered to customers and trade deals are confirmed, computed on a flat rate for every trade transaction.
- Interest – revenue is recognized as the interest accrues (taking into account the effective yield on the interest)
- Dividend – revenue is recognized when the shareholders' right to receive the payment is established.
- Gain on sale of financial assets at FVPL is recognized upon actual derecognition of the financial assets, and the ownership of the financial asset had been transferred to the buyer.

Revenue is measured by reference to the fair value of consideration received or receivable by the Company.

Cost and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows on decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Cost and expenses are recognized when the related revenue is earned or when the service is incurred.

Earnings Per Share

Earnings per share is computed by dividing net profit by the weighted average number of shares issued and outstanding at the end of the year.

Retirement Benefit Costs
Retirement benefits liability, as presented in the statement of financial position, is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, if any, adjusted for the effect of limiting a net defined asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under defined benefit plan is actuarially determined using the projected unit credit method. The retirement benefit costs comprise of the service cost, net interest on the net defined liability or asset and the remeasurements of net defined liability or assets.

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

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

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

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

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

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

Income Taxes
Current tax assets or liabilities comprise those claims from, or obligation to, taxation authorities relating to the current or prior reporting period, that are uncollected or unpaid at the reporting period. They are calculated according to the tax rates and tax laws applicable to the calendar periods to which they relate, based on the taxable profit for the year.

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

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carry forward of unused net operating loss carry over (NOLCO), if there are any, to the extent that it is probable that taxable profit will be available against deductible temporary differences.

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

Most changes in deferred income tax assets or liabilities are recognized as a component of tax expense in the statement of comprehensive income. Only changes in deferred income tax assets or liabilities that relates to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

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

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

Provisions and Contingencies

Provisions are recognized when present obligation will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting period, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material.

Provisions are reviewed at each reporting period and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the financial statements, however, they are disclosed, in those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

Events After Reporting Period
Events after reporting period that provide additional information about the Company's position at reporting period (adjusting events) are reflected in the financial statements. Post year-end non-adjusting events are disclosed in the notes to financial statements when material.

3. Material Accounting Judgments and Estimates

The Company's financial statements prepared in accordance with PFRS require management to make judgments and estimates that affect amounts in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Actual results may ultimately differ from these estimates.

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

Determination of functional currency and presentation currency
The Company has determined that its functional currency is the Philippine Peso, which is the currency of the primary environment in which the Company operates.

Categories of financial instruments
The Company classifies a financial instrument, or its component parts, on initial recognition as financial assets, a financial liability or an equity instrument based with the substance of the contractual arrangement and the definitions of financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classifications in the statement of financial position. The Company determines the classification at initial recognition and re-evaluates this designation at every financial reporting date (Please see Note 5).

Impairment of financial assets
The Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its costs; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow. Management believes that no impairment exists in the financial assets for 2025 and 2024 other than receivables.

Provisions and contingencies
Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and disclosure of contingencies are discussed in Note 2 – Provisions.

Estimates
The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances of the Company's financial statements. Actual results could differ from those estimates. The following are the relevant estimates performed by Management on its December 31, 2025 and 2024 financial statements:

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

Allowance for credit losses amounted to P674 and P44,489 for 2025 and 2024, respectively. (Please see Note 8).

Valuation of financial instruments
The Company carries certain financial instruments at fair value which requires the extensive use of and judgment. Significant components of fair value measurement were determined using verifiable objective evidence from observable active markets and other valuation techniques including the use of mathematical models. However, the amount of changes in fair value would differ if the Company utilized different valuation methods and assumptions. Any change in fair value of these financial assets and liabilities would affect profit and loss and equity.

Management valuation methods and assumptions in determining the fair value of the Company's financial instruments are discussed in Note 5.

Useful life of property and equipment
The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of assets. In addition, estimation of the useful lives of property and equipment is based on 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. A reduction in estimated useful lives of property and equipment would increase recorded operating expenses and decrease non-current assets.

Property and equipment, net of accumulated depreciation, amounted to P11,065,406 in 2025 and P11,496,811 in 2024 (Please see Note 12).

Realizable amount of deferred tax assets
The Company reviews its deferred tax assets at each statements of financial position date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Net deferred tax asset amounted to P3,390,453 in 2025 and P5,943,316 in 2024 (Please see Note 26).

Retirement benefits
The determination of the Company's obligation, cost of pension and other retirement benefits depends on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 27 and include, among others, discount rates and salary increase rate.

The retirement benefit asset amounted to P15,216 in 2025 and P226,552 in 2024. Actuarial gains, net of tax amounted to P400,403 in 2025 and P400,796 in 2024 . The retirement expense amounted to P210,845 in 2025 and P329,421.00 in 2024. (Please see Notes 17 and 24).

Impairment of non-financial assets
PFRS requires that an impairment review be performed when certain impairment indicators are present. The Company's policy on estimating the impairment of non-financial asset is discussed in detail in Note 2 – Impairment of non-financial assets. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse

effect on the results of operations. Based on Management assessment, there is no impairment loss on non-financial assets that need to be recognized.

Trading rights
The market value of the Company's exchange trading right is P7,700,000 in 2025 and P8,000,000 in 2024. This amount is based on the most recent sale approved by the Philippine Stock Exchange's Board of Directors on September 17, 2025.

The Company's exchange trading right is carried at cost less impairment amounting to P2,860,000 in 2025 and 2024. (Note 13)

4. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise of financial assets at FVPL and available for sale financial assets. The Company has also various financial assets such as cash and cash equivalents, trade receivables and other receivables, while its financial liabilities are trade payables, payable to non-customers and other current liabilities.

Since the Company is exposed to a variety of risks such as credit risk, liquidity risk, and market risk, the Board of Directors makes it a point to have adequate risk management guiding principles, which will institutionalize a focused approach in addressing its exposure to different business risks.

The Company's risk management policy is addressed as follows:

Credit risks
Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due.

It is inherent to the stock brokerage business that potential losses may arise due to the failure of its customer and counterparties to fulfill their trading obligation on settlement date or the possibility that the value of collateral held to secure obligations becoming inadequate due to adverse market conditions.

The Company has no significant concentration of credit risk. Its day-to-day transactions of buying and selling of equity securities in the Philippine Stock Exchange are made through a reputable stock broker whose qualifications were reviewed and approved by the BOD.

The Company manages credit risk by setting limits for individual customers and group of customers. The Company monitors credit exposures and continually assesses the credit worthiness of counterparties.

The Company's financial assets that have the maximum exposure to credit risk as presented in the financial statements as summarized as follows:

	Notes	**2025**	2024
Cash and cash equivalents	7	**38,277,824**	39,264,720
Trade receivables, gross	8	**3,722,395**	4,056,591
Other receivables	9	**350,353**	728,151
Financial assets at FVPL	10		-
Prepayments and other assets	11	**699,182**	555,701
Total		**43,049,753**	44,605,162

The table below shows the credit quality of financial assets as at December 31, 2025 and 2024:

2025	Notes	Neither past due nor impaired High Grade	Neither past due nor impaired Standard Grade	Past due but not impaired	Allowance for credit losses	Impaired	Total
Loans and receivables							
Cash and cash equivalents	7	38,277,824	-	-	-		38,277,824
Trade receivables	8	3,707,875	14,519	-	-	674	3,721,720
Other receivables	9	-	350,353				350,353
Financial assets at FVPL	10	-	-	-	-		-
		41,985,699	364,873	-	-	674	42,349,897

2024	Notes	Neither past due nor impaired High Grade	Neither past due nor impaired Standard Grade	Past due but not impaired	Allowance for credit losses	Impaired	Total
Loans and receivables							
Cash and cash equivalents	7	39,264,720	-	-	-		39,264,720
Trade receivables	8	4,038,893	17,698	-	-	44,489	4,012,102
Other receivables	9	-	728,151				728,151
Financial assets at FVPL	10	-	-	-	-		-
		43,303,613	745,849	-	-	44,489	44,004,973

Cash and cash equivalents are limited to reputable banks duly approved by the Board of Directors, hence, high grade.

High grade trade receivables are active accounts with a remote likelihood of payment defaults.

Standard grade trade and other receivables are active accounts with minimal instances of payment defaults.

Standard grade financial assets at FVPL represent equity securities being traded in the PSE, which normally reacts to market conditions.

Liquidity risks

Liquidity risks or funding risks is the risk that the Company will encounter in raising funds to meet its commitments and obligations. Liquidity risks may result from difficulty in collections or inability to generate cash inflows as anticipated.

The Company's objectives in managing its liquidity profile are:

a. Ensure that adequate funding is available at all times;
b. Meet commitments as they arise without incurring unnecessary cost;
c. Be able to access funding when needed at the least possible cost;
d. Regularly monitor and evaluate its projected cash flow.

The following are the Company's financial liabilities which have contractual maturities of less than six (6) months.

	Note	**2025**	2024
Trade payables	14	**31,452,269**	33,335,539
Total		**31,452,269**	33,335,539

As at December 31, 2025 and 2024, the Company has sufficient financial assets that can be used to manage its liquidity risk consisting of cash and cash equivalents, trade receivables, other receivables, refundable deposits and financial assets at fair value through profit or loss.

Market risk

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity prices and other market changes. The Company's market risk originates from cash and cash equivalents and financial assets at FVPL.

The Company utilizes market risk factor sensitivities as a tool to manage market risk. Market risk factor sensitivities of a position are defined as a change in the value of a position caused by a unit shift in a given market factor. Market risk factor sensitivities include interest rate and foreign exchange sensitivities. The calculation of the factor sensitivities is obtained by measuring the effect of a one (1) unit increase in current interest rates and current foreign exchange rates or volatilities upon various product types.

Foreign currency risk

The Company has no significant exposure to foreign currency risks as most transactions are denominated in Philippine peso, its functional currency.

Other market price risk

The Company's management monitors market price risk from its financial assets classified as financial assets at fair value through profit or loss. The management monitors the market price in daily-published quotations and regularly reports the results to the Board of Directors.

The following table demonstrates the sensitivity to reasonably possible changes in market value of financial assets at FVPL, with all variable held constant, of net results and equity.

2025	Change	Effect on net results	Effect on Equity	Change	Effect on net results	Effect on Equity
Financial assets at FVPL	23%	0	0	23%	-	-

2024	Change	Effect on net results	Effect on Equity	Change	Effect on net results	Effect on Equity
Financial assets at FVPL	23%	-	-	(23%)	-	-

Interest rate risks
This risk arises when there is a possible change on interest rate of +100 basis points and -100 basis points on December 31, 2025 and 2024 which will affect the future cash flows or fair value of financial instruments. These changes are considered to be reasonably possible based on observation of current market conditions. All other variables are held constant.

	Change in +100 basis points		Change in -100 basis points	
	Effect on net results	Effect on equity	Effect on net results	Effect on equity
December 31,2025				
Cash and cash equivalents	**382,928**	**306,343**	**(382,928)**	**(306,343)**
December 31, 2024				
Cash and cash equivalents	392,797	314,238	(392,797)	(314,238)

5. Categories and Fair Values of Financial Assets and Liabilities

Comparison of carrying values and fair values
The carrying amounts and fair values of the categories of financial assets and liabilities presented in the statements of financial position are shown below:

		2025		2024	
	Note	**Carrying values**	**Fair values**	Carrying values	Fair values
Financial assets					
Loans and receivables:					
Cash and cash equivalents	7	**38,292,824**	**38,292,824**	39,279,720	39,279,720
Trade receivables	8	**3,721,720**	**3,721,720**	4,012,102	4,012,102
Other receivables	9	**350,353**	**350,353**	728,151	728,151
		42,364,897	**42,364,897**	44,019,972	44,019,972
Financial assets at FVPL	10	**-**	**-**	-	-
		42,364,897	**42,364,897**	44,019,972	44,019,972
Financial liability					
Other financial liability					
Trade payables	14	**31,452,269**	**31,452,269**	33,335,539	33,335,539

Management considers the carrying amounts recognized in the statement of financial position to be reasonable estimates of the fair values of cash and cash equivalents, trade receivables, other receivables, trade payables, payables to non-customers and other current liabilities because of their short period term.

The fair value of financial assets at FVPL are based on the quoted market price in the PSE as at December 31, 2025 or the last trading day of the year.

Fair value hierarchy measurements
The table below presents the hierarchy of fair value measurements used by the Company:

	Level 1	Level 2	Level 3	Total
Financial assets at FVPL				
December 31, 2025	**-**	**-**	**-**	**-**
December 31, 2024	-	-	-	-

The different levels have been defined as follows:

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

There was no transfer of financial instruments between levels 1, 2 and 3 in 2025 and 2024.

6. Capital Management Objectives, Policies and Procedures

The Company's objective when managing capital is to maintain its ability to continue as a going concern entity and to maintain optimal capital structure so as to maximize shareholder value. In order to achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and cash equivalents. Total capital is calculated as equity plus net debt.

The Company manages its capital structure and makes adjustments to it as changes in economic conditions arise.

	2025	2024
Net debt	**(6,316,920)**	(5,808,175)
Net equity	**30,449,363**	31,630,807
Total capital	**24,132,444**	25,822,633
Gearing ratio	**-26%**	-22%

Minimum capital requirement
On December 30, 2003, the SEC passed the Amended Implementing Rules and Regulations (IRR) of the SRC effective February 28, 2004. Significant changes include, among others, revisions in the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows: (a) to allow a net capital of P2,500,000 or 2.5% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities, (b) to allow the SEC to set a different net capital requirement for those authorized to use the risk-based capital adequacy model, and (c) to require unimpaired paid-up capital of P100,000,000 for broker dealers firms and will participate in a registered clearing agency; P10,000,000 plus a surety bond for existing broker dealers not engaged in market making transactions; and P2,500,000 for broker dealing only in proprietary shares and not holding securities. The Company posted a surety bond amounting P12,000,000 in compliance with the Amended IRR of the SRC Rule 28.1.

On May 28, 2009, the Securities and Exchange Commission ("SEC") approved Memorandum Circular No. 2009-0316 or Rules Governing Trading Rights and Trading Participants, Art. III, Sec. 8(c). The guidelines states that "Trading Participants shall have a minimum unimpaired paid-up capital, as defined by the SEC of Twenty Million Pesos (P20,000,000) effective December 31, 2009. Provided further that effective December 31, 2010 and onwards, the minimum unimpaired paid-up capital shall be Thirty Million Pesos (P30,000,000)."

On April 15, 2010, PSE issued Memorandum Circular No.2010-0158 or Deferment of the Rule on Minimum Unimpaired Paid-up Capital for Trading Participants previously set to take effect on December 31, 2010.

On October 22, 2010, SEC approved Memorandum Circular No. 2010-0494 or Deferment on the Minimum Unimpaired Paid-up Capital for Trading Participants (TPs). The Memo states that "TPs with Unimpaired Paid-up Capital ("UPC") falling below Thirty Million pesos (P30,000,000) shall post surety bond amounting to Ten Million (P10,000,000) for the period covering 1 January 2011 to 31 December 2011 until securities held and controlled by the TPs shall be recorded under the name of the individual clients in the books of the Transfer Agent." The deferral granted by the Commission is effective only for the period January 2011 until December 31, 2011. However, on November 8, 2010, the Commission has adopted SEC Resolution No. 489, series of 2010 stating the effectivity of the deferment from 01 January 2011 until 30 November 2011. Hence, all TPs must have complied with the Thirty Million UPC requirement by December 2011.

The Company is in compliance with the minimum unimpaired paid-up capital as at December 31, 2025 and 2024.

On November 11, 2004, the SEC approved Memorandum Circular No. 16, which provides the guidelines on the adoption in the Philippines of the Risk Based Capital Adequacy (RBCA) Framework for all registered brokers dealers in accordance with SRC. These guidelines cover the following: (a) position or market risk, (b) credit risks such as counter party, settlement, large exposure, and margin financing risks, and (c) operational risk. Among others, the RBCA rules provide for specific guidelines on the treatment of new subordinated loan agreements and investment in PSE shares. The Circular provides for a transition period from net capital to RBCA until November 30, 2005. During the transition period, the broker dealer is required to comply with the continuing reportorial requirements if the SRC and its IRR, including the RBCA rules. Starting December 1, 2005, every broker dealer is expected to comply with all the requirements of the RBCA rules. The first filing of the RBCA report, postposition, shall reflect the computed RBCA ratio as of December 31, 2005.

The Company being a registered broker in securities is subject to the stringent rules of the SEC and other regulatory agencies with respect to the maintenance of specific levels of RBCA ratios. RBCA is a ratio that compares the broker or dealer's total measured risk to its liquid capital. As a rule, the company must maintain an RBCA ratio of at least 120% and a net liquid capital (NLC) of at least P5.0 million or five percent (5%) of its aggregate indebtedness, whichever is higher. Also, the aggregate indebtedness (AI) of every stockbroker should not exceed two thousand percent (2,000%) of its NLC. In the event that the minimum RBCA ratio of 120% or the minimum NLC is breached, the Company shall immediately cease doing business as a broker and shall notify the PSE and SEC.

The RBCA ratio of the Company as of December 31, 2025 and 2024 are as follows:

	2025	2024
Equity eligible for net liquid capital	**27,058,910**	25,687,492
Less: Ineligible assets	**17,249,506**	15,695,781
Total	**9,809,404**	9,991,710
Position risks	**11,825**	11,633
Operational risks	**983,221**	1,197,137
Counterparty risks	**-**	-
Large exposure risks	**-**	-
Total Risk Capital Requirement	**995,045**	1,208,769
AI	**31,975,904**	33,471,545
5% of AI	**1,598,795**	1,673,577
Required NLC	**5,000,000**	5,000,000
Net Risk-Based Capital Excess	**4,809,404**	4,991,710
Ratio of AI to NLC	**326%**	335%
RBCA Ratio	**986%**	827%

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

Ineligible asset
This pertains to fixed assets and assets which cannot be readily converted into cash.

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

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

Counterparty risk requirement
The amount necessary to accommodate a given level of risk of a counterparty defaulting on its financial obligation to a broker dealer.

Large exposure risk requirement
It is a risk to which a broker dealer is exposed to a single equity security or single issuer group. This is the maximum permissible large exposure and calculated as a percentage of core equity.

Aggregate indebtedness
Total money liabilities of a broker dealer arising in connection with any transaction whatsoever, and includes, among other things, money borrowed, money payable against securities loaned and securities failed to receive, the market value of securities borrowed to the extent which no equivalent value is paid or credited (other than market value of margin securities borrowed from customer and margin securities borrowed from non-customer), customers' and non-customers' free credit balances, and credit balances in customers' and noncustomers' account having short position in securities subject to the exclusions provided in the said SEC Memorandum.

As at December 31, 2025 and 2024, the Company is in compliance with the RBCA ratios, Net Liquid Capital (NLC), Total Risk Capital Requirement, and Ratio of AI to NLC, and other ratios required under the RBCA rule.

7. Cash and Cash Equivalents

Cash and cash equivalents consist of:

	2025	2024
Cash on hand	**15,000**	15,000
Cash in banks - Peso	**15,099,360**	17,035,039
Short-term cash investments	**23,178,463**	22,229,681
Total	**38,292,824**	39,279,720

Cash in bank generally earn interest based on daily bank deposit rates ranging from 0.13% to 0.75% in 2025 and 2024. Short term cash investments have varying maturities up to three months depending on the Company's immediate cash requirements and earn interest at the respective short-term cash investment ranging from 5.63% to 5.75% in 2025 and 0.875% to 5.75% in 2024. Interest earned amounted to P1,211,910 in 2025 and P1,301,795 in 2024. (Note 22)

Cash and cash equivalents includes Special Reserve Bank Account created and maintained for the exclusive benefit of customers as prescribed under SRC Rule 49.2 (Customer Protection Reserves and Custody of Assets) and mentioned in Part I (Rule 49.C) of this rule. Special bank reserve account amounted to P28,713,488 in 2025 and P31,730,131 in 2024. The Company is in compliance with the special bank reserve account requirement as at December 31, 2025 and 2024.

8. Trade Receivables

This account consists of:

	2025	2024
Receivable from customers	**48,231**	2,417,059
Less: Allowance for credit losses	**(674)**	(44,489)
	47,557	2,372,570
Receivable from clearing house	**3,674,163**	1,639,532
Total	**3,721,720**	4,012,102

Trade receivables are usually due within 2 days from transaction date and do not bear any interest. Trade receivables are subject to credit risks exposure.

Receivable from clearing house pertains to the Company's receivable from Securities Clearing Corporation of the Philippines (SCCP). "Receivable from clearing house" arises when total selling transactions, i.e. shares of stock sold by customers exceeds total buying transactions within the last two trading days of the year.

The security values of the debit balance of customers' account follow:

	2025		2024	
Ratio of market value of securities to debit balances	**Debit balances**	**Market value of securities**	Debit balances	Market value of securities
Over 250%	**48,231**	**66,101,766**	189,365	59,003,577
200% to 250%	**-**	**-**	-	-
150% to 200%	**-**	**-**	2,178,800	3,432,037
100% to 150%	**-**	**-**	-	-
	48,231	**66,101,766**	2,368,165	62,435,613
Partially secured accounts:				
Less than 100%	**-**	**-**	48,894	48,420
Unsecured	**-**	**-**	-	-
	-	**-**	48,894	48,420
Total	**48,231**	**66,101,766**	2,417,059	62,484,033
Allowance for credit losses	**(674)**	**-**	(44,489)	-
Receivable from customers, net	**47,557**		2,372,570	
Receivable from clearing house	**3,674,163**	**-**	1,639,532	-
Net	**3,721,720**	**66,101,766**	4,012,102	62,484,033

Receivable from customers as at December 31, 2025 and 2024 amounting to P48,231 and P2,417,059 is secured by collateral comprising of equity securities of listed companies owned by the customers with the total fair values of P66,101,765 and P62,484,033, respectively. The collateral's fair value (market value) is based on the quoted market price at the PSE as at December 31, 2025 and 2024 or the last trading day of the year.

In the event the customers failed to pay on due date, the Company is authorized to sell, even without notice, the equity securities held as collateral at prices prevailing on the date of securities are sold to cover the cost of the equity securities purchased for the client.

Allowance for credit losses is provided for when objective evidence is received that the Company will not be able to collect certain amounts due to it in accordance with original term of the receivables.

Movements of the allowance for credit losses follow:

	Note	**2025**	2024
Balance, January 1		**44,489**	3,386
(Reversal)/ Provision of credit losses	22	**(43,815)**	41,103
Balance, December 31		**674**	44,489

The table below shows the aging of receivables as of December 31, 2025 and 2024 respectively:

	2025	2024
Neither past due nor impaired		
0 to 2 days	**-**	174,921
3 to 13 days	**33,712**	2,224,440
	33,712	2,399,361
Past due but not impaired		
14 to 30 days	**-**	738
30 days to 1 year	**14,519**	16,959
	14,519	17,698
Total	**48,231**	2,417,059

9. Other Receivables

Other receivables amounting to P350,353 in 2025 and P728,151 in 2024 pertain to advances to employee and accrual of commission income from initial public offering of new shares.

10. Financial Assets at Fair Value Through Profit or Loss (FVPL)

Reconciliation of the carrying amount of financial assets at FVPL follows:

	2025	2024
Balance, January 1	**-**	1,882,215
Net transactions	**-**	(1,882,215)
Unrealized loss	**-**	-
Balance, December 31	**-**	-

Net transactions for 2025 amounted to P197,980 buying and P197,980 selling.

Financial assets at FVPL represents the Company's investment in an equity security being traded at the Philippine Stock Exchange and is carried at fair value. Fair value is based on the quoted market price at the PSE as at December 31, 2025 and 2024. As of December 23, 2025, the Company holds suspended shares amounting to 700,840, which are included in the Fair Value Through Profit or Loss (FVPL) balance. However, these shares are classified as ineligible assets due to the absence of a readily determinable market.

Reconciliation of cost to fair value follows:

	2025	2024
Cost	**-**	1,379,475
Fair value adjustment	**-**	(1,379,475)
Fair value	**-**	-

Dividend income earned on financial assets at FVPL amounted to nil in 2025 and 2024.

Trading gain amounted to P2,961 in 2025 and P216,345 in 2024.

11. Prepayments and Other Assets

This account consists of the following:

	2025	2024
Creditable withholding tax	**548,383**	483,312
Prepaid insurance	**36,504**	36,504
Prepaid taxes and licenses	**35,885**	35,885
Other prepayments	**78,410**	-
Total	**699,182**	555,701

Prepayments are expected to be utilized within the Company's normal operating cycle.

12. Property and Equipment, Net

Property and equipment are summarized as follows:

	Condominium units	**Office furniture fixturess and equipment**	**Unit improvements**	**Total**
Cost				
January 1, 2024	14,408,458	6,578,726	2,079,601	23,066,785
Acquisition	-		-	-
December 31, 2024	14,408,458	6,578,726	2,079,601	23,066,785
Acquisition	-		-	-
December 31,2025	14,408,458	6,578,726	2,079,601	23,066,785
Accumulated depreciation				
January 1, 2024	3,735,540	6,057,625	1,039,803	10,832,968
Depreciation	426,924	102,122	207,960	737,006
December 31, 2024	4,162,464	6,159,747	1,247,763	11,569,974
Depreciation	320,187	41,898	69,320	431,405
December 31, 2025	4,482,651	6,201,645	1,317,083	12,001,379
Net book value				
December 31, 2025	**9,925,807**	**377,081**	**762,518**	**11,065,406**
December 31, 2024	10,245,994	418,979	831,838	11,496,811

In 2025, some fixed assets were refurbished and their lives extended. As a consequence, new depreciation rates were used.

Property and equipment include fully depreciated items which are still in use in 2025 and 2024, as follows:

2025	**Cost**	**Accumulated depreciation**	**Net book value**
Office furniture and fixtures and equipment	**2,689,478**	**(2,689,478)**	**-**
	2,689,478	**(2,689,478)**	**-**
2024	Cost	Accumulated depreciation	Net book value
Office furniture and fixtures and equipment	2,689,478	(2,689,478)	-
	2,689,478	(2,689,478)	-

13. Trading Rights

Trading rights of the Company amounts to P2,860,000 in both 2025 and 2024.

The market value of the Company's exchange trading right is P7,700,000 in 2025 and P8,000,000 in 2024. This amount is based on the most recent sale approved by the Philippine Stock Exchange's Board of Directors on September 17, 2025.

14. Trade Payables

This account consists of:

	2025	2024
Payable to customers	**31,452,268.87**	33,335,539
Payable to brokers		-
	31,452,269	33,335,539

Details of payable to customers are as follows:

	2025		2024	
Ratio of market value of securities to credit balances	**Credit balances**	**Market value of securities**	Credit balances	Market value of securities
Free				
With money balances	**31,452,269**	**1,528,002,829**	33,335,539	1,529,951,645
No money balances		**965,052,944**		1,090,794,890
Total	**31,452,269**	**2,493,055,773**	33,335,539	2,620,746,536

Trade payables are usually due within 2 days and 31 days from transaction date and do not bear any interest.

15. Other Current Liabilities

This account consists of the following:

	2025	2024
Accrued expenses and other expenses	**112,564**	61,136
Withholding tax- compensation	**18,103**	29,603
Output VAT	**135,502**	16,964
Clearing house fee payable	**13,563**	12,513
STT payable	**4,026**	12,251
Deposit for future Subscription	**235,000**	-
Withholding tax- expanded	**4,877**	3,538
Total	**523,635**	136,006

Accrued expenses and other payables are expected to be settled within the next operating cycle of the Company. Accrued expenses of the Company include the accrual of commissions, utilities and payroll for the years 2025 and 2024.

16. Share Capital

The details of the Company's share capital are shown below, thus:

		2025	2024
Authorized - par value, P100 per share:			
1,000,000 shares	P100,000,000		
Issued and paid up			
370,000 shares in 2025 and 355,000 shares in 2024		**37,000,000**	35,500,000
		37,000,000	35,500,000

As of December 31, 2025, the Company has twelve (12) stockholders, five (5) of whom owning more than one hundred (100) shares each of the Company's capital stock.

At a special meeting of the Board of Directors of the Corporation held on December 13,2024, it was resolved, that pursuant to the Corporation's authority to issue or sell, from time to time, shares of stocks to subscribers, the Corporation shall issue a total of Fifteen Thousand (15,000) shares out of its unsubscribed shares in 2024. The issuance has been fully subscribed by the stockholders on March 4,2025.

17. Remeasurement (Loss)/Gain on Defined Benefit Plan

Remeasurement represents the movement in the actuarial (loss)/gain under the Revised PAS 19 as follows:

	Gross (Note 24)	Tax effect	Net
Balance, December 31, 2023	500,995	(10,996)	400,796
Amount recognized in comprehensive income	-	111,195	-
Balance, December 31, 2024	500,995	100,199	400,796
Amount recognized in comprehensive income	(491)	(98)	(393)
Balance, December 31, 2025	**500,504**	**100,101**	**400,403**

18. Retained Earnings

As mentioned in Note 6, the Securities and Exchange Commission on November 11, 2004 has issued SEC memorandum Circular No. 16, Series of 2004 which approved the adoption of RBCA for Broker Dealers. Rule 49.1 (B) "Reserve Fund" of the RBCA. This provides that (1) every Broker Dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to the Appropriated Retained Earnings account. Appropriation shall be 30%, 20%, 10% of profit after tax for broker dealers with unimpaired paid-up capital between P10,000,000 to 30,000,000, between P30,000,000 to 50,000,000 and above P50,000,000 respectively, (2) the amount appropriated shall not be available for payment of dividends, (3) 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 amount so transferred out shall not be available for payment of dividend, (4) consistent with the general usage under SRC Rule 28.1 (E) (v), the term "Unimpaired Paid Up Capital" shall refer to the firm's Total Paid Up Capital less any deficiency in the Retained Earnings account, (5) a Broker Dealer may submit to the Commission for approval its own capital build up plan in lieu of the requirements of this provision, (6) notwithstanding the requirements of this section, the Commission may prescribe a different capital build up plan for all Broker Dealers, specifically those incurring net losses during the period, which may include the programmed infusion of fresh capital.

No appropriation was made in 2025 and 2024 since the Company incurred a net loss. In 2024, the Company transferred P1,040,739 to unappropriated retained earnings equivalent to the impairment in capital as provided in number (3) above. The total appropriated retained earnings amounted to P192,856 in 2025 and 2024. The appropriated retained earnings amounting to P192,856 for the years ended December 31, 2025 and 2024, respectively, represent the reserve fund established solely to comply with the requirements of SRC Rule 68.49.1(B). No portion of the appropriated retained earnings pertains to any other purpose. Moreover, the entire balance of appropriated retained earnings pertains solely to compliance with the said regulatory requirement.

Unappropriated

Prior year's payments for CTGF are reclassified as refundable deposits and adjusted to unappropriated retained earnings. (See Note 25)

19. Loss Per Share

The computation of earnings per share follows:

	2025	2024
Net loss	**(1,787,621)**	(4,155,967)
Weighted average number of shares		
Issued and outstanding	**354,213**	337,129
Loss per share	**(5.05)**	(12.33)

20. Personnel Cost

The breakdown of personnel costs is as follows:

	Note	2025	2024
Salaries and wages		**2,860,459**	3,952,900
Other benefits		**462,796**	465,608
Total		**3,323,255**	4,418,508
Less: Charged as part of			
direct operating cost	21	**2,234,986**	2,515,506
Total charged as part of			
operating expenses	23	**1,088,269**	1,903,002

21. Cost of Services

The breakdown of Costs of services follows:

	Note	2025	2024
Salaries and benefits	20	**2,234,986**	2,515,506
Commission expenses		**1,898,419**	1,345,985
Stock exchange dues and fees		**962,016**	873,028
Central depository fees		**295,920**	289,018
Total		**5,391,340**	5,023,537

22. Other Revenues

The breakdown of other income follows:

	Note	2025	2024
Interest revenue	7	**1,211,910**	1,301,795
Unrealized foreign exchange gain/(loss)		**1,994**	3,907
Reversal of/ (Provision for) credit losses	8	**43,815**	(41,103)
Total		**1,257,718**	1,264,599

23. Operating Expenses

The breakdown of operating expenses is as follows:

	Note	**2025**	2024
Salaries and other employee benefits	20	**1,088,269**	1,903,002
Depreciation	12	**431,405**	737,006
Condominium dues and fees		**364,661**	322,334
Transportation and travel		**342,587**	323,362
Postage, telephone, and communication		**317,245**	328,967
Professional fees		**250,817**	222,211
Repairs and maintenance		**236,717**	179,685
Retirement benefit cost		**210,845**	329,421
Utilities		**131,574**	127,209
Office supplies		**115,317**	114,038
Taxes and licenses		**110,910**	129,182
Entertainment, amusement and recreation		**41,569**	164,283
Insurance		**40,644**	40,644
Rent		**31,579**	142,105
Subscriptions and periodicals		**9,017**	4,199
Bank charges		**5,360**	5,700
Directors' fee		**-**	250,000
Miscellaneous		**196,754**	201,752
Total		**3,925,270**	5,525,100

24. Retirement Benefits

Post-Employment Plan
The Company's retirement plan is non-contributory and of the defined benefit type which provides a retirement benefit equal to one-half (1/2) month salary for every year of service in accordance with the Retirement Pay Law (Republic Act No. 7641.

It should be noted that the expense required to be recognized under PAS 19R is not the recommended amount of contribution to the Retirement Fund. That is, the recommended contributions to support the Plan benefits may require a separate valuation for funding purposes (Funding Valuation). The reason for this is that the Funding valuation factors in the actual performance of the Trust Fund, whereas the PAS 19 valuation uses risk-free market rates regardless of the Trust Fund's actual performance.

Employee Profile
There were 9 employees covered in the valuation. The average age of the whole group was 53 and the average years of service was 16.78. The average monthly salary was computed at P26,989.

There was one (1) employee eligible for normal retirement benefit, 2 employees qualified for early retirement benefits and another one (1) employee already entitled to late retirement benefit, while 3 employees were qualified for voluntary resignation benefits under the plan as of December 31, 2025.

Changes in Present Value of the Pension Liability

	2025	2024
Present Value of Liability, beginning	**3,732,706**	4,485,566
Interest Cost	**229,561**	268,685
Current Service Cost	**224,778**	312,078
Benefit Paid	**(700,000)**	(550,000)
Actuarial Gain to be recognized in Other Comprehensive Income	**(215,238)**	(783,623)
Present Value of Liability, ending	**3,271,807**	3,732,706

Changes in the Fair Value of Plan Assets

	2025	2024
Fair Value of Plan Assets, beginning	**3,959,258**	4,196,020
Asset Return in Net Interest Cost	**243,494**	251,342
Contributions	**-**	289,546
Benefits paid	**(700,000)**	(550,000)
Remeasurement - Plan Assets	**(215,729)**	(227,650)
Fair Value of Plan Assets, ending	**3,287,023**	3,959,258

Liability/(Asset) Recognized in the Statement of Financial Position

	2025	2024
Present Value of Liability, ending	**3,271,807**	3,732,706
Fair Value of Plan Assets, ending	**(3,287,023)**	(3,959,258)
Unfunded Obligation	**(15,216)**	(226,552)
Asset Ceiling Adjustment	**-**	-
Liability/(Asset), ending	**(15,216)**	(226,552)

Amount to be Recognized in Profit or Loss

	2025	2024
Current Service Cost	**224,778**	312,078
Net Interest Cost	**(13,933)**	17,343
Total	**210,845**	329,421

Amount to be Recognized in Other Comprehensive Income (OCI)

	2025	2024
Beginning	**500,995**	(54,978)
Actuarial Gain	**215,238**	783,623
Remeasurement - Plan Assets	**(215,729)**	(227,650)
Ending	**500,504**	500,995

Movement in Net Liability/ (Asset)

	2025	2024
Opening Net Liability/ (Asset)	(226,552)	289,546
Amount to be Recognized in Profit/ Loss	210,845	329,421
Amount to be Recognized in Other Comprehensive Income	491	(555,973)
Contributions	-	(289,546)
Closing Net Liability/ (Asset)	(15,216)	(226,552)

Breakdown of Actuarial (Gain)/ Loss on Obligation

	2025	2024
Due to financial assumption	715	(439)
Due to experience	(215,953)	(783,184)
	(215,238)	(783,623)

Actual Return on Plan Asset

	2025	2024
Asset return in net interest cost	243,494	251,342
Remeasurement - Plan assets	(215,729)	(227,650)
	27,765	23,692

Principal Actuarial Assumptions

	2025	2024
Beginning of period		
Discount Rate	6.15%	5.99%
Salary Increase Rate	1.00%	1.00%
End of period		
Discount Rate	5.98%	6.15%
Salary Increase Rate	1.00%	1.00%

Weighted Average Duration of the Define Benefit Obligation

The weighted average duration of the defined benefit obligation is 8 in both 2025 and 2024.

Amount to be recognized in Profit or Loss for the year 2025

	2025
Current Service Cost	225,929
Net Interest Cost	(910)
Total	225,019

Maturity Analysis of the undiscounted benefit payments as of December 31, 2025

1 year and less	1,484,247
more than 1 year to 5 years	593,646
more than 5 year to 10 years	2,132,018
more than 10 year to 15 years	-
more than 15 year to 20 years	-
more than 20 years	860,767

Sensitivity Analysis of Defined Benefit Obligation

December 31,2025		
Discount rate	D+0.5%	D+0.5%
Present value of obligation	3,269,804	3,274,135
(Decrease)/ Increased by:	(2,003)	2,328
Salary increase rate	S+1.0%	S-1.0%
Present value of obligation	3,276,872	3,268,03
Increase/(Decrease)by:	5,065	(3,776)

December 31, 2024		
Discount rate	D+0.5%	D+0.5%
Present value of obligation	3,731,478	3,734,161
Increase/(Decrease)by:	(1,228)	1,455
Salary increase rate	S+1.0%	S-1.0%
Present value of obligation	3,735,956	3,730,368
Increase/(Decrease)by:	3,250	(2,338)

25. Other Non-Current Assets

This account consists of the following:

	Note	**2025**	2024
Deferred charges- MCIT	26	**15,341**	-
CTGF refundable deposit		**2,014,772**	-
Total		**2,030,113**	-

CTGF refundable deposits pertain to contributions to the Clearing and Trade Guaranty Fund (CTGF) given to the SCCP, computed based on the average brokerage transactions of the Company. On March 13, 2018, the PSE approved SCCP proposed amendments to SCCP Rule 5.2 and Operating Procedure 4.3.1.3, making the Clearing Members' contribution to the CTGF refundable to Clearing Members upon cessation of their business and/or termination of their membership with SCCP, under certain conditions. The revised rule took effect on August 1, 2018.

CTGF contributions pertains to refundable deposits that have been recorded under the expense account from prior years amounting to P2,014,772. This was recorded in 2025 as an adjustment to Retained earnings.

26. Income Taxes

Income tax expense/ (benefit) consists of the following:

	2025	2024
Final	**242,382**	260,359
Deferred:		
NOLCO	**(589,471)**	(1,178,477)
Unrealized gain on financial assets at FVPL		-
Retirement benefit cost	**-**	-
Adjustment in DTA/DTL	**225,074**	-
Allowance for credit losses	**8,763**	(7,543)
Total deferred tax	**(355,634)**	(1,186,020)
Total	**(113,252)**	(925,661)

A reconciliation income tax on pretax income computed at the applicable statutory rates to income tax expense reported in the Statement of comprehensive income is as follows:

	2025	2024
Loss before income tax	**(380,096)**	(1,016,326)
Adjustment in DTA/DTL	**225,074**	
Tax effect of:		
Non-taxable income	**(399)**	(781)
Non-deductible expenses	**42,169**	91,446
Total	**(113,252)**	(925,661)

Validity of NOLCO as follows:

Year Incurred	Validity	Amount	Applied previous year	Applied current year	Expired	Net operating loss (Unapplied)	Deferred tax Asset
2020	2025	6,199,614	-	-	6,199,614	**-**	**-**
2021	2026	3,714,112	-	-	-	**3,714,112**	**742,822**
2022	2025	5,243,552	-	-	5,243,552	**-**	**-**
2023	2026	4,412,967	-	-	-	**4,412,967**	**882,593**
2024	2027	5,892,384.00				**5,892,384**	**1,178,477**
2025	2028	2,947,353	-	-	-	**2,947,353**	**589,471**
		28,409,982	**-**	**-**	**11,443,166**	**16,966,816**	**3,393,362**

As provided by BIR Revenue Regulations No. 25-2020 (Section 4) dated September 30, 2020, the business or enterprise which incurred net operating loss for taxable years 2020 and 2021 shall be allowed to carry over the same as a deduction from its gross income for the next five (5) consecutive taxable years immediately following the year of such loss. The net operating loss for said taxable years may be carried over as a deduction even after the expiration of RA No. 11494 provided the same are claimed within the next five (5) consecutive taxable years immediately following the year of such loss.

Validity of MCIT as follows:

Minimum Corporate income tax (MCIT) of 2% of the gross income as defined in Republic Act No. 8424 is imposed when MCIT is greater than the Normal Corporate Income Tax.

MCIT for 2025 amounted to P15,341 in 2025 and nil in 2024.

Deferred taxes

Components of deferred tax asset/ (liability) follows:

	Beginning balance	**Charged to equity**	**Charged to income**	**Ending balance**
Allowance for credit losses	8,763	-	(8,628)	**135**
Net operating loss carry over (NOLCO)	5,712,486	(2,908,595)	589,471	**3,393,362**
Fair value adjustment of FA at FVPL	275,895	-	(275,895)	**-**
Retiement liability	(53,286)	50,242	-	**(3,043)**
Deferred tax assets/(liability)	**5,943,858**	**(2,858,352)**	**304,947**	**3,390,453**

The future tax benefit of the deferred income tax asset will be realized upon write-off and/or upon realizing a positive taxable net income.

27. Related Party Transactions

Selling and buying of equity securities
Certain shareholders and officers of the Company buy and sell equity securities in the Company.

The transactions for 2025 and 2024 are summarized as follows:

	2025	2024
Selling	**74,944,342**	70,239,231
Buying	**65,304,578**	113,080,733

All charges and expenses related with the selling and buying of equity securities of related parties were treated as non-related party transactions.

Key management personnel compensation
The key management personnel of the Company that received compensation are the directors, president, the chairman and the treasurer.

The Company does not use a management entity that provides management services and management personnel services.

Retirement fund
The Company has a significant influence over the retirement fund for the benefit of their employees.

		Amount		Outstanding Values	
	Transaction	**2025**	2024	**2025**	2024
Defined benefit plan	Funding	**-**	289,546	**3,287,023**	3,959,258

The retirement fund is composed of cash and cash equivalents, accounts receivable, marketable securities and accounts payable.

Cash in bank generally earn interest based on daily bank deposit rates ranging from 0.13% to 0.50% in 2025 and 2024. Cash equivalents are short term deposits which are placed for varying periods depending in the immediate requirements of the Company.

Marketable securities are the Company's investment in an equity-securities being traded at the Philippine Stock Exchange and is carried at fair value.

28. Approval of Financial Statements

The financial statements of the Company for the year ended December 31, 2025 were authorized for issue by the Board of Directors on May 11, 2026.

29. Supplementary Information Required by the Bureau of Internal Revenue

Revenue Regulations No. 15-2010
Revenue regulation 15-2010 issued by the Bureau of Internal Revenue, requires, in additions to disclosures mandated under the Philippine Financial Reporting Standards, and such other standards and/or conventions as may heretofore be adopted, the Notes to Financial Statements to include information on taxes, duties and license fees paid or accrued during the taxable year, as follows:

			Output Tax	
			2025	2024
Commission revenue	6,166,841	12%	**740,021**	503,273
Gain on sale FVPL and PSE shares	-	12%	-	-
Miscellaneous income	-	12%	-	-
Exempt sales- ommission	-	0%	-	-
Output VAT for the year			**740,021**	503,273

The following information on taxes, duties and license fees paid or accrued during the year is presented for the purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements.

Value-added tax

VAT-exempt sale is the sale of goods, properties or service and the use or lease of properties which is not subject to output tax and whereby the buyer is not allowed any tax credit or input tax related to such exempt sale.

			Input Tax	
			2025	2024
Current year's purchases:				
Capital gooods not exceeding one million	-	12%	-	-
Domestic purchases of goods	**342,077**	12%	41,049.28	39,127
Domestic purchases of services	**2,100,368**	12%	252,044.13	241,942
Input VAT for the year			**293,093.41**	281,068.51

Withholding taxes

	2025	2024
Tax withheld by the company on:		
Compensation	**372,762**	286,675
Expanded	**70,762**	117,905
	443,524	404,580

Other taxes and licenses

	Date paid	O.R Number	2025	2024
SEC licenses (stockbroker/trader)	various	various	**4,607**	35,885
Documentary tax	various	various	**11,250**	34,129
Real estate tax	various	various	**6,024**	32,115
Municipal taxes and licenses	various	various	**89,029**	27,053
Registration fees on title	various	various	**-**	-
Community tax certificate	various	various	**-**	-
Total			**110,910**	129,182

Documentary stamp tax
Documentary stamps paid by the Company amounted to P11,250 in 2025 and P34,129 in 2024.

Tax assessment and litigation
As of the year ended December 31, 2025, Strategic Equities Corporation has no pending tax assessment and litigation.

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STRATEGIC EQUITIES CORPORATION

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS DECEMBER 31, 2025

There are no subordinated liabilities to claims of general creditors and no changes were presented as required under Rule 52.1-5 of the Securities Regulation Code.

Schedule 1

STRATEGIC EQUITIES CORPORATION
RISK-BASED CAPITAL ADEQUACY WORKSHEET
December 31, 2025

Assets	**62,425,267**
Liabilities	**31,975,904**
Equity as per books	**30,449,363**
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	3,390,453
Revaluation Reserves	-
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	**3,390,453**
Equity Eligible For Net Liquid Capital	**27,058,910**
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	2,860,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	11,065,406
d. All Other Current Assets	699,182
e. Securities Not Readily Marketable	
f. Negative Exposure (SCCP)	229,236
g. Notes Receivable (non-trade related)	
h. Interest and Dividends Receivables outstanding for more than 30 days	
i. Ineligible Insurance claims	
j. Ineligible Deposits	2,030,113
k. Short Security Differences	
l. Long Security Differences not resolved prior to sale	
m. Other Assets including Equity Investment in PSE	365,569
Total ineligible assets	**17,249,506**
Net Liquid Capital (NLC)	**9,809,404**
Less:	
Operational Risk Reqt (Schedule ORR-1)	**983,221**
Position Risk Reqt (Schedule PRR-1)	**11,825**
Counterparty Risk (Schedule CRR-1 and detailed schedules)	
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)	
LERR to a single client (LERR-1)	
LERR to a single debt (LERR-2)	
LERR to a single issuer and group of companies (LERR-3)	
Total Risk Capital Requirement (TRCR)	**995,045**
Net RBCA Margin (NLC-TRCR)	**8,814,358.38**
Liabilities	**31,975,904**
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilites	
Loans secured by securities	
Loans secured by fixed assets	
Others	-
Total adjustments to AI	**-**
Aggregate Indebtedness	**31,975,904**
5% of Aggregate Indebtedness	**1,598,795**
Required Net Liquid Capital (> of 5% of AI or P5M)	**5,000,000**
Net Risk-based Capital Excess / (Deficiency)	**4,809,404**
Ratio of AI to Net Liquid Capital	**326%**
RBCA Ratio (NLC / TRCR)	**986%**

STRATEGIC EQUITIES CORPORATION

INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS UNDER SRC RULE 49.2 ANNEX 49.2-A DECEMBER 31, 2025

Customers' fully paid securities and excess margin securities not in the broker's or dealer's possession or control as of the report date 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	N/A
Number of items	N/A

Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as part 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	N/A
Number of items	N/A

Schedule 3

STRATEGIC EQUITIES CORPORATION

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER ANNEX G OF SRC RULE 49.2 ANNEX 49.2-B
DECEMBER 31, 2025

		CREDITS		DEBITS
Free credit balances and other credit peso balances in customer's security account	₱	29,545,958		
Credit balances in the account of non customers such as		-		
general partners and principal officers		-		
Clearing accounts with net credit balances attributable to customers transactions		-		
Debit balances in customers cash or margin accounts excluding unsecured accounts doubtful of collection				15,305
Failed to deliver securities not older than 30 calendar days				3,346,020
TOTALS	₱	29,545,958	₱	3,361,325
Excess of credit balances over debit balances				26,184,633
Required Reserve				26,184,633
"Special Reserved Bank Account"				28,713,488
Additional deposit required				**-**

STRATEGIC EQUITIES CORPORATION

A REPORT DESCRIBING ANY MATERIAL INADEQUACIES FOUND TO EXIST OR FOUND TO HAVE EXISTED SINCE THE DATE OF THE PREVIOUS AUDIT
DECEMBER 31, 2025

During the current year audit, no material inadequacies were found to exist or found to have existed since the date of the previous audit.

Schedule 5

STRATEGIC EQUITIES CORPORATION

RESULTS OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED, AS OF THE DATE OF THE STATEMENTS OF FINANCIAL CONDITION IN THE ANNUAL AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2025

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

STRATEGIC EQUITIES CORPORATION

SECURITIES POSITION REPORT

As of December 31, 2025

Market Price	PSE	CODE	CUSTOMERS ACCOUNT No. of Shares	CUSTOMERS ACCOUNT Market Value	DEALER'S/INVESTMENT No. of Shares	DEALER'S/INVESTMENT Market Value	WITH CLEARING No. of Shares	WITH CLEARING Market Value	IN BOX No. of Shares	IN BOX Market Value	TRANSFER OFFICE No. of Shares	TRANSFER OFFICE Market Value	IN PCD No. of Shares	IN PCD Market Value
1.6000	1.6000	AAA	25,000	40,000.00	-	-	-	-	-	-	-	-	25,000	40,000.00
2.0600	2.0600	AB	3,000	6,180.00	-	-	-	-	-	-	-	-	3,000	6,180.00
0.2600	0.2600	ABA	613,200	159,432.00	-	-	-	-	-	-	-	-	613,200	159,432.00
4.2100	4.2100	ABS	3,773,051	15,884,544.71	-	-	-	-	-	-	-	-	3,773,051	15,884,544.71
3.4100	3.4100	ABSP	400,500	1,365,705.00	-	-	-	-	-	-	-	-	400,500	1,365,705.00
468.0000	468.0000	AC	59,453	27,824,004.00	-	-	-	-	-	-	-	-	59,453	27,824,004.00
2.7200	2.7200	ACEN	4,585,920	12,473,702.40	-	-	-	-	-	-	-	-	4,585,920	12,473,702.40
1010.0000	1,010.0000	ACENA	15,630	15,786,300.00	-	-	-	-	-	-	-	-	15,630	15,786,300.00
2540.0000	2,540.0000	ACPAR	9,100	23,114,000.00	-	-	-	-	-	-	-	-	9,100	23,114,000.00
1989.0000	1,989.0000	ACPB4	5,050	10,044,450.00	-	-	-	-	-	-	-	-	5,050	10,044,450.00
0.4700	0.4700	ACR	2,497,000	1,173,590.00	-	-	-	-	-	-	-	-	2,497,000	1,173,590.00
28.0000	28.0000	AEV	457,732	12,816,496.00	-	-	-	-	-	-	-	-	457,732	12,816,496.00
8.1900	8.1900	AGI	168,050	1,376,329.50	-	-	-	-	-	-	-	-	168,050	1,376,329.50
1.1700	1.1700	AGIW	42,012	49,154.04	-	-	-	-	-	-	-	-	42,012	49,154.04
0.4200	0.4200	ALCO	241,949	101,618.58	-	-	-	-	-	-	-	-	241,949	101,618.58
485.0000	485.0000	ALCPD	1,000	485,000.00	-	-	-	-	-	-	-	-	1,000	485,000.00
22.4500	22.4500	ALI	1,168,886	26,241,490.70	-	-	-	-	-	-	-	-	1,168,886	26,241,490.70
0.0000	0.0000	ALIP	379,903	-	-	-	-	-	-	-	-	-	379,903	-
0.0310	0.0310	ALLDY	11,905,086	369,057.67	-	-	-	-	-	-	-	-	11,905,086	369,057.67
1.3000	1.3000	ALLHC	1,985,000	2,580,500.00	-	-	-	-	-	-	-	-	1,985,000	2,580,500.00
17.2000	17.2000	AMC	5,000	86,000.00	-	-	-	-	-	-	-	-	5,000	86,000.00
0.5400	0.5400	ANI	569,200	307,368.00	-	-	-	-	-	-	-	-	569,200	307,368.00
14.4000	14.4000	ANS	90,885	1,308,744.00	-	-	-	-	-	-	-	-	90,885	1,308,744.00
44.0000	44.0000	AP	1,077,610	47,414,840.00	-	-	-	-	-	-	-	-	1,077,610	47,414,840.00
0.1060	0.1060	APC	5,629,000	596,674.00	-	-	-	-	-	-	-	-	5,629,000	596,674.00
0.0050	0.0050	APL	114,899,974	574,499.87	-	-	-	-	-	-	-	-	114,899,974	574,499.87
8.4000	8.4000	APVI	4,609	38,715.60	-	-	-	-	-	-	-	-	4,609	38,715.60
12.4400	12.4400	APX	4,369,400	54,355,336.00	-	-	-	-	-	-	-	-	4,369,400	54,355,336.00
0.0046	0.0046	AR	923,100,000	4,246,260.00	-	-	-	-	-	-	-	-	923,100,000	4,246,260.00
0.4000	0.4000	ARA	140,950	56,380.00	-	-	-	-	-	-	-	-	140,950	56,380.00
43.5000	43.5000	AREIT	1,170,400	50,912,400.00	-	-	-	-	-	-	-	-	1,170,400	50,912,400.00
0.8200	0.8200	ASLAG	94,048	77,119.36	-	-	-	-	-	-	-	-	94,048	77,119.36
6.0300	6.0300	AT	683,943	4,124,176.29	-	-	-	-	-	-	-	-	683,943	4,124,176.29
34.5000	34.5000	ATI	76,800	2,649,600.00	-	-	-	-	-	-	-	-	76,800	2,649,600.00
0.4950	0.4950	ATN	3,128,000	1,548,360.00	-	-	-	-	-	-	-	-	3,128,000	1,548,360.00
39.2000	39.2000	AUB	133,150	5,219,480.00	-	-	-	-	-	-	-	-	133,150	5,219,480.00
2.3600	2.3600	AXLM	840,129	1,982,704.44	-	-	-	-	-	-	-	-	840,129	1,982,704.44
0.3500	0.3500	BALAI	500,000	175,000.00	-	-	-	-	-	-	-	-	500,000	175,000.00
5.0000	5.0000	BC	1,597,020	7,985,100.00	-	-	-	-	-	-	-	-	1,597,020	7,985,100.00
4.8300	4.8300	BCB	323,700	1,563,471.00	-	-	-	-	-	-	-	-	323,700	1,563,471.00
9.0000	9.0000	BCOR	80	720.00	-	-	-	-	-	-	-	-	80	720.00
134.6000	134.6000	BDO	703,970	94,754,362.00	-	-	-	-	-	-	-	-	703,970	94,754,362.00
1.3200	1.3200	BEL	12,493,999	16,492,078.68	-	-	-	-	-	-	-	-	12,493,999	16,492,078.68
0.0390	0.0390	BHI	11,280,000	439,920.00	-	-	-	-	-	-	-	-	11,280,000	439,920.00
0.6500	0.6500	BKR	142,000	92,300.00	-	-	-	-	-	-	-	-	142,000	92,300.00
2.5400	2.5400	BLOOM	5,132,030	13,035,356.20	-	-	-	-	-	-	-	-	5,132,030	13,035,356.20
52.0000	52.0000	BMM	8,130	422,760.00	-	-	-	-	-	-	-	-	8,130	422,760.00
9.2000	9.2000	BNCOM	171,800	1,580,560.00	-	-	-	-	-	-	-	-	171,800	1,580,560.00

116.1000	116.1000	BPI	640,993	74,419,287.30	-	-	-	-	-	-	-	-	640,993	74,419,287.30
0.9300	0.9300	BRN	324,426	301,716.18	-	-	-	-	-	-	-	-	324,426	301,716.18
0.1170	0.1170	BSC	1,922,537	224,936.83	-	-	-	-	-	-	-	-	1,922,537	224,936.83
0.9500	0.9500	C	546,724	519,387.80	-	-	-	-	-	-	-	-	546,724	519,387.80
2.0400	2.0400	CAL	573,000	1,168,920.00	-	-	-	-	-	-	-	-	573,000	1,168,920.00
9.7100	9.7100	CAT	84,600	821,466.00	-	-	-	-	-	-	-	-	84,600	821,466.00
57.0000	57.0000	CBC	459,069	26,166,933.00	-	-	-	-	-	-	-	-	459,069	26,166,933.00
32.0000	32.0000	CEB	153,500	4,912,000.00	-	-	-	-	-	-	-	-	153,500	4,912,000.00
0.0720	0.0720	CEI	528,000	38,016.00	-	-	-	-	-	-	-	-	528,000	38,016.00
1.0900	1.0900	CHP	2,801,690	3,053,842.10	-	-	-	-	-	-	-	-	2,801,690	3,053,842.10
2.3500	2.3500	CLI	2,146,322	5,043,856.70	-	-	-	-	-	-	-	-	2,146,322	5,043,856.70
0.0000	0.0000	CMP	300	-	-	-	-	-	-	-	-	-	300	-
39.0000	39.0000	CNPF	21,000	819,000.00	-	-	-	-	-	-	-	-	21,000	819,000.00
15.3200	15.3200	CNVRG	1,141,510	17,487,933.20	-	-	-	-	-	-	-	-	1,141,510	17,487,933.20
0.0280	0.0280	COAL	25,030,000	700,840.00	-	-	-	-	-	-	-	-	25,030,000	700,840.00
1.4200	1.4200	COL	1,250,000	1,775,000.00	-	-	-	-	-	-	-	-	1,250,000	1,775,000.00
6.9900	6.9900	COSCO	1,890,203	13,212,518.97	-	-	-	-	-	-	-	-	1,890,203	13,212,518.97
0.0000	0.0000	COSMOS	2,244	-	-	-	-	-	-	-	-	-	2,244	-
0.6900	0.6900	CPG	271,478	187,319.82	-	-	-	-	-	-	-	-	271,478	187,319.82
3.5700	3.5700	CREIT	2,755,000	9,835,350.00	-	-	-	-	-	-	-	-	2,755,000	9,835,350.00
0.3600	0.3600	CTS	421,000	151,560.00	-	-	-	-	-	-	-	-	421,000	151,560.00
0.3300	0.3300	CYBR	1,718,200	567,006.00	-	-	-	-	-	-	-	-	1,718,200	567,006.00
9.2800	9.2800	DD	36,800	341,504.00	-	-	-	-	-	-	-	-	36,800	341,504.00
1.0200	1.0200	DDMPR	3,768,500	3,843,870.00	-	-	-	-	-	-	-	-	3,768,500	3,843,870.00
97.0000	97.0000	DDPR	26,910	2,610,270.00	-	-	-	-	-	-	-	-	26,910	2,610,270.00
4.7000	4.7000	DELM	216,930	1,019,571.00	-	-	-	-	-	-	-	-	216,930	1,019,571.00
0.8000	0.8000	DFNN	250,400	200,320.00	-	-	-	-	-	-	-	-	250,400	200,320.00
1.4900	1.4900	DGTL	12,000	17,880.00	-	-	-	-	-	-	-	-	12,000	17,880.00
1.3900	1.3900	DHI	1,013,000	1,408,070.00	-	-	-	-	-	-	-	-	1,013,000	1,408,070.00
0.6800	0.6800	DITO	634,020	431,133.60	-	-	-	-	-	-	-	-	634,020	431,133.60
5.0000	5.0000	DIZ	250	1,250.00	-	-	-	-	-	-	-	-	250	1,250.00
10.5400	10.5400	DMC	8,558,130	90,202,690.20	-	-	-	-	-	-	-	-	8,558,130	90,202,690.20
5.0000	5.0000	DMW	23,400	117,000.00	-	-	-	-	-	-	-	-	23,400	117,000.00
2.8600	2.8600	DNA	72,800	208,208.00	-	-	-	-	-	-	-	-	72,800	208,208.00
3.8500	3.8500	DNL	550,000	2,117,500.00	-	-	-	-	-	-	-	-	550,000	2,117,500.00
0.0000	0.0000	DPI	4,558	-	-	-	-	-	-	-	-	-	4,558	-
2.6000	2.6000	ECP	34,000	88,400.00	-	-	-	-	-	-	-	-	34,000	88,400.00
0.2700	0.2700	ECVC	2,000	540.00	-	-	-	-	-	-	-	-	2,000	540.00
2.8400	2.8400	EEI	467,800	1,328,552.00	-	-	-	-	-	-	-	-	467,800	1,328,552.00
98.4000	98.4000	EEIPB	8,320	818,688.00	-	-	-	-	-	-	-	-	8,320	818,688.00
0.0000	0.0000	EGRN	422,000	-	-	-	-	-	-	-	-	-	422,000	-
0.2600	0.2600	EIBA	11,140,738	2,896,591.88	-	-	-	-	-	-	-	-	11,140,738	2,896,591.88
0.2600	0.2600	EIBB	300,000	78,000.00	-	-	-	-	-	-	-	-	300,000	78,000.00
0.1040	0.1040	ELI	1,471,914	153,079.06	-	-	-	-	-	-	-	-	1,471,914	153,079.06
16.0000	16.0000	EMI	3,639	58,224.00	-	-	-	-	-	-	-	-	3,639	58,224.00
3.3400	3.3400	ENEX	4,399	14,692.66	-	-	-	-	-	-	-	-	4,399	14,692.66
1.0000	1.0000	EURO	93,691	93,691.00	-	-	-	-	-	-	-	-	93,691	93,691.00
11.6000	11.6000	EW	405,050	4,698,580.00	-	-	-	-	-	-	-	-	405,050	4,698,580.00
55.0000	55.0000	FB	27,730	1,525,150.00	-	-	-	-	-	-	-	-	27,730	1,525,150.00
0.5800	0.5800	FCG	30,000	17,400.00	-	-	-	-	-	-	-	-	30,000	17,400.00
4.5500	4.5500	FDC	61,098	277,995.90	-	-	-	-	-	-	-	-	61,098	277,995.90
5.0000	5.0000	FERRO	76,000	380,000.00	-	-	-	-	-	-	-	-	76,000	380,000.00
7.5000	7.5000	FFI	63,084	473,130.00	-	-	-	-	-	-	-	-	63,084	473,130.00
17.7400	17.7400	FGEN	8,833,589	156,707,868.86	-	-	-	-	-	-	-	-	8,833,589	156,707,868.86
3.1000	3.1000	FILRT	183,071	567,520.10	-	-	-	-	-	-	-	-	183,071	567,520.10
2.6000	2.6000	FJP	5,000	13,000.00	-	-	-	-	-	-	-	-	5,000	13,000.00
0.7700	0.7700	FLI	4,052,057	3,120,083.89	-	-	-	-	-	-	-	-	4,052,057	3,120,083.89
101.0000	101.0000	FMETF	5	505.00	-	-	-	-	-	-	-	-	5	505.00
1.3500	1.3500	FNI	1,053,995	1,422,893.25	-	-	-	-	-	-	-	-	1,053,995	1,422,893.25

0.3700	0.3700	FOOD	85,824	31,754.88	-	-	-	-	-	-	-	-	85,824	31,754.88
77.0000	77.0000	FPH	197,138	15,179,626.00	-	-	-	-	-	-	-	-	197,138	15,179,626.00
0.2400	0.2400	FPI	30,000	7,200.00	-	-	-	-	-	-	-	-	30,000	7,200.00
0.6400	0.6400	FRUIT	4,591,000	2,938,240.00	-	-	-	-	-	-	-	-	4,591,000	2,938,240.00
0.0870	0.0870	GEO	1,266,095	110,150.27	-	-	-	-	-	-	-	-	1,266,095	110,150.27
0.6900	0.6900	GERI	513,362	354,219.78	-	-	-	-	-	-	-	-	513,362	354,219.78
1584.0000	1,584.0000	GLO	28,008	44,364,672.00	-	-	-	-	-	-	-	-	28,008	44,364,672.00
5.4100	5.4100	GMA7	276,100	1,493,701.00	-	-	-	-	-	-	-	-	276,100	1,493,701.00
5.2900	5.2900	GMAP	10,500	55,545.00	-	-	-	-	-	-	-	-	10,500	55,545.00
0.1400	0.1400	GO	296,090	41,452.60	-	-	-	-	-	-	-	-	296,090	41,452.60
0.1700	0.1700	GOB	86	14.62	-	-	-	-	-	-	-	-	86	14.62
0.1800	0.1800	GREEN	2,301,329	414,239.22	-	-	-	-	-	-	-	-	2,301,329	414,239.22
295.0000	295.0000	GSMI	12,300	3,628,500.00	-	-	-	-	-	-	-	-	12,300	3,628,500.00
595.0000	595.0000	GTCAP	6,259	3,724,105.00	-	-	-	-	-	-	-	-	6,259	3,724,105.00
1000.0000	1,000.0000	GTPPB	4,520	4,520,000.00	-	-	-	-	-	-	-	-	4,520	4,520,000.00
0.2370	0.2370	HOME	1,279,500	303,241.50	-	-	-	-	-	-	-	-	1,279,500	303,241.50
1.1000	1.1000	HTI	113,000	124,300.00	-	-	-	-	-	-	-	-	113,000	124,300.00
0.1990	0.1990	I	151,801	30,208.40	-	-	-	-	-	-	-	-	151,801	30,208.40
567.0000	567.0000	ICT	190,600	108,070,200.00	-	-	-	-	-	-	-	-	190,600	108,070,200.00
0.8700	0.8700	IDC	113,651	98,876.37	-	-	-	-	-	-	-	-	113,651	98,876.37
3.4700	3.4700	IMI	4,125,610	14,315,866.70	-	-	-	-	-	-	-	-	4,125,610	14,315,866.70
0.7000	0.7000	IMP	500	350.00	-	-	-	-	-	-	-	-	500	350.00
1.0200	1.0200	ION	18,112,800	18,475,056.00	-	-	-	-	-	-	-	-	18,112,800	18,475,056.00
1.5700	1.5700	IPM	177,000	277,890.00	-	-	-	-	-	-	-	-	177,000	277,890.00
6.0000	6.0000	IPO	157,075	942,450.00	-	-	-	-	-	-	-	-	157,075	942,450.00
0.1230	0.1230	IS	3,330,000	409,590.00	-	-	-	-	-	-	-	-	3,330,000	409,590.00
180.0000	180.0000	JFC	28,571	5,142,780.00	-	-	-	-	-	-	-	-	28,571	5,142,780.00
994.0000	994.0000	JFCPB	17,500	17,395,000.00	-	-	-	-	-	-	-	-	17,500	17,395,000.00
23.6500	23.6500	JGS	155,612	3,680,223.80	-	-	-	-	-	-	-	-	155,612	3,680,223.80
2.4800	2.4800	KEEPR	14,543,000	36,066,640.00	-	-	-	-	-	-	-	-	14,543,000	36,066,640.00
2.2000	2.2000	KEP	10,218	22,479.60	-	-	-	-	-	-	-	-	10,218	22,479.60
1.1900	1.1900	KPPI	100	119.00	-	-	-	-	-	-	-	-	100	119.00
0.1850	0.1850	LC	17,417,276	3,222,196.06	-	-	-	-	-	-	-	-	17,417,276	3,222,196.06
0.1870	0.1870	LCB	2,108,500	394,289.50	-	-	-	-	-	-	-	-	2,108,500	394,289.50
33.8000	33.8000	LFM	120,253	4,064,551.40	-	-	-	-	-	-	-	-	120,253	4,064,551.40
0.3500	0.3500	LODE	150,000	52,500.00	-	-	-	-	-	-	-	-	150,000	52,500.00
1.7000	1.7000	LOTO	1,862,850	3,166,845.00	-	-	-	-	-	-	-	-	1,862,850	3,166,845.00
0.0410	0.0410	LPC	20,058,998	822,418.92	-	-	-	-	-	-	-	-	20,058,998	822,418.92
3.7200	3.7200	LPZ	125,150	465,558.00	-	-	-	-	-	-	-	-	125,150	465,558.00
0.6100	0.6100	LSC	131,500	80,215.00	-	-	-	-	-	-	-	-	131,500	80,215.00
14.7800	14.7800	LTG	2,538,340	37,516,665.20	-	-	-	-	-	-	-	-	2,538,340	37,516,665.20
0.0073	0.0073	MA	28,582,760	208,654.15	-	-	-	-	-	-	-	-	28,582,760	208,654.15
0.0072	0.0072	MAB	24,067,180	173,283.70	-	-	-	-	-	-	-	-	24,067,180	173,283.70
4.3400	4.3400	MAC	4,740,801	20,575,076.34	-	-	-	-	-	-	-	-	4,740,801	20,575,076.34
6.9900	6.9900	MACAY	186,461	1,303,362.39	-	-	-	-	-	-	-	-	186,461	1,303,362.39
0.3700	0.3700	MAH	9,000	3,330.00	-	-	-	-	-	-	-	-	9,000	3,330.00
0.6900	0.6900	MAHB	59,000	40,710.00	-	-	-	-	-	-	-	-	59,000	40,710.00
0.7000	0.7000	MARC	117,010	81,907.00	-	-	-	-	-	-	-	-	117,010	81,907.00
2.4500	2.4500	MAXS	207,200	507,640.00	-	-	-	-	-	-	-	-	207,200	507,640.00
0.1640	0.1640	MB	48,422	7,941.21	-	-	-	-	-	-	-	-	48,422	7,941.21
68.5000	68.5000	MBT	491,945	33,698,232.50	-	-	-	-	-	-	-	-	491,945	33,698,232.50
0.0200	0.0200	MC	2,150,000	43,000.00	-	-	-	-	-	-	-	-	2,150,000	43,000.00
0.0900	0.0900	MED	37,000	3,330.00	-	-	-	-	-	-	-	-	37,000	3,330.00
2.0800	2.0800	MEG	3,117,795	6,485,013.60	-	-	-	-	-	-	-	-	3,117,795	6,485,013.60
574.0000	574.0000	MER	28,505	16,361,870.00	-	-	-	-	-	-	-	-	28,505	16,361,870.00
1880.0000	1,880.0000	MFC	1,479	2,780,520.00	-	-	-	-	-	-	-	-	1,479	2,780,520.00
0.0600	0.0600	MG	650,000	39,000.00	-	-	-	-	-	-	-	-	650,000	39,000.00
3.6000	3.6000	MGH	1,000	3,600.00	-	-	-	-	-	-	-	-	1,000	3,600.00
0.1150	0.1150	MHC	80,000	9,200.00	-	-	-	-	-	-	-	-	80,000	9,200.00

0.0000	0.0000	MIMOSA	2	-	-	-	-	-	-	-	-	-	2	-
1.2700	1.2700	MJC	21,142	26,850.34	-	-	-	-	-	-	-	-	21,142	26,850.34
0.4000	0.4000	MM	699,400	279,760.00	-	-	-	-	-	-	-	-	699,400	279,760.00
0.1000	0.1000	MON	4,117,584	411,758.40	-	-	-	-	-	-	-	-	4,117,584	411,758.40
5.8000	5.8000	MONDE	95,000	551,000.00	-	-	-	-	-	-	-	-	95,000	551,000.00
0.8700	0.8700	MRC	1,264,400	1,100,028.00	-	-	-	-	-	-	-	-	1,264,400	1,100,028.00
14.0000	14.0000	MREIT	587,000	8,218,000.00	-	-	-	-	-	-	-	-	587,000	8,218,000.00
7.2500	7.2500	MRP	1,875	13,593.75	-	-	-	-	-	-	-	-	1,875	13,593.75
1.1500	1.1500	MRSGI	164,000	188,600.00	-	-	-	-	-	-	-	-	164,000	188,600.00
40.3000	40.3000	MWC	2,624,141	105,752,882.30	-	-	-	-	-	-	-	-	2,624,141	105,752,882.30
2.9900	2.9900	MWIDE	588,700	1,760,213.00	-	-	-	-	-	-	-	-	588,700	1,760,213.00
100.0000	100.0000	MWP6A	20,000	2,000,000.00	-	-	-	-	-	-	-	-	20,000	2,000,000.00
103.8000	103.8000	MWP6C	500	51,900.00	-	-	-	-	-	-	-	-	500	51,900.00
16.9000	16.9000	MYNLD	585,100	9,888,190.00	-	-	-	-	-	-	-	-	585,100	9,888,190.00
0.0000	0.0000	NAS	5,535	-	-	-	-	-	-	-	-	-	5,535	-
0.3150	0.3150	NI	60,000	18,900.00	-	-	-	-	-	-	-	-	60,000	18,900.00
3.8900	3.8900	NIKL	1,662,419	6,466,809.91	-	-	-	-	-	-	-	-	1,662,419	6,466,809.91
0.6800	0.6800	NOW	140,000	95,200.00	-	-	-	-	-	-	-	-	140,000	95,200.00
0.7700	0.7700	NRCP	404,400	311,388.00	-	-	-	-	-	-	-	-	404,400	311,388.00
7.0000	7.0000	NXGEN	67,550	472,850.00	-	-	-	-	-	-	-	-	67,550	472,850.00
32.2000	32.2000	OGP	1,000	32,200.00	-	-	-	-	-	-	-	-	1,000	32,200.00
0.1010	0.1010	OM	457,333	46,190.63	-	-	-	-	-	-	-	-	457,333	46,190.63
0.0120	0.0120	OPM	28,190,797	338,289.56	-	-	-	-	-	-	-	-	28,190,797	338,289.56
0.0120	0.0120	OPMB	4,595,448	55,145.38	-	-	-	-	-	-	-	-	4,595,448	55,145.38
0.3700	0.3700	ORE	3,685,200	1,363,524.00	-	-	-	-	-	-	-	-	3,685,200	1,363,524.00
0.0089	0.0089	OV	38,185,110	339,847.48	-	-	-	-	-	-	-	-	38,185,110	339,847.48
0.9500	0.9500	PA	950	902.50	-	-	-	-	-	-	-	-	950	902.50
3.8000	3.8000	PAL	7,550	28,690.00	-	-	-	-	-	-	-	-	7,550	28,690.00
7.7000	7.7000	PBB	28,320	218,064.00	-	-	-	-	-	-	-	-	28,320	218,064.00
16.7000	16.7000	PBC	20,200	337,340.00	-	-	-	-	-	-	-	-	20,200	337,340.00
3.6000	3.6000	PCEV	300	1,080.00	-	-	-	-	-	-	-	-	300	1,080.00
2.4800	2.4800	PCOR	207,747	515,212.56	-	-	-	-	-	-	-	-	207,747	515,212.56
0.2050	0.2050	PCP	7,692,285	1,576,918.43	-	-	-	-	-	-	-	-	7,692,285	1,576,918.43
3.5000	3.5000	PERC	1,708,941	5,981,293.50	-	-	-	-	-	-	-	-	1,708,941	5,981,293.50
38.0000	38.0000	PGOLD	253,430	9,630,340.00	-	-	-	-	-	-	-	-	253,430	9,630,340.00
0.2370	0.2370	PHA	1,997,000	473,289.00	-	-	-	-	-	-	-	-	1,997,000	473,289.00
0.2800	0.2800	PHES	26,000	7,280.00	-	-	-	-	-	-	-	-	26,000	7,280.00
16.7000	16.7000	PHN	43,868	732,595.60	-	-	-	-	-	-	-	-	43,868	732,595.60
0.1330	0.1330	PHR	101,200	13,459.60	-	-	-	-	-	-	-	-	101,200	13,459.60
6.8000	6.8000	PIZZA	11,000	74,800.00	-	-	-	-	-	-	-	-	11,000	74,800.00
16.2000	16.2000	PLUS	1,095,600	17,748,720.00	-	-	-	-	-	-	-	-	1,095,600	17,748,720.00
0.3700	0.3700	PMT	54,000	19,980.00	-	-	-	-	-	-	-	-	54,000	19,980.00
54.4000	54.4000	PNB	63,944	3,478,553.60	-	-	-	-	-	-	-	-	63,944	3,478,553.60
4.9000	4.9000	PNC	2,500	12,250.00	-	-	-	-	-	-	-	-	2,500	12,250.00
4.1700	4.1700	PNX	44,630	186,107.10	-	-	-	-	-	-	-	-	44,630	186,107.10
24.9500	24.9500	PNX3B	2,700	67,365.00	-	-	-	-	-	-	-	-	2,700	67,365.00
177.9000	177.9000	PNX4	485	86,281.50	-	-	-	-	-	-	-	-	485	86,281.50
13.2000	13.2000	PPC	430,200	5,678,640.00	-	-	-	-	-	-	-	-	430,200	5,678,640.00
0.0000	0.0000	PPI	62,456	-	-	-	-	-	-	-	-	-	62,456	-
6.6000	6.6000	PRC	121,600	802,560.00	-	-	-	-	-	-	-	-	121,600	802,560.00
1.0200	1.0200	PREIT	520,000	530,400.00	-	-	-	-	-	-	-	-	520,000	530,400.00
1005.0000	1,005.0000	PRF3B	1,330	1,336,650.00	-	-	-	-	-	-	-	-	1,330	1,336,650.00
979.5000	979.5000	PRF4A	5,200	5,093,400.00	-	-	-	-	-	-	-	-	5,200	5,093,400.00
1.3000	1.3000	PRIM	388,000	504,400.00	-	-	-	-	-	-	-	-	388,000	504,400.00
1.2800	1.2800	PRMX	19,000	24,320.00	-	-	-	-	-	-	-	-	19,000	24,320.00
54.0000	54.0000	PSB	29,949	1,617,246.00	-	-	-	-	-	-	-	-	29,949	1,617,246.00
205.4000	205.4000	PSE	1,240	254,696.00	-	-	-	-	-	-	-	-	1,240	254,696.00
0.3300	0.3300	PTT	663,500	218,955.00	-	-	-	-	-	-	-	-	663,500	218,955.00
9.9000	9.9000	PX	2,023,094	20,028,630.60	-	-	-	-	-	-	-	-	2,023,094	20,028,630.60

2.3800	2.3800	PXP	373,317	888,494.46	-	-	-	-	-	-	-	-	373,317	888,494.46
25.9500	25.9500	RCB	614,850	15,955,357.50	-	-	-	-	-	-	-	-	614,850	15,955,357.50
2.6800	2.6800	RCI	2,448,148	6,561,036.64	-	-	-	-	-	-	-	-	2,448,148	6,561,036.64
8.0200	8.0200	RCR	3,533,300	28,337,066.00	-	-	-	-	-	-	-	-	3,533,300	28,337,066.00
2.3000	2.3000	REG	120,380	276,874.00	-	-	-	-	-	-	-	-	120,380	276,874.00
4.7500	4.7500	RFM	134,518	638,960.50	-	-	-	-	-	-	-	-	134,518	638,960.50
16.1600	16.1600	RLC	178,327	2,881,764.32	-	-	-	-	-	-	-	-	178,327	2,881,764.32
0.1090	0.1090	RLT	1,290,000	140,610.00	-	-	-	-	-	-	-	-	1,290,000	140,610.00
1.8500	1.8500	ROCK	1,563,783	2,892,998.55	-	-	-	-	-	-	-	-	1,563,783	2,892,998.55
1.4500	1.4500	ROX	3,479,133	5,044,742.85	-	-	-	-	-	-	-	-	3,479,133	5,044,742.85
0.0000	0.0000	RPC	5,987	-	-	-	-	-	-	-	-	-	5,987	-
33.0500	33.0500	RRHI	313,200	10,351,260.00	-	-	-	-	-	-	-	-	313,200	10,351,260.00
3.8900	3.8900	SBS	63,440	246,781.60	-	-	-	-	-	-	-	-	63,440	246,781.60
28.2500	28.2500	SCC	1,554,270	43,908,127.50	-	-	-	-	-	-	-	-	1,554,270	43,908,127.50
65.6500	65.6500	SECB	159,852	10,494,283.80	-	-	-	-	-	-	-	-	159,852	10,494,283.80
37.0000	37.0000	SEVN	200,890	7,432,930.00	-	-	-	-	-	-	-	-	200,890	7,432,930.00
0.0470	0.0470	SFI	2,256,460	106,053.62	-	-	-	-	-	-	-	-	2,256,460	106,053.62
1.5500	1.5500	SFIP	12,536	19,430.80	-	-	-	-	-	-	-	-	12,536	19,430.80
1.2700	1.2700	SGI	3,411,000	4,331,970.00	-	-	-	-	-	-	-	-	3,411,000	4,331,970.00
16.5600	16.5600	SGP	1,264,935	20,947,323.60	-	-	-	-	-	-	-	-	1,264,935	20,947,323.60
6.9300	6.9300	SHLPH	751,876	5,210,500.68	-	-	-	-	-	-	-	-	751,876	5,210,500.68
3.5400	3.5400	SHNG	37,715	133,511.10	-	-	-	-	-	-	-	-	37,715	133,511.10
3440.0000	3,440.0000	SLF	441	1,517,040.00	-	-	-	-	-	-	-	-	441	1,517,040.00
2.6000	2.6000	SLI	253,238,000	658,418,800.00	-	-	-	-	-	-	-	-	253,238,000	658,418,800.00
699.5000	699.5000	SM	6,877	4,810,461.50	-	-	-	-	-	-	-	-	6,877	4,810,461.50
82.0000	82.0000	SMC	138,257	11,337,074.00	-	-	-	-	-	-	-	-	138,257	11,337,074.00
74.5000	74.5000	SMC2I	50,000	3,725,000.00	-	-	-	-	-	-	-	-	50,000	3,725,000.00
77.6500	77.6500	SMC2L	12,150	943,447.50	-	-	-	-	-	-	-	-	12,150	943,447.50
80.5000	80.5000	SMC2N	1,000	80,500.00	-	-	-	-	-	-	-	-	1,000	80,500.00
81.0000	81.0000	**SMC2O**	1,000	81,000.00	-	-	-	-	-	-	-	-	1,000	81,000.00
77.0000	77.0000	SMC2P	19,000	1,463,000.00	-	-	-	-	-	-	-	-	19,000	1,463,000.00
77.8000	77.8000	SMC2Q	30,000	2,334,000.00	-	-	-	-	-	-	-	-	30,000	2,334,000.00
77.8000	77.8000	SMC2S	29,000	2,256,200.00	-	-	-	-	-	-	-	-	29,000	2,256,200.00
76.5000	76.5000	SMC2T	13,400	1,025,100.00	-	-	-	-	-	-	-	-	13,400	1,025,100.00
76.0000	76.0000	SMC2U	2,950	224,200.00	-	-	-	-	-	-	-	-	2,950	224,200.00
22.7500	22.7500	SMPH	350,023	7,963,023.25	-	-	-	-	-	-	-	-	350,023	7,963,023.25
9.7400	9.7400	SPC	623,400	6,071,916.00	-	-	-	-	-	-	-	-	623,400	6,071,916.00
2.3600	2.3600	SPM	9,223	21,766.28	-	-	-	-	-	-	-	-	9,223	21,766.28
1.1700	1.1700	SPNEC	13,437,937	15,722,386.29	-	-	-	-	-	-	-	-	13,437,937	15,722,386.29
0.0000	0.0000	SPT	52,468,000	-	-	-	-	-	-	-	-	-	52,468,000	-
2.6300	2.6300	SSI	442,500	1,163,775.00	-	-	-	-	-	-	-	-	442,500	1,163,775.00
1.4100	1.4100	STI	7,914,000	11,158,740.00	-	-	-	-	-	-	-	-	7,914,000	11,158,740.00
2.1800	2.1800	STN	699,500	1,524,910.00	-	-	-	-	-	-	-	-	699,500	1,524,910.00
1.2500	1.2500	STR	400	500.00	-	-	-	-	-	-	-	-	400	500.00
0.7600	0.7600	SUN	437,837	332,756.12	-	-	-	-	-	-	-	-	437,837	332,756.12
0.4400	0.4400	T	204,000	89,760.00	-	-	-	-	-	-	-	-	204,000	89,760.00
0.1330	0.1330	TBGI	27,370,000	3,640,210.00	-	-	-	-	-	-	-	-	27,370,000	3,640,210.00
8.2600	8.2600	TCB2D	25,000	206,500.00	-	-	-	-	-	-	-	-	25,000	206,500.00
0.6300	0.6300	TECH	121,457	76,517.91	-	-	-	-	-	-	-	-	121,457	76,517.91
1260.0000	1,260.0000	TEL	43,180	54,406,800.00	-	-	-	-	-	-	-	-	43,180	54,406,800.00
61.0000	61.0000	TFHI	4,009	244,549.00	-	-	-	-	-	-	-	-	4,009	244,549.00
1.6000	1.6000	TOP	600,000	960,000.00	-	-	-	-	-	-	-	-	600,000	960,000.00
0.5900	0.5900	TUGS	2,085,800	1,230,622.00	-	-	-	-	-	-	-	-	2,085,800	1,230,622.00
26.6000	26.6000	UBP	1,830,487	48,690,954.20	-	-	-	-	-	-	-	-	1,830,487	48,690,954.20
0.2460	0.2460	UNI	710,000	174,660.00	-	-	-	-	-	-	-	-	710,000	174,660.00
0.0380	0.0380	UP	3,864,000	146,832.00	-	-	-	-	-	-	-	-	3,864,000	146,832.00
0.0058	0.0058	UPM	378,525,000	2,195,445.00	-	-	-	-	-	-	-	-	378,525,000	2,195,445.00
0.7000	0.7000	UPSON	414,000	289,800.00	-	-	-	-	-	-	-	-	414,000	289,800.00
67.3000	67.3000	URC	88,810	5,976,913.00	-	-	-	-	-	-	-	-	88,810	5,976,913.00

0.1350	0.1350	UW	5,903,000	796,905.00	-	-	-	-	-	-	-	-	5,903,000	796,905.00
0.8900	0.8900	V	353,374	314,502.86	-	-	-	-	-	-	-	-	353,374	314,502.86
0.5300	0.5300	VITA	201,500	106,795.00	-	-	-	-	-	-	-	-	201,500	106,795.00
1.0400	1.0400	VLL	460,490	478,909.60	-	-	-	-	-	-	-	-	460,490	478,909.60
1.7300	1.7300	VMC	66	114.18	-	-	-	-	-	-	-	-	66	114.18
1.3700	1.3700	VREIT	628,000	860,360.00	-	-	-	-	-	-	-	-	628,000	860,360.00
6.2000	6.2000	WEB	327,100	2,028,020.00	-	-	-	-	-	-	-	-	327,100	2,028,020.00
0.2600	0.2600	WIN	1,056,000	274,560.00	-	-	-	-	-	-	-	-	1,056,000	274,560.00
6.9600	6.9600	WLCON	98,600	686,256.00	-	-	-	-	-	-	-	-	98,600	686,256.00
0.4050	0.4050	WPI	1,006,400	407,592.00	-	-	-	-	-	-	-	-	1,006,400	407,592.00
0.2480	0.2480	X	7,493,400	1,858,363.20	-	-	-	-	-	-	-	-	7,493,400	1,858,363.20
3.1800	3.1800	XG	15,000	47,700.00	-	-	-	-	-	-	-	-	15,000	47,700.00
0.0670	0.0670	ZHI	97,000	6,499.00	-	-	-	-	-	-	-	-	97,000	6,499.00
			2,259,574,937.00	2,559,157,538.17	-	-	-	-	-	-	-	-	2,259,574,937.00	2,559,157,538.17

CUSTOMER ACCOUNT + INVESTMENT ACCOUNT	2,559,157,538
PCD + IN TRANSFER + IN BOX + CLEARING HOUSE	2,559,157,538
DIFFERENCE	-

STRATEGIC EQUITIES CORPORATION

FINANCIAL SOUNDNESS INDICATORS

As of December 31, 2025

Ratio	Formula		2025	2024
Current Ratio	Total Current Assets divided by Total Current Liabilities		1.35	1.33
	Total Current Assets	43,064,078.81		
	Divided by: Total Current Liabilities	31,975,904.04		
	Current Ratio	1.35		
Acid test Ratio	Quick Assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities		1.37	1.35
	Total Current Assets	43,064,078.81		
	Less: Inventories			
	Other Current Assets	699,181.89		
	Quick Assets	43,763,260.70		
	Divide by: Total Current Liabilities	31,975,904.04		
	Acid test Ratio	1.37		
Working Capital to Total Asset	Working Capital divided by Total Asset		0.18	0.17
	Working Capital	11,088,174.77		
	Divided by: Total Asset	62,425,267.12		
		0.18		
Debt to Total Assets Ratio	Total Debt Divided by Total Asset		0.51	0.51
	Total Debt	31,975,904.04		
	Divided by: Total Asset	62,425,267.12		
		0.51		
Debt to Equity Ratio	Total Debt divided by Total Equity		1.05	1.058194
	Total Debt	31,975,904.04		
	Divided by: Total Equity	30,449,363.08		
		1.05		
Asset to Equity Ratio	Total Asset divided by Total Equity		2.05	2.058194
	Total Asset	62,425,267.12		
	Divided by: Total Equity	30,449,363.08		
		2.05		
Gearing Ratio	Net Debt divided by Total Capital		(0.26)	(0.22)
	Net Debt	(6,316,919.51)		
	Divided by: Total Capital	24,132,443.57		
		(0.26)		
Interest Coverage Ratio	EBIT divided by Interest Expense		Not Applicable	
	EBIT			
	Divided by: Interest Expense			
Gross Profit Margin	Gross Profit Divided by Commission Revenue		0.12	(0.26)
	Gross (Loss)/ Profit	764,110.74		
	Divided by: Commission Revenue	6,155,450.54		
		0.12		

Profit Margin	Net Income/(Loss) Divided by: Commission Revenue Net Loss Divided by: Commission Revenue	 (1,787,228.46) 6,155,450.54 (0.29)	(0.29)	(1.04)
Return on Asset (ROA)	Net Income/(Loss) Divided by: Average Asset Net Loss Divided by: Average Asset	 (1,787,228.46) 63,763,809.44 (0.03)	(0.03)	(0.06)
Return on Equity	Net Income/(Loss) Divided by: Average Equity Net Loss Diveded by: Average Equity	 (1,787,228.46) 31,040,085.28 (0.06)	(0.06)	(0.13)

STRATEGIC EQUITIES CORPORATION

SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION

December 31, 2025 and 2024

(Per SEC Memorandum Circular No.18, series of 2024

	2025	**2024**
Total Audit Fees (Section 2.1a)	**75,000.00**	**75,000.00**
Non-audit service fees:		
Other assurance services		
Tax services		
All other services	-	-
Total Non-audit Fees (Section 2.1b)	**-**	**-**
Total Audit and Non-audit Fees	**75,000.00**	**75,000.00**

Audit and non-audit fees of other related entities

	2025	**2024**
Audit Fees		**-**
Non-audit service fees:		
Other assurance services		
Tax services		
All other services		
Total Audit and Non-audit Fees of other related entities	**-**	**-**