



# SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City  
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph



**The following document has been received:**

**Receiving:** DONNA ENCARNADO

**Receipt Date and Time:** May 14, 2026 01:11:40 PM

## Company Information

---

**SEC Registration No.:** 0000171489

**Company Name:** MANDARIN SECURITIES CORP.

**Industry Classification:** J66930

**Company Type:** Stock Corporation

## Document Information

---

---

**Document ID:** OST105142026811373461

**Document Type:** Annual Audited Financial Report

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

**Period Covered:** December 31, 2025

**Submission Type:** Annual

**Remarks:** None

---

---

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



## File Upload



**All files successfully uploaded**

**Transaction Code:**

**AFS-0-QT2TTSMM0M4YSVW2PNN1R2V3Q0NPPQ3PTR**

**Submission Date/Time:**

**May 13, 2026 02:19 PM**

 [Back To Upload](#)

---

**Your BIR AFS eSubmission uploads were received**

---

**From** eafs@bir.gov.ph <eafs@bir.gov.ph>  
**Date** Wed 5/13/2026 2:19 PM  
**To** info.mandarinsecurities.com <info@mandarinsecurities.com>  
**Cc** kathy.shih.mandarinsecurities.com <kathy.shih@mandarinsecurities.com>

Hi MANDARIN SECURITIES CORPORATION,

**Valid file**

- EAFS000359140AFSTY122025.pdf

**Invalid file**

- <None>

Transaction Code: **AFS-0-QT2TTSMM0M4YSVW2PNN1R2V3Q0NPPQ3PTR**  
Submission Date/Time: **May 13, 2026 02:19 PM**  
Company TIN: **000-359-140**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

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

This is a system-generated e-mail. Please do not reply.

For Encrypted Emails click [here](#) for instructions ===== DISCLAIMER ===== This email and its attachments may be confidential and are intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you disseminate, distribute or copy this e-mail. Please contact the sender immediately if you believe you have received this email in error. E-mail transmission cannot be guaranteed to be secure or error-free. The recipient should check this email and any attachments for the presence of viruses. The Bureau of Internal Revenue does not accept liability for any errors or omissions in the contents of this message which arise as a result of e-mail transmission. For Encrypted Emails click [here](#) for instructions

===== DISCLAIMER ===== This email and its attachments may be confidential and are intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you disseminate, distribute or copy this e-mail. Please contact the sender immediately if you believe you have received this email in error. E-mail transmission cannot be guaranteed to be secure or error-free. The recipient should check this email and any attachments for the presence of viruses. The Bureau of Internal Revenue does not accept liability for any errors or omissions in the contents of this message which arise as a result of e-mail transmission.



**MANDARIN SECURITIES CORPORATION**  
**ANNUAL AUDITED FINANCIAL REPORT**  
**TABLE OF CONTENTS**

**DECEMBER 31, 2025**

	<u>Page</u>
Cover Page	1
Statement of Management's Responsibility for Financial Statements	2
Independent Auditors' Report	3 - 5
Statements of Financial Position	6
Statements of Comprehensive Income	7 - 8
Statements of Changes in Equity	9
Statements of Cash Flows	10
Notes to Financial Statements	11 - 47
Report of Independent Auditors to Accompany Financial Statements for Filing with Securities and Exchange Commission (SEC)	48
Report of Independent Auditors on Supplementary Schedules	49
Statement of Changes in Liabilities Subordinated to Claims of General Creditors (Schedule I)	50
Computation of Risk-Based Capital Adequacy Requirement Pursuant to SEC Memorandum Circular No. 16-2004 (Schedule II)	51
Information Relating to the Possession or Control Requirements under Annex F of Securities Regulation Code (SRC) Rule 49.2 (Schedule III)	52
Computation for Determination of Reserve Requirements under Annex G of SRC Rule 49.2 (Schedule IV)	53
A Report Describing Any Material Inadequacies Found to Exist or Found to Have Existed Since the Report Date of the Previous Audit (Schedule V)	54
Results of Monthly Securities Count Conducted Pursuant to SRC Rule 52.1-10, as Amended (Schedule VI)	55 - 60
Supplementary Schedule of Financial Soundness Indicators Pursuant to the Revised SRC Rule 68 (Schedule VII)	61
Supplementary Schedule of External Auditor Fee-Related Information Pursuant to the SEC Memorandum Circular No. 18-2024 (Schedule VIII)	62





# MANDARIN SECURITIES CORPORATION

Member: Philippine Stock Exchange

## "STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS"

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


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

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

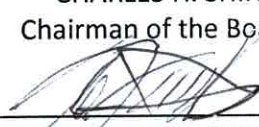
The Board of Directors reviews and approves the financial statements including schedules attached therein, and submits the same to the stockholders.

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

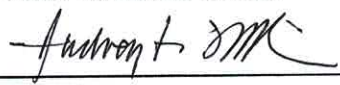
Signature: \_\_\_\_\_

  
CHARLES H. SHIH  
Chairman of the Board

Signature: \_\_\_\_\_

  
CHARLES H. SHIH  
Chief Executive Officer

Signature: \_\_\_\_\_

  
AUDREY L. SHIH  
Chief Financial Officer

Signed this 10th day of April 2026



## INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors  
Mandarin Securities Corporation  
28th Floor, LKG Tower  
6801 Ayala Avenue, Makati City

### *Opinion*

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

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

### *Basis for Opinion*

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

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

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

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



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

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

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

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

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



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

**REYES TACANDONG & Co.**

*Mark Christian M. Ababa*

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

Tax Identification No. 287-809-533-000

BOA Accreditation No. 4782/P-027; Valid until June 6, 2026

SEC Accreditation No. 130245-SEC Group A

Issued November 26, 2025

Valid for Financial Periods 2025 to 2029

BIR Accreditation No. 08-005144-026-2024

Valid until March 26, 2027

PTR No. 10764002

Issued January 2, 2026, Makati City

April 13, 2026

Makati City, Metro Manila

**MANDARIN SECURITIES CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**

	Note	2025		2024	
		December 31		December 31	
		Money Balance	Security Valuation	Money Balance	Security Valuation
		Long	Short	Long	Short
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	7	P849,669,576			
Financial assets at fair value through profit or loss (FVPL)	8	24,838,792	P24,838,792		P19,810,918
Trade and other receivables	9	393,809,147	3,260,492,268		8,550,628,473
Other current assets	10	1,615,097		747,203	
<b>Total Current Assets</b>		<b>1,269,932,612</b>			
<b>Noncurrent Assets</b>					
Property and equipment	11	690,016		16,514,682	
Investment property	12	14,813,487			
Exchange trading right	13	4,000,000		4,000,000	
Refundable deposits	14	31,609,002		29,229,469	
Net deferred tax assets	21	114,346		1,641,304	
<b>Total Noncurrent Assets</b>		<b>51,226,851</b>		<b>51,385,455</b>	
<b>Total Assets</b>		<b>P1,321,159,463</b>		<b>P646,496,861</b>	
<b>Securities in Vault, Transfer Offices, and Philippine Depository and Trust Corporation</b>					
			P13,948,875,040		P19,400,958,053
<b>LIABILITIES AND EQUITY</b>					
<b>Current Liabilities</b>					
Trade payables	15	P1,058,504,088			
Income tax payable				643,207	
Other current liabilities	17	18,379,907	10,663,543,980		10,830,518,662
<b>Total Current Liabilities</b>		<b>1,076,883,995</b>			
<b>Noncurrent Liability</b>					
Retirement benefit liability	20	5,376,333		3,755,057	
<b>Total Liabilities</b>		<b>1,082,260,328</b>		<b>412,618,677</b>	
<b>Equity</b>					
Capital stock	5	100,000,000		100,000,000	
Additional paid-in capital		20,000,000		20,000,000	
Retained earnings:					
Appropriated	5	38,910,325		38,317,186	
Unappropriated		80,231,165		74,892,916	
Cumulative gains (losses) on remeasurement of retirement benefit liability	20	(242,355)		668,082	
<b>Total Equity</b>		<b>238,899,135</b>		<b>233,878,184</b>	
<b>Total Liabilities and Equity</b>		<b>P1,321,159,463</b>	<b>P13,948,875,040</b>	<b>P646,496,861</b>	<b>P19,400,958,053</b>

See accompanying Notes to Financial Statements.

**MANDARIN SECURITIES CORPORATION**  
**STATEMENTS OF COMPREHENSIVE INCOME**

	Note	Years Ended December 31	
		2025	2024
<b>REVENUES</b>			
Commissions		P68,234,899	P134,866,776
Others:			
Trading gains on financial assets at FVPL - net	8	5,057,041	103,629
Interest income	7	3,406,722	1,104,891
Dividend income	8	1,223,856	1,185,738
Reversal of allowance for expected credit loss (ECL) on trade receivables	9	557,213	-
Other income		1,833,401	30,515
		<b>80,313,132</b>	<b>137,291,549</b>
<b>COST OF SERVICES</b>			
Stock exchange dues and fees		16,042,477	30,421,295
Trading platform subscriptions		15,876,903	18,063,195
Personnel costs	19	5,583,068	4,289,075
Central depository fees		4,637,510	2,725,435
Commissions		2,961,600	6,379,559
Communications		1,990,450	1,946,400
Subscription and other dues		-	39,689,510
		<b>47,092,008</b>	<b>103,514,469</b>
<b>GROSS PROFIT</b>		<b>33,221,124</b>	<b>33,777,080</b>
<b>OPERATING EXPENSES</b>			
Management fees	18	6,000,000	6,000,000
Personnel costs	19	4,983,266	5,223,670
Professional fees		3,438,066	3,094,800
Transportation and travel		1,557,352	1,484,054
Association dues		782,593	887,583
Taxes and licenses		479,911	3,944,396
Representation		384,743	1,039,133
Repairs and maintenance		372,261	362,331
Business development		-	3,835,951
Others		1,408,441	2,428,083
		<b>19,406,633</b>	<b>28,300,001</b>
<b>OTHER CHARGES</b>			
Provision for probable loss	17	4,000,000	-
Depreciation	11	1,263,908	1,346,544
Interest expense	16	44,271	20,584
Provision for ECL on trade receivables	9	-	510,576
		<b>5,308,179</b>	<b>1,877,704</b>
<b>INCOME BEFORE INCOME TAX</b>		<b>P8,506,312</b>	<b>P3,599,375</b>

(Forward)

	Note	Years Ended December 31	
		2025	2024
<b>INCOME BEFORE INCOME TAX</b>		<b>₱8,506,312</b>	<b>₱3,599,375</b>
<b>INCOME TAX EXPENSE (BENEFIT)</b>	21		
Current		744,487	1,466,194
Deferred		1,830,437	(394,804)
		<b>2,574,924</b>	<b>1,071,390</b>
<b>NET INCOME</b>		<b>5,931,388</b>	<b>2,527,985</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>	20		
<i>Not to be reclassified to profit or loss in subsequent periods</i>			
Gains (losses) on remeasurement of retirement benefit liability		(1,213,916)	328,622
Deferred tax benefit (expense)		303,479	(82,155)
		<b>(910,437)</b>	<b>246,467</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>₱5,020,951</b>	<b>₱2,774,452</b>

See accompanying Notes to Financial Statements.

**MANDARIN SECURITIES CORPORATION**

**STATEMENTS OF CHANGES IN EQUITY**

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	Note	Capital Stock (see Note 5)	Additional Paid-in Capital	Retained Earnings		Unappropriated	Cumulative Gains (Losses) on Remeasurement of Retirement Benefit Liability (Net of Deferred Tax) (see Note 20)	Total
				Appropriated (see Note 5)	Unappropriated			
Balances at December 31, 2024		P100,000,000	P20,000,000	P38,317,186	P74,892,916	P668,082	P233,878,184	
Net income		-	-	-	5,931,388	-	5,931,388	
Other comprehensive loss	20	-	-	-	-	(910,437)	(910,437)	
Appropriation	5	-	-	593,139	(593,139)	-	-	
Balances at December 31, 2025		P100,000,000	P20,000,000	P38,910,325	P80,231,165	(P242,355)	P238,899,135	
Balances at December 31, 2023		P100,000,000	P20,000,000	P38,064,387	P72,617,730	P421,615	P231,103,732	
Net income		-	-	-	2,527,985	-	2,527,985	
Other comprehensive income	20	-	-	-	-	246,467	246,467	
Appropriation	5	-	-	252,799	(252,799)	-	-	
Balances at December 31, 2024		P100,000,000	P20,000,000	P38,317,186	P74,892,916	P668,082	P233,878,184	

See accompanying Notes to Financial Statements.

**MANDARIN SECURITIES CORPORATION**  
**STATEMENTS OF CASH FLOWS**

		Years Ended December 31	
	Note	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax		P8,506,312	P3,599,375
Adjustments for:			
Unrealized gains on fair value changes of financial assets at FVPL	8	(4,728,403)	(93,971)
Provision for probable loss	17	4,000,000	-
Interest income	7	(3,406,722)	(1,104,891)
Depreciation	11	1,263,908	1,346,544
Dividend income	8	(1,223,856)	(1,185,738)
Provision for (reversal of) ECL on trade receivables	9	(557,213)	510,576
Retirement benefit costs	20	407,360	526,633
Interest expense	16	44,271	20,584
Unrealized foreign exchange gains		(11,691)	(30,379)
Operating income before working capital changes		4,293,966	3,588,733
Decrease (increase) in:			
Financial assets at FVPL		20,381,828	(20,095,002)
Trade and other receivables		(53,611,860)	(74,240,213)
Other current assets		(22,684)	(73,480)
Refundable deposits		(2,379,533)	(2,104,810)
Increase (decrease) in:			
Trade payables		664,374,492	260,689,219
Other current liabilities		289,090	(12,174,670)
Net cash generated from operations		633,325,299	155,589,777
Interest received		3,406,722	1,104,891
Income taxes paid		(2,232,904)	(681,825)
Dividends received		1,223,856	1,185,738
Net cash provided by operating activities		635,722,973	157,198,581
<b>CASH FLOW FROM AN INVESTING ACTIVITY</b>			
Acquisitions of property and equipment	11	(252,729)	(174,910)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Availment of loans	16	70,000,000	-
Payments of:			
Loans payable		(70,000,000)	(1,000,000)
Interest on loans payable		(44,271)	(20,584)
Net cash used in financing activities		(44,271)	(1,020,584)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>635,425,973</b>	<b>156,003,087</b>
<b>EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS</b>		<b>11,691</b>	<b>30,379</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>214,231,912</b>	<b>58,198,446</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>P849,669,576</b>	<b>P214,231,912</b>

See accompanying Notes to Financial Statements.

**MANDARIN SECURITIES CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

---

**1. Corporate Information**

Mandarin Securities Corporation (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on December 15, 1989. The Company is a licensed broker/dealer in securities with the Philippine SEC, and is both a stockholder and a holder of a trading right issued by the Philippine Stock Exchange (PSE).

The registered office address of the Company is 28th Floor, LKG Tower, 6801 Ayala Avenue, Makati City.

**Approval of Financial Statements**

The financial statements of the Company as at and for the years ended December 31, 2025 and 2024 were approved and authorized for issuance by the Board of Directors (BOD) on April 13, 2026.

---

**2. Summary of Material Accounting Policy Information**

The material accounting policies used in the preparation of the financial statements are consistently applied to all the years presented, unless otherwise stated.

**Basis of Preparation and Statement of Compliance**

The financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. This financial reporting framework includes PFRS Accounting Standards, Philippine Accounting Standards (PAS), and Philippine Interpretation from International Financial Reporting Interpretations Committee (IFRIC) issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC, including SEC pronouncements.

The statements of financial position contain some additional information in line with the requirements of Rule 52.1 of the Implementing Rules and Regulations of the Securities Regulation Code (SRC).

**Measurement Bases**

The financial statements are presented in Philippine Peso (Peso), the Company's functional currency. All values are rounded to the nearest Peso, unless otherwise indicated.

The financial statements of the Company have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVPL) and retirement benefit liability which is carried at present value of defined benefit obligations.

Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability. 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 Company uses market observable data to the extent possible when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the following valuation techniques:

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

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is disclosed in the following notes to the financial statements:

- Note 6 - Fair Value Measurement;
- Note 8 - Financial Assets at FVPL; and
- Note 12 - Investment Property

#### **Adoption of Amendments to PFRS Accounting Standards**

The material accounting policies adopted are consistent with those of the previous financial year. There are no issued amendments to PFRS Accounting Standards, which are effective as at January 1, 2025, that has a significant impact on the Company's financial statements.

#### **New and Amendments to PFRS Accounting Standards in Issue But Not Yet Effective**

Relevant new and amendments to PFRS Accounting Standards, which are not yet effective as at December 31, 2025 and have not been applied in preparing the financial statements, are summarized below:

Effective for annual periods beginning on or after January 1, 2026:

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendment provides to clarify the requirements related to the date of recognition and derecognition of financial assets and financial liabilities, with an exception for derecognition of financial liabilities settled through cash using an electronic payment system. The amendments also clarify the requirements of assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features, and the characteristics of non-recourse loans and contractually linked instruments. The amendments also introduce additional disclosure requirements for equity instruments classified as financial asset measured at fair value through other comprehensive income (FVOCI) with contingent features. Earlier application is permitted.

- Annual Improvements to PFRS Accounting Standards Volume 11 -
  - Amendments to PFRS 7, *Financial Instruments: Disclosures* – The amendments remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price. The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure.

Effective for annual periods beginning on or after January 1, 2027 -

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out requirements for the presentation and disclosure of information in general purpose financial statements. The standard introduces new categories and sub-totals in the statements of comprehensive income, additional disclosures on management-defined performance measures, and enhanced requirements for grouping information. Full retrospective application is required. Earlier application is permitted.

Under the prevailing circumstances, the adoption of the new and amended PFRS Accounting Standards is not expected to have a material impact on the Company's financial statements, except for PFRS 18. The Company is currently assessing the potential effects of PFRS 18 on the presentation and disclosures of the financial statements, including changes to the structure of the statements of comprehensive income. Additional disclosures will be provided in the financial statements, as applicable.

### **Financial Instruments**

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

The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using trade date accounting.

### **Financial Assets**

*Initial Recognition and Measurement.* Financial assets are recognized initially at fair value, which is the fair value of the consideration given. The initial measurement of financial assets, except for those designated at FVPL, includes transaction cost.

*Classification.* The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at amortized cost, (b) financial assets at FVOCI, and (c) financial assets at FVPL. The classification of a financial asset at initial recognition largely depends on the Company's business model and its contractual cash flow characteristics.

As at December 31, 2025 and 2024, the Company has no financial assets at FVOCI.

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

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

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less any allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized, impaired and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

As at December 31, 2025 and 2024, the Company's cash and cash equivalents, trade and other receivables, and refundable deposits are classified under this category (see Notes 7, 9, and 14).

*Financial Assets at FVPL.* Financial assets that do not meet the criteria for being measured at amortized cost or FVOCI are classified under this category. Specifically, financial assets at FVPL include financial assets that are (a) held for trading, (b) designated upon initial recognition at FVPL, or (c) mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

This category includes equity instruments which the Company had not irrevocably elected to classify at FVOCI at initial recognition.

After initial recognition, financial assets at FVPL are subsequently measured at fair value. Gains or losses arising from the fair value changes of financial assets at FVPL are recognized in profit or loss.

As at December 31, 2025 and 2024, the Company's investments in quoted equity securities and money market fund are classified under this category (see Note 8).

*Reclassification.* The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in other comprehensive income (OCI).

For a financial asset reclassified out of the financial assets at FVPL category to financial asset at amortized cost, its fair value at the reclassification date becomes its new carrying amount.

For a financial asset reclassified out of the financial assets at FVPL category to financial asset at FVOCI, its fair value at the reclassification date becomes its carrying amount.

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

For trade receivables, the Company has applied the simplified approach and has calculated ECL based on the lifetime ECL. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to its customers and the economic environment and an assessment of both the current as well as the forecast direction of condition at the reporting date, including time value of money where appropriate.

For other financial assets at amortized cost, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECL that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. The Company also considers reasonable and supportable information, that is available without undue cost or effort, which is indicative of significant increases in credit risk since initial recognition.

The Company considers a financial asset in default when contractual payments are 30 days past due unless it is demonstrated that the non-payment was an administrative oversight rather than resulting from financial difficulty of the counterparty. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

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

When the Company has transferred its right to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company's continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Company could be required to repay.

### **Financial Liabilities at Amortized Cost**

*Initial Recognition and Measurement.* Financial liabilities at amortized cost are recognized initially at fair value, which is the fair value of the consideration received, net of any directly attributable transaction costs.

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

After initial recognition, these 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. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process. Financial liabilities at amortized cost are included under current liabilities if it is due to be settled within 12 months after the reporting period. Otherwise, these are classified as noncurrent liabilities.

As at December 31, 2025 and 2024, the Company's trade payables and other current liabilities (excluding nonfinancial liabilities) are classified under this category (see Notes 15 and 17).

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

### **Offsetting of Financial Assets and Liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

### **Property and Equipment**

Property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

The initial cost of property and equipment comprises its purchase price after deducting trade discounts and rebates, and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditures incurred after the property and equipment have been put into operation, such as repairs, maintenance, and overhaul costs, are normally recognized in profit or loss in the year the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment. The cost of replacing a component of an item of property and equipment is recognized if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognized.

When parts of an item of property and equipment have different useful lives, these are accounted for as separate items (major components) of property and equipment.

Depreciation is calculated on a straight-line basis over the following estimated useful lives of the property and equipment:

	Number of Years
Condominium unit and improvements	15 to 25
Office equipment	3
Furniture and fixtures	3 to 5
Transportation equipment	5

Depreciation commences when an item of property and equipment is in its location or condition capable of being operated in the manner intended by management and ceases at the earlier of the date that the item is classified as held for sale and the date the property and equipment is derecognized.

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

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and impairment losses are removed from the accounts. Any resulting gain or loss is recognized in profit or loss.

Fully-depreciated assets are retained in the accounts until they are no longer in use and no further depreciation is recorded with respect to those assets.

#### **Investment Property**

Investment property is a property held either to earn rental income or for capital appreciation, or both, but not for sale in the ordinary course of business or for administrative purposes.

Investment property is measured initially at cost, including any directly attributable expenditures such as legal and brokerage fees, property transfer taxes, and other transaction costs. Subsequent to initial recognition, investment property is carried at cost less accumulated depreciation and any impairment in value. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property.

Depreciation is calculated on a straight-line basis over the useful lives ranging from 15 to 25 years.

Investment property is derecognized when either it has been disposed of or when the investment property is permanently withdrawn from use, and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the period of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the ending of owner-occupation, commencement of an operating lease to another party, or ending of the construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by the commencement of owner occupation or commencement of development with a view to sell.

For a transfer from investment property to owner-occupied property or inventories, the cost for subsequent accounting is its carrying amount at the date of change in use. If the property occupied by the Company as an owner-occupied property becomes an investment property, the Company accounts for such in accordance with the policy under property and equipment up to the date of change in use.

#### **Exchange Trading Right**

Exchange trading right is initially measured at cost. It is an intangible asset with indefinite useful life and is tested for impairment annually. Exchange trading right is not amortized but is carried at cost less accumulated impairment losses, if any. The assumption that the exchange trading right remains to be an intangible asset with an indefinite life is reviewed annually to determine whether this continues to be supportable as such. If not, the carrying amount of the asset is amortized over its remaining useful life on a straight-line basis unless a more appropriate amortization method is warranted. Any impairment losses determined are recognized in profit or loss.

Gains or losses arising from the derecognition of exchange trading right are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss in the period of derecognition.

#### **Impairment of Nonfinancial Assets**

The carrying amounts of nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, except for the exchange trading right where test of impairment is done annually. If any such indication exists and when the carrying amounts exceed the estimated recoverable amounts, the assets or cash-generating units (CGU) are written down to their recoverable amounts. The recoverable amount of the asset is the greater of the fair value less cost to sell or value in use. The fair value less cost to sell is the amount obtainable from the sale of an asset that 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In such instance, the carrying amount of the asset is increased to its recoverable amount. However, that increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had there been no impairment loss recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such reversal, the depreciation charges are adjusted in future years to allocate the asset's revised carrying amount on a systematic basis over its remaining useful life.

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

VAT is a tax on consumption levied on the sale, barter, exchange, or lease of goods or properties and services, and on importation of goods in the Philippines. It is an indirect tax, which may be shifted or passed on to the buyer, transferee or lessee of goods, properties or services.

Revenue, expenses, and assets are generally recognized net of the amount of VAT, except:

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

The net amount of VAT payable to the taxation authority is included as part of "Statutory payables" under "Other current liabilities" account in the statements of financial position.

#### **Deferred Rental Income**

Deferred rental income consists of amounts received by the Company from its lessee as advance payments. This is recorded at face amount and is recognized in profit or loss when the lease of property is rendered.

#### **Equity**

*Capital Stock.* Capital stock is measured at par value for all shares issued and outstanding. Other costs directly attributable to the issuance of new shares are recognized in equity as a reduction to any available share premium. Any excess is charged against the unappropriated retained earnings.

*Additional Paid-in Capital.* Additional paid-in capital pertains to the proceeds and/or fair value of considerations received in excess of the par value of the shares issued.

*Retained Earnings.* Retained earnings represent the cumulative balance of net income or losses, net of any dividend declarations.

Unappropriated retained earnings pertain to the unrestricted portion available for dividend declaration. Appropriated retained earnings pertain to the restricted portion which is intended for the reserve fund in compliance with the SRC Rule 49.1 (B).

*Cumulative Gains (Losses) on Remeasurement of Retirement Benefit Liability.* Cumulative gains (losses) on remeasurement of retirement benefit liability represent the cumulative balance of actuarial gains and losses. Remeasurements are recognized immediately in the OCI account and are not reclassified to profit or loss in subsequent periods.

### **Revenue Recognition**

Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Company perform its obligations; (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The Company has assessed that it acts as agent in its brokerage transactions. The Company acts as a principal in its income from other sources.

*Commissions.* This account consists of revenue from brokerage transactions, which is recorded on trade date basis as trade transactions occur.

*Other Income.* Income from other sources is recognized when earned during the year.

The following are the specific recognition criteria for other revenues outside the scope of PFRS 15, *Revenue from Contracts with Customers*:

*Trading Gains on Financial Assets at FVPL.* Trading gains on financial assets at FVPL include all gains from changes in fair value and disposal of financial assets at FVPL. Unrealized gains are recognized in profit or loss upon remeasurement of the financial assets at FVPL at each reporting date. Gains from sale of financial assets at FVPL are recognized in profit or loss upon confirmation of trade deals.

*Interest Income.* Interest income is recognized as it accrues, taking into account the effective yield of the asset.

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

*Rental Income.* Rental income is accounted for on a straight-line basis over the lease term.

### **Cost and Expense Recognition**

Costs and expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

*Cost of Services.* Cost of services is recognized as expense when the related services are rendered.

*Operating Expenses.* Operating expenses constitute costs of administering the business and costs incurred to sell and market the services. These are recognized in profit or loss as incurred.

### **Employee Benefits**

*Short-term Employee Benefits.* The Company recognizes short-term employee benefits based on contractual arrangements with employees.

*Retirement Benefits.* The Company accrues minimum retirement benefit liability in accordance with Republic Act (R.A.) No. 7641, "Retirement Pay Law", which requires a company to pay minimum retirement benefits to employees who retire after reaching the mandatory retirement of age of 65 years or the optional retirement age of 60 years, with at least five years of service to the Company.

The retirement benefit liability recognized by the Company is the present value of the defined benefit obligation. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using risk-free rates of government bonds that have terms to maturity approximating the terms of the related retirement benefit liability.

The Company recognizes current service cost and interest cost in profit or loss. The Company determines the interest cost by applying the discount rate to the retirement benefit liability at the beginning of the annual period.

Remeasurement of the retirement benefit liability comprises of actuarial gains and losses and are recognized immediately in OCI and are not reclassified to profit or loss in subsequent periods. Cumulative gains or losses on remeasurement of retirement benefit liability are presented in the equity section of the statements of financial position.

Under PAS 19, *Employee Benefits*, the cost of defined retirement benefits, including those mandated under R.A. No. 7641, should have been actuarially determined using projected unit credit method. Management assessed, however, that the effect on the financial statements of the difference between the current method used by the Company and the required valuation method is not significant.

#### **Leases**

The Company assesses whether the contract is, or contains a lease at the commencement date. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, it has both of the following:

- The right to obtain substantially all of the economic benefits from use of the identified asset; and
- The right to direct the use of the identified asset.

If the Company has the right to control the use of an identified asset for only a portion of the term of the contract, the contract contains a lease for that portion of the term.

The Company also assesses whether a contract contains a lease for each potential separate lease component.

Leases where the Company, as a lessor, retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized in the period in which these are earned.

#### **Foreign Currency-Denominated Transactions**

Transactions denominated in foreign currencies are recorded using the exchange rate at the date of the transaction. Outstanding monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate at reporting date. Differences arising on settlement or translation of monetary assets and liabilities are recognized in profit or loss.

For income tax reporting purposes, foreign exchange gains or losses are treated as taxable income or deductible expenses in the year such are realized.

### **Income Taxes**

*Current Tax.* Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax laws used to compute the amount are those that have been enacted or substantively enacted at the reporting date.

*Deferred Tax.* Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carryforward benefits of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax credits can be utilized.

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

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

Deferred tax is recognized in profit or loss except to the extent that it relates to business combination or items directly recognized to equity or in OCI.

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

### **Related Party Transactions**

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

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, or stockholders.

### **Provisions and Contingencies**

*Provisions.* Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Provisions are reviewed at the end of each reporting year and adjusted to reflect the current best estimate.

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

#### **Events after the Reporting Date**

Events after the reporting date that provide additional information about the Company's financial position as at reporting date (adjusting events) are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to the financial statements when material.

---

### **3. Significant Judgments, Accounting Estimates, and Assumptions**

The preparation of the financial statements in compliance with PFRS Accounting Standards requires management to exercise judgment, make accounting estimates, and use assumptions that affect the amounts reported in the financial statements and related notes. The judgment and accounting estimates used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at the reporting date.

While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

The judgments, accounting estimates, and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The following are the significant judgments, accounting estimates, and assumptions made by the Company:

#### **Judgments**

*Classification and Measurement of Financial Assets.* Classification and measurement of financial assets depend on the results of the "solely for payments of principal and interests" and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated, the risks that affect the performance of the assets, and how these risks are managed.

The Company monitors financial assets measured at FVPL or amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate. Otherwise, change in the business model should result to a change in the classification of those financial assets.

The Company's investment in quoted equity securities and money market fund held for trading were classified as financial assets at FVPL (see Note 8).

Cash and cash equivalents, trade and other receivables, and refundable deposits as at December 31, 2025 and 2024 were classified as financial assets at amortized cost because the Company's primary business model in relation to these assets is to hold the financial assets to collect contractual cash flows, on specified dates, solely for principal and interest (see Notes 7, 9, and 14).

*Classification of Investment Property.* The Company determines whether a property qualifies as an investment property, and has developed criteria in making that judgment. Investment properties are properties held to earn rentals or for capital appreciation or both. The Company classifies condominium unit and improvements held to earn rentals as investment property.

The carrying amount of investment property as at December 31, 2025 is disclosed in Note 12 to the financial statements.

*Classification of Leases - Company as a Lessor.* The Company has entered into a commercial property lease on its condominium unit. The Company has determined that it retains all the significant risks and benefits related to this property. Accordingly, the leases are accounted for as operating leases.

Rental income in 2025 is disclosed in Note 12 to the financial statements.

*Evaluation of the Adequacy of Tax Liabilities.* The Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretation of tax laws and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

#### **Accounting Estimates and Assumptions**

*Fair Value Measurement of Financial Instruments.* The fair values of investments that are actively traded in organized financial markets are determined by reference to prevailing quoted market prices, which are usually the closing prices, as at reporting date.

In accordance with the amendments to PFRS 7, *Financial Instruments: Disclosures*, disclosures about the level in the fair value hierarchy are required in which the fair value measurements are categorized for assets and liabilities measured in the statements of financial position.

Assumptions and methods of determining the fair values of financial instruments are presented in Note 6 to the financial statements.

*Assessment for ECL on Trade Receivables.* The Company, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates for trade receivables. The provision matrix specifies provision rates depending on the number of days that a trade receivable is past due. The Company also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Company then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data to reflect the effects of current and forecasted economic conditions.

The determination of the relationship between historical default rates and forecasted economic conditions is a significant accounting estimate. Accordingly, the provision for impairment loss on trade receivables is sensitive to changes in assumptions about forecasted economic conditions.

The Company recognized reversal of allowance for ECL in 2025 and recognized provision for ECL in 2024. The carrying amount of trade receivables and the related allowance for ECL as at December 31, 2025 and 2024 are disclosed in Note 9 to the financial statements.

*Assessment for ECL on Other Financial Assets at Amortized Cost.* The Company determines the allowance for ECL using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL is provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Company considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and,
- Actual or expected significant adverse changes in the operating results of the counterparty.

The Company also considers other financial assets that are more than 30 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the counterparty.

The Company has assessed that the impairment on other financial assets at amortized cost is immaterial because the transactions with respect to these financial assets were entered into by the Company only with reputable banks and companies with good credit standing and relatively low risk of defaults. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized in 2025 and 2024.

The carrying amounts of other financial assets at amortized cost (cash and cash equivalents, other receivables, and refundable deposits) as at December 31, 2025 and 2024 are disclosed in Notes 7, 9, and 14 to the financial statements.

*Determination of the Useful Lives of Property and Equipment and Investment Property.* The Company estimates the useful lives of property and equipment and investment property based on the period over which the assets are expected to be available for use. The Company reviews annually the estimated useful lives of property and equipment and investment property 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 the assets. In addition, estimation of the useful lives of property and equipment and investment property is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. However, it is possible 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.

There are no changes in the estimated useful lives of property and equipment and investment property in 2025 and 2024. The carrying amounts of property and equipment and investment property as at December 31, 2025 and 2024 are disclosed in Notes 11 and 12 to the financial statements.

*Assessment for the Impairment of Nonfinancial Assets.* The Company assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of the assets or group of assets may not be recoverable.

The relevant factors that the Company considers in deciding whether to perform an asset impairment review include, among others, the following:

- Significant underperformance of a business in relation to expectations;
- Significant negative industry or economic trends; and
- Significant changes or planned changes in the use of the assets.

No provision for impairment loss was recognized in 2025 and 2024 because the Company determined that there are no indications of impairment on nonfinancial assets. The carrying amounts of nonfinancial assets (other current assets, property and equipment, and investment property) as at December 31, 2025 and 2024 are disclosed in Notes 10, 11, and 12 to the financial statements.

*Estimation of the Useful Life and Assessment for Impairment of the Exchange Trading Right.* Exchange trading right carried at cost less any allowance for impairment loss, is reviewed for impairment annually or more frequently, if events or changes in circumstances indicate that the carrying values may be impaired. The exchange trading right is deemed to have an indefinite useful life as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company.

No provision for impairment losses on exchange trading right was recognized in 2025 and 2024 because the management has assessed that the value in use of the exchange trading right is higher than its cost which will be recovered from the future operations of the Company.

The carrying amount of exchange trading right as at December 31, 2025 and 2024 is disclosed in Note 13 to the financial statements.

There were no changes in the estimated useful life of exchange trading right in 2025 and 2024.

*Determination of Retirement Benefits.* The determination of the retirement benefit liability and expense is dependent on the assumptions used by the Company in calculating such amounts. These assumptions include, among others, discount rates. While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the retirement benefit liability.

Retirement benefit liability and related cumulative gains (losses) on remeasurement of retirement benefit liability (net of deferred tax) as at December 31, 2025 and 2024 are disclosed in Note 20 to the financial statements.

*Recognition of Deferred Tax Assets.* The Company reviews the carrying amounts of deferred tax assets at each reporting date and adjusts the balance to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Recognized deferred tax assets as at December 31, 2025 and 2024 are disclosed in Note 21 to the financial statements.

#### 4. Financial Risk Management Objectives and Policies

The Company's principal financial instruments consist mainly of cash and cash equivalents, financial assets at FVPL, trade and other receivables, refundable deposits, trade payables, and other current liabilities (excluding nonfinancial liabilities).

The main risks arising from the Company's use of financial instruments include credit risk, liquidity risk, and market risks. The Company's overall risk management process focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The BOD regularly reviews and approves the appropriate policies for managing these financial risks, as summarized below.

##### Credit Risk

The Company's exposure to credit risk arises from the failure of a counterparty in fulfilling its financial commitments to the Company under the prevailing contractual terms. Financial instruments that potentially subject the Company to credit risk consist primarily of trade receivables and other financial assets at amortized cost.

The Company limits its exposure to credit risk by depositing its cash with highly reputable and pre-approved financial institutions. Refundable deposits are entered into with reputable companies. In addition, customers are initially assessed for creditworthiness based on their profile (i.e., financial capacity, reputation, collateral). The Company mitigates its credit risk by transacting with recognized and creditworthy counterparties. The Company also monitors receivable balances regularly. In accordance with the Risk-Based Capital Adequacy (RBCA) requirements, limits are imposed to avoid large exposure to a single client or counterparty and single equity relative to a particular issuer company or group of companies. Furthermore, credit exposures are minimized by collateral held in the form of securities purchased.

The Company has no significant concentration of credit risk with any single counterparty or group of counterparties having similar characteristics.

The table below presents the summary of the Company's maximum exposure to credit risk without taking into account any collateral, other credit enhancements or credit risk mitigating features and shows the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired, if any, are separately presented.

	2025					Total
	12-month ECL			Lifetime ECL		
	High Grade	Standard Grade	Substandard Grade	Not Credit Impaired	Credit Impaired	
Cash and cash equivalents	₱849,669,576	P-	P-	P-	P-	₱849,669,576
Trade and other receivables	-	1,904,030	-	391,905,117	742,616	394,551,763
Refundable deposits	-	31,609,002	-	-	-	31,609,002
	₱849,669,576	₱33,513,032	P-	₱391,905,117	₱742,616	₱1,275,830,341

	2024					Total
	12-month ECL		12-month ECL			
	High Grade	Standard Grade	Substandard Grade	Not Credit Impaired	Credit Impaired	
Cash in banks	₱214,231,912	₱-	₱-	₱-	₱-	₱214,231,912
Trade and other receivables	-	40,414	-	339,599,660	1,299,829	340,939,903
Refundable deposits	-	29,229,469	-	-	-	29,229,469
	₱214,231,912	₱29,269,883	₱-	₱339,599,660	₱1,299,829	₱584,401,284

The description of the credit grades used by the Company in evaluating financial assets follows:

**High Grade** - This pertains to accounts with a very low probability of default as demonstrated by the counterparty's long history of stability, profitability and diversity. The counterparty has the ability to raise substantial amount of funds through the public markets. The counterparty has a strong debt service record and a moderate use of leverage.

**Standard Grade** - The counterparty has no history of default. The counterparty has sufficient liquidity to fully service its debt over the medium term. The counterparty has adequate capital to readily absorb any potential losses from its operations and any reasonably foreseeable contingencies. The borrower reported profitable operations for at least the past three years.

**Substandard Grade** - The counterparty is expected to be able to adjust to the cyclical downturns in its operations. Any prolonged adverse economic conditions would however ostensibly create profitability and liquidity issues. Operating performance could be marginal or on the decline. The counterparty may have history of default in interest but must have regularized its service record to date. The use of leverage is above industry standards but has contributed to shareholder value.

#### *Trade Receivables*

The Company uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments analyzed by customer type, credit terms, and number of days outstanding. The Company adjusts historical default rates to forward-looking default rate by determining the closely related economic factor affecting each customer segment (i.e., PSE index). At each reporting date, the observed historical default rates are updated and changes in the forward-looking estimates are analyzed.

The aging analysis of the Company's trade receivables from customers as follows:

Days from Transaction Date of Counterparty	2025		
	Amount	Collateral (Net of Haircut)	Counterparty Exposure
1 to 2 days	₱143,809,066	₱2,044,984,032	₱43,884,616
3 to 13 days	2,140,044	49,256,372	-
14 to 31 days	1,860,465	19,920,441	-
Over 31 days	211,395,230	229,786,032	699,815
	₱359,204,805	₱2,343,946,877	₱44,584,431

Days from Transaction Date of Counterparty	2024		
	Amount	Collateral (Net of Haircut)	Counterparty Exposure
1 to 2 days	₱100,119,510	₱115,080,140	₱-
3 to 13 days	2,555,022	5,189,789,069	45,772
14 to 31 days	943,097	33,609,955	1,510
Over 31 days	197,082,867	202,665,564	1,247,974
	₱300,700,496	₱5,541,144,728	₱1,295,256

Counterparty exposure is computed based on the rules provided by SRC Rule 52.1.11 which considers the age of receivables and the market value of related securities, net of haircut, as its collateral. The percentage of haircut is determined based on whether the security is within or outside the PSE index (PSEi).

SRC requires broker/dealers to maintain a stock record for each cash and margin account of every customer regardless of the frequency of transactions. The stock record is a record of accountability reflecting all securities for which the Company has custodial responsibility or proprietary ownership. Transactions in the customer accounts cover both money balances and security positions, with the security transaction and related money generally recorded on the settlement date.

On a regular basis, collateral valuations of customers' accounts are analyzed to ensure that these are sufficient to cover the outstanding balances due to the Company.

Allowance for ECL on trade receivables from customers amounted to ₱742,616 and ₱1,299,829 as at December 31, 2025 and 2024, respectively (see Note 9).

As at December 31, 2025 and 2024, trade receivables from customers amounting to ₱359,058,091 and ₱300,481,358, respectively, are secured by collateral comprising equity securities of listed companies with a total market value (gross of haircut) of ₱3,260,492,268 and ₱8,550,628,473, respectively (see Note 9).

#### *Other Financial Assets at Amortized Cost*

The Company's other financial assets at amortized cost consist of cash and cash equivalents, other receivables, and refundable deposits.

It is the Company's policy to measure ECL on other financial assets at amortized cost on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company considers the factors discussed in Note 3 to the financial statements in assessing ECL on other financial assets at amortized cost. The Company invests its cash only with banks that have good credit standing and reputation in the local and international banking industry. These instruments are graded in the top category by an acceptable credit rating agency and, therefore, are considered to be low credit risk investments. For refundable deposits, credit risk is low because the Company only transacted with reputable companies with respect to these financial assets. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized in 2025 and 2024.

**Liquidity Risk**

Liquidity risk arises from the possibility that the Company may encounter difficulties in raising adequate funds to meet its financial commitments at a reasonable cost. The Company's objectives in effectively managing its liquidity are: (a) to ensure that adequate funding is available at all times; (b) to meet the commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost.

The Company monitors its cash flows, particularly the receivable from customers' collections and the funding requirements of operations, to ensure an adequate balance of inflows and outflows. Further, special reserve requirements for the customers of the Company are maintained in the bank (see Note 7).

The table below summarizes the maturity profile of the financial liabilities of the Company based on remaining contractual undiscounted cash flows.

	2025				Total
	On Demand	Up to 1 Month	Between 1 to 12 Months	Beyond 1 Year	
Financial liabilities at amortized cost:					
Trade payables	P-	P1,058,504,088	P-	P-	P1,058,504,088
Other current liabilities*	8,824,316	2,966,266	526,446	-	12,317,028
	<b>P8,824,316</b>	<b>P1,061,470,354</b>	<b>P526,446</b>	<b>P-</b>	<b>P1,070,821,116</b>

\*Excluding nonfinancial liabilities aggregating to P6,062,879 as at December 31, 2025.

	2024				Total
	On Demand	Up to 1 Month	Between 1 to 12 Months	Beyond 1 Year	
Financial liabilities at amortized cost:					
Trade payables	P-	P394,129,596	P-	P-	P394,129,596
Other current liabilities*	8,735,198	2,697,915	-	-	11,433,113
	<b>P8,735,198</b>	<b>P396,827,511</b>	<b>P-</b>	<b>P-</b>	<b>P405,562,709</b>

\*Excluding nonfinancial liabilities aggregating to P2,657,704 as at December 31, 2024.

**Market Risks**

The Company is exposed to market risks, primarily relating to equity price risk and foreign currency risk. Management actively monitors these exposures as follows:

*Equity Price Risk.* Equity price risk is the risk that the fair values of quoted equity securities would decrease as the result of the adverse changes in the quoted equity prices is affected by both rational and irrational market forces. The equity price risk exposure of the Company arises mainly from its financial assets at FVPL.

The Company's policy is to maintain the risk to an acceptable level. Movement in share price is monitored regularly to determine the impact on its financial position.

The table below sets forth the impact of changes in PSEi in the Company's unrealized gain or loss on its financial assets at FVPL.

	2025		2024	
Changes in PSEi	16.68%	(16.68%)	15.34%	(15.34)
Changes in trading income at equity portfolio under:				
Services	₱2,355,235	(₱2,355,235)	₱3,533	(₱3,533)
Industrial companies	109,801	(109,801)	74,981	(74,981)
Financial intermediaries	16,188	(16,188)	1,728,344	(1,728,344)
Mining and oil	1,886	(1,886)	948	(948)
Holding firms	470	(470)	6,132	(6,132)
	₱2,483,580	(₱2,483,580)	₱1,813,938	(₱1,813,938)

The sensitivity rate used for reporting equity price risk represents management's assessment of the reasonably possible change in equity pricing per PSEi. The sensitivity analysis includes the Company's stock portfolio with amounts adjusted by its specific beta for their valuation at the reporting date. The adjusted beta is the forecasted measure of the volatility of security or a portfolio in comparison to the market as a whole.

*Foreign Currency Risk.* Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's transactional currency exposures arise from its United States (US) dollar-denominated cash in bank amounting to \$12,353 and \$12,347 as at December 31, 2025 and 2024, respectively. The Company periodically reviews the trend of the foreign exchange rates to address its exposure to foreign currency risk. For the purpose of restating the Company's foreign-currency denominated cash in banks as at December 31, 2025 and 2024, the exchange rates applied were ₱58.79 and ₱57.85 per \$1, respectively.

As at December 31, 2025 and 2024, the Company's exposure to foreign currency risk is not significant.

## 5. Capital Management

The Company's objective in managing capital is to ensure that a stable capital base is maintained in accordance with industry regulations, while maintaining investor, creditor, and market confidence to sustain the future development of the business.

The Company's BOD has the overall responsibility for monitoring capital proportion to risks. The Associated Person designated by the Company monitors compliance with minimum net capital requirements imposed by PSE and SEC.

The Company, being a broker/dealer in securities, is regulated by PSE and SEC, and is subject to the following capital requirements in accordance with the SRC:

### **Required Capitalization for Broker/Dealers**

In compliance with Rule 28 of the 2015 *Implementing Rules and Regulations of Securities Regulation Code*, trading participants, who will be participating in a registered clearing agency, are required to have a minimum unimpaired capital of ₱100,000,000 effective November 9, 2015.

Unimpaired paid-up capital pertains to the Company's paid-up capital less any deficit. The unimpaired paid-up capital of the Company amounted to ₱120,000,000 as at December 31, 2025 and 2024.

Details of the Company's common stock at ₱100 par value as at December 31, 2025 and 2024 are as follows:

	2025		2024	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorized</b>				
Balance at beginning and end of year	1,000,000	₱100,000,000	1,000,000	₱100,000,000
<b>Issued and Outstanding</b>				
Balance at beginning and end of year	1,000,000	₱100,000,000	1,000,000	₱100,000,000

**Reserve Fund**

The Company shall annually appropriate a certain minimum percentage of its audited net income and transfer the same to "Appropriated retained earnings". Minimum appropriation of 30%, 20%, and 10% of net income for broker/dealers with unimpaired paid-up capital of between ₱10,000,000 to ₱30,000,000, between ₱30,000,000 to ₱50,000,000, and more than ₱50,000,000, respectively, are prescribed by SRC Rule 49.1 (B).

The Company has appropriated a reserve fund from its unappropriated retained earnings amounting to ₱593,139 and ₱252,799 in 2025 and 2024, respectively, which is equivalent to 10% of net income given that the Company's unimpaired paid-up capital is more than ₱50,000,000.

The total amount of appropriated retained earnings amounted to ₱38,910,325 and ₱38,317,186 as at December 31, 2025 and 2024, respectively.

**Net Liquid Capital (NLC)**

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

In computing for NLC, all non-allowable assets/equities, and collateralized liabilities will be deducted and allowable liabilities and equities are added to equity per books. The equity eligible for NLC pertains to the sum of the following:

- Equity per books;
- Liabilities subordinated to the claims of creditors in conformity with SRC Rule 49.1 and in accordance with a prescribed schedule; and
- Deposits for future stock subscription for which an application for increase in capital stock or request for exemption for registration has been filed with SEC.

The eligible equity for NLC shall exclude deferred income tax, revaluation reserves, minority interest, and any outside investment in affiliates and associates.

In computing for NLC, the equity eligible for NLC is adjusted by the following:

- Adding unrealized gains (or deducting unrealized losses) in the accounts of the Company;

- Deducting fixed assets and assets which cannot be readily converted into cash (less any AI in accordance with SRC Rule 49.1);
- Deducting general guarantees and indemnities for loans and indebtedness other than those incurred by the Company, unless otherwise permitted by SEC; and
- Deducting long and short securities differences.

AI shall mean the total money liabilities of a broker/dealer arising in connection with any transaction whatsoever and includes, among other things, money borrowed, money payable against securities loaned and securities failed to receive, market value of securities borrowed to the extent to which no equivalent value is paid or credited (other than the market value of margin securities borrowed from customers and margin securities borrowed from non-customers), customers' and non-customers' free credit balances, and credit balances in customers' and non-customers' accounts having short positions in securities, but excluding the items set out in SRC Rule 49.1 (1) (D).

The Company's NLC met the minimum prescribed amounts as shown below:

	2025	2024
<b>NLC:</b>		
Equity eligible for NLC	<b>₱238,784,789</b>	₱232,236,880
Less ineligible assets	<b>79,995,313</b>	69,426,208
	<b>158,789,476</b>	162,810,672
<b>Required NLC:</b>		
Higher of:		
5% of AI	<b>54,113,016</b>	20,490,711
Minimum amount	<b>5,000,000</b>	5,000,000
	<b>54,113,016</b>	20,490,711
<b>Net risk-based capital excess</b>	<b>₱104,676,460</b>	₱142,319,961

#### **Ratio of AI to NLC**

The Company shall not permit its AI to all other persons to exceed 2,000% of its NLC.

The Company's AI consisted of 682% and 252% of its NLC as at December 31, 2025 and 2024, respectively. The Company is in compliance with the required ratio of AI to NLC as at December 31, 2025 and 2024.

#### **RBCA Requirement/Ratio**

The RBCA requirement/ratio refers to the minimum levels of capital to be maintained by firms which are licensed, or securing a broker/dealer license, taking into consideration the firm size, complexity, and business risk. Such risks that are considered in determining the capital requirement include, among others, operational, position, counterparty, large exposure, underwriting, and margin financing risks. The RBCA ratio should be greater than or equal to 1.1. The RBCA ratio is the ratio linking the NLC of the Company to its Total Risk Capital Requirement (TRCR), calculated as the Company's NLC divided by its TRCR.

The TRCR is the sum of:

- Operational Risk Requirement (ORR);
- Credit Risk Requirement which include requirements for Counterparty Risk, Settlement Risk, Large Exposure Risk, and Margin Lending/Financing Risk; and
- Position or Market Risk Requirement.

The details of RBCA ratio are as follows:

	2025	2024
NLC	<b>₱158,789,476</b>	₱162,810,672
TRCR:		
ORR	<b>61,462,114</b>	79,218,078
Position risk	<b>8,703,714</b>	6,962,961
Large exposure risk	<b>120,093</b>	-
Counterparty risk	-	3,831
	<b>₱70,285,921</b>	₱86,184,870
RBCA ratio	<b>226%</b>	189%

As at December 31, 2025 and 2024, the Company is compliant with the required RBCA ratio.

#### **Ratio of Core Equity to ORR**

The Company's core equity shall be at all times greater than its ORR.

Core equity refers to the sum of paid-up common stock, common stock dividends distributable, additional paid-in capital, surplus reserves excluding revaluation reserves or appraisal capital, and opening retained earnings adjusted for all current year movements. Core equity shall exclude treasury shares and unbooked valuation reserves and other capital adjustments, such as unrealized gain or loss in fair value changes.

The Company's ratio of core equity to ORR is as follows:

	2025	2024
Common stock	<b>₱100,000,000</b>	₱100,000,000
Additional paid-in capital	<b>20,000,000</b>	20,000,000
Retained earnings, beginning of year	<b>113,210,102</b>	110,682,117
Core equity	<b>233,210,102</b>	230,682,117
ORR	<b>61,462,114</b>	79,218,078
<b>Ratio of Core Equity to ORR</b>	<b>379%</b>	291%

As at December 31, 2025 and 2024, the Company is compliant with the required ratio of core equity to ORR.

## 6. Fair Value Measurement

The following table presents the carrying amounts and fair values of the Company's assets measured at fair value and for which fair value is disclosed, and the corresponding fair value hierarchy:

2025					
	Note	Carrying Amounts	Fair value		
			Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Asset measured at fair value -					
Financial assets at FVPL	8	₱24,838,792	₱24,838,792	₱-	₱-
Asset for which fair value is disclosed -					
Investment property	12	14,813,487	-	-	33,783,750
		₱39,652,279	₱24,838,792	₱-	₱33,783,750

2024					
	Note	Carrying Amounts	Fair value		
			Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Asset measured at fair value -					
Financial assets at FVPL	8	₱40,492,217	₱40,492,217	₱-	₱-

The Company used the following techniques to determine fair value measurements:

- *Financial Assets at FVPL.* The Company's financial assets at FVPL as at December 31, 2025 and 2024 are carried at fair values based on sources classified under the Level 1 category. The fair values of financial assets at FVPL are based on quoted market prices from active markets as at the reporting date.
- *Investment Property.* The fair value of the investment property was determined using the Direct Sales Comparison Approach. This approach compares the recent sale transactions or offerings of similar properties which have occurred and/or offered with close proximity to the investment properties to establish an estimated value. The fair value of investment properties is categorized under Level 3.

The significant unobservable inputs used in the fair value measurement of the Company's investment properties are the estimated net price per square meter and various factors such as real property rights conveyed, conditions of sale, market conditions, location, physical condition and amenities, among others.

The Company has determined that the highest and best use of the investment property as at December 31, 2025 is its current use, which is for rental.

In 2025 and 2024, there were no transfers between Level 1, Level 2, and Level 3 fair value measurements.

The table below presents the financial assets and liabilities whose carrying amounts approximate their fair values.

	2025	2024
<b>Financial Assets at Amortized Cost</b>		
Cash and cash equivalents	<b>₱849,669,576</b>	₱214,231,912
Trade and other receivables	<b>393,809,147</b>	339,640,074
Refundable deposits	<b>31,609,002</b>	29,229,469
	<b>₱1,275,087,725</b>	₱583,101,455
<b>Financial Liabilities at Amortized Cost</b>		
Trade payables	<b>₱1,058,504,088</b>	₱394,129,596
Other current liabilities*	<b>12,317,028</b>	11,433,113
	<b>₱1,070,821,116</b>	₱405,562,709

\*Excluding nonfinancial liabilities aggregating to ₱6,062,879 and ₱2,657,704 as at December 31, 2025 and 2024, respectively.

*Current Financial Assets and Liabilities.* The carrying amounts of cash and cash equivalents, trade and other receivables, trade payables, and other current liabilities (excluding nonfinancial liabilities) approximate their fair values due to their short-term nature.

*Refundable Deposits.* The carrying amount of refundable deposits approximates fair value because management has assessed that the effect of discounting the future receipts from this financial instrument using the prevailing market rates is not significant.

## 7. Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash in banks	<b>₱799,669,576</b>	₱214,231,912
Cash equivalents	<b>50,000,000</b>	-
	<b>₱849,669,576</b>	₱214,231,912

Cash in banks earn interest at prevailing bank deposit rates and are immediately available for use in the Company's current operations.

Cash equivalents are made for varying periods of up to three months depending on the Company's immediate cash requirements and earn interest at short-term placement rate of 3.9%.

Interest income earned on cash and cash equivalents amounted to ₱3,406,722 and ₱1,104,891 in 2025 and 2024, respectively.

In compliance with SRC Rule 49.2 covering customer protection and custody of securities, the Company maintains special reserve bank accounts for the exclusive benefit of its customers aggregating ₱632,421,452 and ₱187,609,093 as at December 31, 2025 and 2024, respectively. The Company's reserve requirement is determined weekly based on the SEC's prescribed computation.

As at December 31, 2025, the computed reserve requirement amounted to ₱743,784,602. To comply with the reserve requirement, the Company deposited ₱230,000,000 to the special reserve bank accounts on January 2, 2026, which is within the prescribed regulatory deadline.

As at December 31, 2024, the Company's reserve accounts are adequate to cover its reserve requirements.

## 8. Financial Assets at FVPL

This account consists of:

	Note	2025	2024
PSE shares	13	<b>₱23,618,050</b>	₱18,894,440
Other listed shares		<b>1,220,742</b>	916,478
Money market fund		–	20,681,299
		<b>₱24,838,792</b>	<b>₱40,492,217</b>

The fair value of PSE shares is determined based on its market prices as at December 31, 2025 and 2024 amounting to ₱205 and ₱164 per share, respectively. As at December 31, 2025 and 2024, the Company holds 115,210 PSE shares.

Net trading gains recognized on financial assets at FVPL are as follows:

	2025	2024
Unrealized gains from fair value changes	<b>₱4,728,403</b>	₱93,971
Realized gain on sale	<b>328,638</b>	9,658
	<b>₱5,057,041</b>	<b>₱103,629</b>

Dividend income earned from financial assets at FVPL amounted to ₱1,223,856 and ₱1,185,738 in 2025 and 2024, respectively.

The Company's financial assets at FVPL as at December 31, 2025 and 2024 are carried at fair values based on quoted market prices or bidding dealer price quotations from active market as at the reporting date (see Note 6).

## 9. Trade and Other Receivables

This account consists of:

	2025	2024
Trade receivables from:		
Customers	<b>₱359,204,805</b>	₱300,700,496
Clearing house	<b>33,442,928</b>	40,198,993
	<b>392,647,733</b>	340,899,489
Less allowance for ECL	<b>742,616</b>	1,299,829
	<b>391,905,117</b>	339,599,660
Other receivables	<b>1,904,030</b>	40,414
	<b>₱393,809,147</b>	<b>₱339,640,074</b>

Trade receivables from customers are due within two business days from the reporting period. Details are as follows:

	2025		2024	
	Money Balance	Security Valuation - Long	Money Balance	Security Valuation - Long
Cash and fully secured accounts:				
More than 250%	₱30,202,433	₱2,715,095,755	₱3,194,171	₱8,064,149,275
Between 200% - 250%	5,871,639	18,150,500	1,256	3,941
Between 150% - 200%	11,364,229	31,573,159	488,794	1,069,578
Between 100% - 150%	195,295,393	364,802,394	277,453,404	466,531,706
Partially secured accounts	116,324,397	130,870,460	19,343,733	18,873,973
Unsecured accounts	146,714	-	219,138	-
	359,204,805	3,260,492,268	300,700,496	8,550,628,473
Less allowance for ECL	742,616	-	1,299,829	-
	<b>₱358,462,189</b>	<b>₱3,260,492,268</b>	<b>₱299,400,667</b>	<b>₱8,550,628,473</b>

Collaterals on trade receivables from customers pertain to listed equity securities amounting to ₱3,260,492,268 and ₱8,550,628,473 as at December 31, 2025 and 2024, respectively. The fair values of these securities are based on prevailing quoted market prices, which are usually the closing prices from active markets as at reporting date.

Trade receivables from clearing house are due and collectible after two business days from the transaction date. Accordingly, balances as at December 31, 2025 and 2024 were fully collected in January 2026 and 2025, respectively.

The balance and movements in allowance for ECL on trade receivables are as follows:

	2025	2024
Balance at beginning of year	₱1,299,829	₱789,253
Provision for (reversal of) ECL	(557,213)	510,576
Balance at end of year	<b>₱742,616</b>	<b>₱1,299,829</b>

## 10. Other Current Assets

This account consists of:

	2025	2024
Creditable withholding taxes	₱845,210	₱-
Prepayments	527,646	439,514
Advances to officers and employees	242,241	307,689
	<b>₱1,615,097</b>	<b>₱747,203</b>

Prepayments pertain to advance payments for taxes and licenses, insurance, and software subscription fees.

Advances to officers and employees are amounts paid in advance to officers and employees for future expenses in the normal course of business of the Company and are subject to liquidation.

## 11. Property and Equipment

The balances and movements in this account are as follows:

	2025				Total
	Condominium Unit and Improvements	Office Equipment	Furniture and Fixtures	Transportation Equipment	
<b>Cost</b>					
Balances at beginning of year	₱20,409,590	₱6,332,325	₱6,145,587	₱4,686,444	₱37,573,946
Additions	-	252,729	-	-	252,729
Reclassification	(20,409,590)	-	-	-	(20,409,590)
Balances at end of year	-	6,585,054	6,145,587	4,686,444	17,417,085
<b>Accumulated Depreciation</b>					
Balances at beginning of year	4,603,474	5,636,034	6,133,312	4,686,444	21,059,264
Depreciation	-	261,459	9,820	-	271,279
Reclassification	(4,603,474)	-	-	-	(4,603,474)
Balances at end of year	-	5,897,493	6,143,132	4,686,444	16,727,069
<b>Carrying Amounts</b>	<b>₱-</b>	<b>₱687,561</b>	<b>₱2,455</b>	<b>₱-</b>	<b>₱690,016</b>

	2024				Total
	Condominium Unit and Improvements	Office Equipment	Furniture and Fixtures	Transportation Equipment	
<b>Cost</b>					
Balances at beginning of year	₱20,409,590	₱6,157,415	₱6,145,587	₱4,686,444	₱37,399,036
Additions	-	174,910	-	-	174,910
Balances at end of year	20,409,590	6,332,325	6,145,587	4,686,444	37,573,946
<b>Accumulated Depreciation</b>					
Balances at beginning of year	3,610,846	5,291,940	6,123,490	4,686,444	19,712,720
Depreciation	992,628	344,094	9,822	-	1,346,544
Balances at end of year	4,603,474	5,636,034	6,133,312	4,686,444	21,059,264
<b>Carrying Amounts</b>	<b>₱15,806,116</b>	<b>₱696,291</b>	<b>₱12,275</b>	<b>₱-</b>	<b>₱16,514,682</b>

Depreciation recorded in the statements of comprehensive income are as follows:

	Note	2025	2024
Investment property	12	₱992,629	₱-
Property and equipment		271,279	1,346,544
		<b>₱1,263,908</b>	<b>₱1,346,544</b>

As at December 31, 2025 and 2024, cost of fully-depreciated assets still in use amounted to ₱14,675,692 and ₱14,277,359, respectively.

### **Reclassification to Investment Properties**

In 2025, the Company reclassified its condominium unit and improvements, initially classified as part of "Property and equipment" account, to "Investment properties". This reclassification was made following its leasing activities, which represent a change in the use of these properties (see Note 12). This is considered as noncash financial information excluded from the statements of cash flows.

---

## 12. Investment Property

Investment property consists of condominium unit and improvements held for rental.

The details in this account as at and for the year ended December 31, 2025 are as follows:

	Note	
<b>Cost</b>		
Reclassification and balance at end of year	11	₱20,409,590
<b>Accumulated Depreciation</b>		
Reclassification	11	4,603,474
Depreciation	11	992,629
Balance at end of year		5,596,103
<b>Carrying Amount</b>		<b>₱14,813,487</b>

In 2025, the Company, as a lessor, entered into lease agreement for its condominium unit, with term of one year and renewable upon mutual agreement of both parties.

Rental income earned from investment property amounted to ₱877,410 in 2025. This is included as part of "Other income" account in the statements of comprehensive income. Direct costs related to investment property, which pertains to depreciation and real property tax, amounted to ₱1,008,825 in 2025.

As at December 31, 2025, refundable security deposit and deferred rental income for this lease agreement amounted to ₱526,446 and ₱175,482, respectively (see Note 17).

The fair value of the investment property amounted to ₱33,783,750 as at December 31, 2025. The fair value of the investment property was determined using the Direct Sales Comparison Approach (see Note 6).

---

## 13. Investment in PSE Shares and Exchange Trading Right

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

R.A. No. 8799, *the SRC*, prescribed the conversion of the PSE from a non-stock corporation into a stock corporation (demutualization) effective August 8, 2001, pursuant to a conversion plan approved by the Philippine SEC.

As a result of the conversion plan and on the basis of the relative fair values of the PSE shares and the exchange trading right as of the time of the demutualization, the Company's membership in PSE, originally amounting to ₱8,000,000 was allocated equally into (a) investment in PSE shares (classified as financial assets at FVPL) and (b) exchange trading right.

As at December 31, 2025 and 2024, the carrying amounts of the investment in PSE shares and exchange trading right are as follows:

	Note	2025	2024
Investment in PSE shares	8	<b>₱23,618,050</b>	₱18,894,440
Exchange trading right		<b>4,000,000</b>	4,000,000
		<b>₱27,618,050</b>	₱22,894,440

As at December 31, 2025 and 2024, the latest transacted price of the exchange trading right, as provided by the PSE, are ₱7,700,000 and ₱8,000,000, respectively.

#### 14. Refundable Deposits

This account consists of:

	2025	2024
Refundable Clearing and Trade Guaranty Fund (CTGF) contributions	<b>₱31,583,985</b>	₱29,204,452
Others	<b>25,017</b>	25,017
	<b>₱31,609,002</b>	₱29,229,469

The Company, as a Clearing Member, is required to pay monthly contributions to the CTGF maintained by the Securities Clearing Corporation of the Philippines (SCCP) for an amount of 1/500 of 1% applied to the Clearing Member's total monthly turnover value less block sales and cross transactions of the same flag.

Under the amended SCCP Rule 5.2, the contributions to the CTGF shall be refunded as trade-related assets to the Company upon cessation of business and/or termination of membership with the SCCP, provided that all liabilities owing to the SCCP at the time of termination, whether actual or contingent, shall have been satisfied or paid in full.

The movements in refundable CTGF contributions are as follows:

	2025	2024
Balance at beginning of year	<b>₱29,204,452</b>	₱27,099,642
Additional contributions	<b>2,379,533</b>	2,104,810
Balance at end of year	<b>₱31,583,985</b>	₱29,204,452

## 15. Trade Payables

This account consists of:

	2025		2024	
	Money Balance	Security Valuation - Long	Money Balance	Security Valuation - Long
Trade payable to customers:				
With money balance	₱1,042,246,477	₱6,844,883,434	₱329,392,282	₱5,605,228,976
Without money balance	–	3,818,660,546	–	5,225,289,686
	<b>1,042,246,477</b>	<b>10,663,543,980</b>	329,392,282	10,830,518,662
Trade payable to clearing house	15,315,550	–	63,577,119	–
Dividends payable to customers	942,061	–	1,160,195	–
	<b>₱1,058,504,088</b>	<b>₱10,663,543,980</b>	₱394,129,596	₱10,830,518,662

Trade payable to customers are noninterest-bearing and due within two business days from the transaction date.

Trade payable to clearing house is due after two business days from the transaction date. Accordingly, balances as at December 31, 2025 and 2024 were fully settled in January 2026 and 2025, respectively.

Dividends payable to customers are noninterest-bearing and payable within one month.

## 16. Loans Payable

In 2024, the Company fully paid its outstanding loans payable amounting to ₱1,000,000. The loans bore an interest rate of 10% and were payable in monthly installments within seven years.

In July 2025 and November 2025, the Company entered into interest-bearing loans with a local bank amounting to ₱25,000,000 and ₱45,000,000, respectively, to finance its daily operations. The loans were payable within three days at interest rates ranging from 7.50% to 7.75%. Both loans were fully settled within the same year.

Interest expense recorded in the statements of comprehensive income derived from loans payable paid by the Company amounted to ₱44,271 and ₱20,584 in 2025 and 2024, respectively.

### Reconciliation of Liability Arising from a Financing Activity

The table below details movement in the Company's loans payable arising from financing activity.

	2025	2024
Balance at beginning of year	₱–	₱1,000,000
Cash changes:		
Proceeds from loan availments	70,000,000	–
Payments of:		
Loans payable	(70,000,000)	(1,000,000)
Interest expense	(44,271)	(20,584)
Noncash change -		
Interest expense	44,271	20,584
Balance at end of year	₱–	₱–

## 17. Other Current Liabilities

This account consists of:

	Note	2025	2024
Accounts payable		<b>₱8,824,316</b>	₱8,735,198
Provision for probable loss		<b>4,000,000</b>	—
Statutory payables		<b>1,887,397</b>	2,657,704
Accruals for:			
Stock exchange dues and fees		<b>1,425,963</b>	1,481,310
Commission		<b>794,159</b>	690,442
Professional fees		<b>310,518</b>	250,651
Refundable security deposit	12	<b>526,446</b>	—
Deferred rental income	12	<b>175,482</b>	—
Others		<b>435,626</b>	275,512
		<b>₱18,379,907</b>	₱14,090,817

Accounts payable are noninterest-bearing and payable on demand.

Provision for probable loss amounting to ₱4,000,000 was recognized in 2025 to cover probable claim by a third party. Pursuant to PAS 37, *Provision, Contingent Liabilities, Contingent Assets*, the Company is not required to disclose information that may compromise the Company's position on the claim.

Statutory payables include VAT, withholding taxes, Social Security System, Pag-IBIG, and PhilHealth payable, which are generally settled in the succeeding month from the transaction date.

Accrued expenses and other current liabilities are noninterest-bearing and generally settled within one year.

Refundable security deposit represents amount paid by the lessee as security for the lease. This is refundable upon termination of the lease agreement.

Deferred rental income pertains to advance payments from the lessee to be applied at the subsequent month.

## 18. Related Party Transactions

The Company, in the normal course of business, has transactions with its related parties as follows:

Nature of Transaction	Amount of Transaction		Outstanding Balance		Terms and Conditions
	2025	2024	2025	2024	
<b>Trade Receivables</b>					
Key management personnel (KMP) Trading of securities	<b>₱11,530,214</b>	₱6,807,472	₱-	₱435,231	2 days, secured, unimpaired, noninterest-bearing and generally collected in cash
<b>Trade Payables</b>					
KMP Trading of securities	<b>₱9,434,796</b>	₱7,856,128	₱-	₱3,302,298	2 days, secured, noninterest-bearing and generally settled in cash
<b>Commission</b>					
KMP Commission income	<b>₱54,021</b>	₱37,917	₱-	₱-	2 days, secured, noninterest-bearing and generally collected in cash
<b>Management Fees</b>					
KMP Management fees	<b>₱6,000,000</b>	₱6,000,000	₱-	₱-	Payable in cash and on demand, unsecured
<b>Salaries and Other Employee Benefits</b>					
KMP Salaries and wages	<b>₱1,263,600</b>	₱1,252,350	₱-	₱-	Noninterest-bearing, unsecured and payable within the month of incurrence
Retirement benefits	<b>46,113</b>	44,03654	<b>547,734</b>	501,621	Noninterest-bearing, unsecured and payable upon retirement

## 19. Personnel Costs

This account consists of:

	Note	2025	2024
Salaries and wages		<b>₱9,122,325</b>	₱8,022,009
Retirement benefit costs	20	<b>407,360</b>	526,633
Other employee benefits		<b>1,036,649</b>	964,103
		<b>₱10,566,334</b>	₱9,512,745

Personnel costs are classified in the statements of comprehensive income as follows:

	2025	2024
Cost of services	<b>₱5,583,068</b>	₱4,289,075
General and administrative expenses	<b>4,983,266</b>	5,223,670
	<b>₱10,566,334</b>	₱9,512,745

## 20. Retirement Benefits

The Company has an unfunded, noncontributory defined benefit plan covering all of its regular employees. The benefits are based on years of service and compensation. The plan provides for a lump-sum benefit payment upon retirement which shall not be less than the minimum mandated retirement benefit plan under R.A. No. 7641, *Retirement Pay Law*.

In 2025 and 2024, the management has assessed that the difference between the retirement benefit liability as determined by an acceptable actuarial valuation method and the estimated retirement benefit liability will not significantly affect the Company's financial position and results of operations.

The components of retirement benefit costs included under "Personnel costs" account in the statements of comprehensive income are as follows:

	2025	2024
Current service cost	P177,056	P233,813
Interest cost	230,304	292,820
	<b>P407,360</b>	<b>P526,633</b>

The components of retirement benefit liability recognized in the statements of financial position are as follows:

	2025	2024
Balance at beginning of year	P3,755,057	P3,557,046
Retirement benefit costs	407,360	526,633
Losses (gains) on remeasurement	1,213,916	(328,622)
Balance at end of year	<b>P5,376,333</b>	<b>P3,755,057</b>

The discount rate used to determine the retirement benefit liability is 6.11% and 6.13% in 2025 and 2024, respectively.

The sensitivity analysis based on reasonably possible changes of assumptions is as follows:

	Change in Assumption	Effect on Retirement Benefit Liability	
		2025	2024
Discount rate	+1.00%	(P285,083)	(P16,473)
	-1.00%	317,281	21,016

The sensitivity analysis above has been determined based in a method that extrapolates the impact on the retirement benefit liability as a result of reasonable changes in key assumptions occurring as at the end of the reporting year.

As at December 31, 2025, the maturity analysis of the undiscounted retirement benefit liability is as follows:

More than one year to five years	P3,278,700
More than five years to 10 years	3,491,250
More than 10 years to 20 years	428,123
More than 20 years	894,225
	<b>P8,092,298</b>

As at December 31, 2025, the average duration of the retirement benefit liability is 16 years.

The cumulative gains or losses on remeasurement of retirement benefit liability recognized in OCI are as follows:

	2025		
	Cumulative Gains (Losses) on Remeasurement of Retirement Benefit Liability	Deferred Tax (see Note 21)	Net
Balances at beginning of year	P890,776	(P222,694)	P668,082
Losses on remeasurement	(1,213,916)	303,479	(910,437)
Balances at end of year	(P323,140)	P80,785	(P242,355)

	2024		
	Cumulative Gains on Remeasurement of Retirement Benefit Liability	Deferred Tax (see Note 21)	Net
Balances at beginning of year	P562,154	(P140,539)	P421,615
Gains on remeasurement	328,622	(82,155)	246,467
Balances at end of year	P890,776	(P222,694)	P668,082

## 21. Income Taxes

The components of income tax expense as reported in the statements of comprehensive income are as follows:

	Note	2025	2024
<b>Reported in Profit or Loss</b>			
Current tax expense:			
RCIT		P733,597	P1,245,274
Final tax		681,327	220,920
		1,414,924	1,466,194
Less applied excess MCIT over RCIT		(670,437)	-
		744,487	1,466,194
Deferred tax benefit (expense)		1,830,437	(394,804)
		P2,574,924	P1,071,390
<b>Reported in OCI</b>			
Deferred tax expense (benefit) on gains (losses) on remeasurement of retirement benefit liability	20	(P303,479)	P82,155

The components of the Company's net deferred tax assets are as follows:

	2025	2024
Deferred tax assets:		
Retirement benefit liability	P1,344,083	P938,764
Allowance for ECL on trade receivables	185,654	324,957
Deferred rental income	43,871	-
Excess of MCIT over RCIT	-	670,437
	<b>1,573,608</b>	1,934,158
Deferred tax liabilities:		
Excess of fair value over cost of financial assets at		
FVPL	1,456,339	285,259
Unrealized foreign exchange gain	2,923	7,595
	<b>1,459,262</b>	292,854
<b>Net deferred tax assets</b>	<b>P114,346</b>	<b>P1,641,304</b>

In 2025, the Company applied as tax credit the excess of MCIT over RCIT incurred in 2023 amounting to P670,437.

The reconciliation between the income tax expense based on statutory income tax rate and the effective income tax rate is as follows:

	2025	2024
Income tax expense at statutory tax rate	P2,126,578	P899,844
Increase (decrease) in income tax resulting from:		
Nondeductible expenses	1,011,068	693,551
Dividend income exempt from income tax	(305,964)	(296,435)
Income subject to final tax	(256,758)	(225,570)
<b>Income tax expense at effective tax rate</b>	<b>P2,574,924</b>	<b>P1,071,390</b>

The income tax rates used in the financial statements are 25% and 2% for RCIT and MCIT, respectively, in 2025 and 2024.



**REPORT OF INDEPENDENT AUDITORS  
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE  
SECURITIES AND EXCHANGE COMMISSION**

The Stockholders and the Board of Directors  
Mandarin Securities Corporation  
28th Floor, LKG Tower  
6801 Ayala Avenue, Makati City

We have audited the accompanying financial statements of Mandarin Securities Corporation (the Company) as at and for the years ended December 31, 2025 and 2024, on which we have rendered our report dated April 13, 2026.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Company has seven stockholders owning 100 or more shares each as at December 31, 2025.

**REYES TACANDONG & Co.**

*Mark Christian M. Ababa*

MARK CHRISTIAN M. ABABA

Partner

CPA Certificate No. 130245

Tax Identification No. 287-809-533-000

BOA Accreditation No. 4782/P-027; Valid until June 6, 2026

SEC Accreditation No. 130245-SEC Group A

Issued November 26, 2025

Valid for Financial Periods 2025 to 2029

BIR Accreditation No. 08-005144-026-2024

Valid until March 26, 2027

PTR No. 10764002

Issued January 2, 2026, Makati City

April 13, 2026

Makati City, Metro Manila



**REPORT OF INDEPENDENT AUDITORS  
ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
Mandarin Securities Corporation  
28th Floor, LKG Tower  
6801 Ayala Avenue, Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Mandarin Securities Corporation (the Company) as at and for the years ended December 31, 2025 and 2024, and have issued our opinion thereon dated April 13, 2026. Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary schedules as at and for the year ended December 31, 2025 are the responsibility of the Company's management. These supplementary schedules include the following:

- I. Statement of Changes in Liabilities Subordinated to Claims of General Creditors;
- II. Computation of Risk-Based Capital Adequacy Requirement Pursuant to Securities and Exchange Commission (SEC) Memorandum Circular No. 16-2004;
- III. Information Relating to the Possession or Control Requirements under Annex F of Securities Regulation Code (SRC) Rule 49.2;
- IV. Computation for Determination of Reserve Requirements under Annex G of SRC Rule 49.2;
- V. A Report Describing Any Material Inadequacies Found to Exist or Found to Have Existed Since the Report Date of the Previous Audit; and
- VI. Results of Monthly Securities Count Conducted Pursuant to SRC Rule 52.1-10, as Amended.

The supplementary schedules are presented for purposes of complying with the SRC Rule 52.1.5 and are not part of the basic financial statements. The supplementary schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

**REYES TACANDONG & Co.**

*Mark Christian M. Ababa*

MARK CHRISTIAN M. ABABA  
Partner  
CPA Certificate No. 130245  
Tax Identification No. 287-809-533-000  
BOA Accreditation No. 4782/P-027; Valid until June 6, 2026  
SEC Accreditation No. 130245-SEC Group A  
Issued November 26, 2025  
Valid for Financial Periods 2025 to 2029  
BIR Accreditation No. 08-005144-026-2024  
Valid until March 26, 2027  
PTR No. 10764002  
Issued January 2, 2026, Makati City

April 13, 2026  
Makati City, Metro Manila

**SCHEDULE I**

**MANDARIN SECURITIES CORPORATION  
STATEMENT OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS**

**DECEMBER 31, 2025**

The Company has no liabilities subordinated to claims of general creditors.

**SCHEDULE II**

**MANDARIN SECURITIES CORPORATION  
COMPUTATION OF RISK-BASED CAPITAL ADEQUACY REQUIREMENT PURSUANT TO  
SEC MEMORANDUM CIRCULAR NO. 16-2004**

**DECEMBER 31, 2025**

Assets	₱1,321,159,463
Liabilities	1,082,260,328
Equity as per books	238,899,135
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	-
Subordinated Liabilities	-
Unrealized Gain / (Loss) in proprietary accounts	-
Deferred Income Tax	(114,346)
Deposit for Future Stock Subscription (No application with SEC)	-
Minority Interest	-
Total Adjustments to Equity per books	(114,346)
Equity Eligible For Net Liquid Capital	238,784,789
Contingencies and Guarantees	
Deduct: Contingent Liability	-
Guarantees or indemnities	-
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	4,000,000
b. Intercompany Receivables	-
c. Fixed Assets, net of accumulated and excluding those used as collateral	15,503,503
d. Prepayment from Client for Early Settlement of Account	-
e. All Other Current Assets	3,519,127
f. Securities Not Readily Marketable	-
g. Negative Exposure (SCCP)	1,745,631
h. Notes Receivable (non-trade related)	-
i. Interest and Dividends Receivables outstanding for more than 30 days	-
j. Ineligible Insurance claims	-
k. Ineligible Deposits	31,609,002
l. Short Security Differences	-
m. Long Security Differences not resolved prior to sale	-
n. Other Assets including Equity Investment in PSE	23,618,050
Total ineligible assets	79,995,313
Net Liquid Capital (NLC)	158,789,476
Less:	
Operational Risk Requirement	61,462,114
Position Risk Requirement	8,703,714
Counterparty Risk	-
Large Exposure Risk	
LERR to a single client	-
LERR to a single debt	-
LERR to a single issuer and group of companies	120,093
Total Risk Capital Requirement (TRCR)	70,285,921
Net RBCA Margin (NLC-TRCR)	88,503,555
Liabilities	1,082,260,328
Add: Deposit for Future Stock Subscription (No application with SEC)	-
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	-
Loans and secured securities	-
Loans secured by fixed assets	-
Others	-
Total adjustments to AI	-
Aggregate Indebtedness	1,082,260,328
5% of Aggregate Indebtedness	54,113,016
Required Net Liquid Capital (> of 5% of AI or ₱5M)	54,113,016
Net Risk-based Capital Excess / (Deficiency)	₱104,676,460
Ratio of AI to Net Liquid Capital	682%
RBCA Ratio (NLC/TRCR)	226%

**SCHEDULE III**

**MANDARIN SECURITIES CORPORATION  
INFORMATION RELATING TO THE POSSESSION OR  
CONTROL REQUIREMENTS UNDER ANNEX F OF SRC RULE 49.2**

**DECEMBER 31, 2025**

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

Market Valuation	NIL
Number of Items	NIL

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

Market Valuation	NIL
Number of Items	NIL

**SCHEDULE IV**

**MANDARIN SECURITIES CORPORATION  
COMPUTATION FOR DETERMINATION OF  
RESERVE REQUIREMENTS UNDER ANNEX G OF SRC RULE 49.2**

**DECEMBER 31, 2025**

Particulars	Credits	Debits
1. Free credit balance and other credit balance in customers' security accounts.	₱1,043,308,430	
2. Monies borrowed collateralized by securities carried for the account of customers.	-	
3. Monies payable against customers' securities loaned.	-	
4. Customers' securities failed to receive.	14,451,400	
5. Credit balances in firm accounts which are attributable to principal sales to customer.	-	
6. Market value of stock dividends stock splits and similar distributions receivable outstanding of 30 calendar days old.	-	
7. Market value of the short security count differences over 30 calendar days old.	-	
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.	-	
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.	-	
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		₱282,164,968
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to delivery.		-
12. Failed to deliver customers' securities not older than 30 calendar days.		31,810,260
13. Others due from clearing house		-
<b>Total</b>	<b>₱1,057,759,830</b>	<b>₱313,975,228</b>
<b>Net Credit (Debit)</b>	<b>₱743,784,602</b>	
<b>Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)</b>	<b>₱743,784,602</b>	

**SCHEDULE V**

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

**DECEMBER 31, 2025**

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

**SCHEDULE VI**

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

**DECEMBER 31, 2025**

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

**MANDARIN SECURITIES CORPORATION**  
**RESULTS OF MONTHLY SECURITIES COUNT**  
**CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED**  
**DECEMBER 31, 2025**

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
AAA	(SUSPENDED)ASIA AMALGAMATED HLD	13,000	P-	13,000	P-	-	P-
AB	ATOK-BIG WEDGE CO., INC.	35,415,750	72,956,445	35,415,750	72,956,445	-	-
ABA	ABACORE CAPITAL HOLDINGS, INC.	91,984,851	23,916,061	91,984,851	23,916,061	-	-
ABS	ABS-CBN CORPORATION	282,326	1,188,592	282,326	1,188,592	-	-
ABSP	ABS-CBN PHIL. DEPOSIT RECEIPTS	21,250	72,463	21,250	72,463	-	-
AC	AYALA CORPORATION	132,621	62,066,628	132,621	62,066,628	-	-
ACEN	ACEN CORPORATION	7,249,061	19,717,446	7,249,061	19,717,446	-	-
ACENA	ACEN CORP. PREFERRED "A" SHARES	1,000	1,010,000	1,000	1,010,000	-	-
ACENB	ACEN CORP. PREFERRED "B" SHARES	1,200	1,284,000	1,200	1,284,000	-	-
ACPB3	AYALA CORP. CLASS B3 PEF. SHARES	50	99,400	50	99,400	-	-
ACPB4	AYALA CORP. CLASS B3 PEF. SHARES	400	795,600	400	795,600	-	-
ACR	ALSONS CONS. RES., INC.	22,842,000	10,735,740	22,842,000	10,735,740	-	-
ACRMC	ACR MINING CORPORATION	299,815	-	299,815	-	-	-
AEV	ABOITIZ EQUITY VENTURES INC.	223,253	6,251,084	223,253	6,251,084	-	-
AGI	ALLIANCE GLOBAL GROUP, INC.	1,233,100	10,099,089	1,233,100	10,099,089	-	-
ALCO	ARTHALAND CORPORATION	430,000	180,600	430,000	180,600	-	-
ALCPF	ARTHALAND CORP. SERIES F PEF.	33,560	16,780,000	33,560	16,780,000	-	-
ALHI	ANCHOR LAND HOLDINGS, INC.	96,700	374,229	96,700	374,229	-	-
ALI	AYALA LAND, INC.	3,020,646	67,813,503	3,020,646	67,813,503	-	-
ALLDY	ALLDY MARTS, INC.	4,250,000	131,750	4,250,000	131,750	-	-
ALLHC	AYALALAND LOGISTICS HOLDINGS CORP.	3,930,900	5,110,170	3,930,900	5,110,170	-	-
ANI	AGRINURTURE, INC.	24,200	13,068	24,200	13,068	-	-
ANS	A. SORIANO CORPORATION	1,826,867	26,306,885	1,826,867	26,306,885	-	-
AP	ABOITIZ POWER CORP.	425,100	18,704,400	425,100	18,704,400	-	-
APC	APC GROUP, INC.	9,220,000	977,320	9,220,000	977,320	-	-
APL	APOLLO GLOBAL CAPITAL, INC.	255,153,400	1,275,767	255,153,400	1,275,767	-	-
APO	ANGLO-PHILIPPINE HLDS CORP.	32,323,318	22,626,323	32,323,318	22,626,323	-	-
APVI	ALTUS PROPERTY VENTURES, INC.	1,960	16,464	1,960	16,464	-	-
APX	APEX MINING CO., INC. "A"	17,603,111	218,982,701	17,603,111	218,982,701	-	-
AR	(SUSPENDED) ABRA MINING INDL CORP.	1,802,500,000	-	1,802,500,000	-	-	-
AREIT	AREIT, INC.	1,009,100	43,895,850	1,009,100	43,895,850	-	-
ASLAG	RASLAG CORP.	13,000	10,660	13,000	10,660	-	-
AT	ATLAS CONS. MINING	14,972,760	90,285,743	14,972,760	90,285,743	-	-
ATI	ASIAN TERMINALS, INC.	386,800	13,344,600	386,800	13,344,600	-	-
ATN	ATN HOLDINGS, INC. "A"	-	925,650	-	925,650	-	-
ATNB	ATN HOLDINGS B	1,870,000	-	1,870,000	-	-	-
AUB	ASIA UNITED BANK CORP.	122,460	4,800,432	122,460	4,800,432	-	-
AXLM	AXELUM RESOURCES CORP.	3,549,900	8,377,764	3,549,900	8,377,764	-	-
BC	BENGUET CORPORATION "A"	21,286	14,024,430	21,286	14,024,430	-	-
BCB	BENGUET CORPORATION "B"	3,914,690	5,463,165	3,914,690	5,463,165	-	-
BDO	BDO UNIBANK, INC.	1,213,088	163,281,645	1,213,088	163,281,645	-	-
BEL	BELLE CORPORATION	1,709,196	2,256,139	1,709,196	2,256,139	-	-
BHI	BOULEVARD HOLDINGS, INC.	39,000,000	1,521,000	39,000,000	1,521,000	-	-
BKR	BRIGHT KINDLE RESOURCES & INV. INC.	877,000	570,050	877,000	570,050	-	-
BLOOM	BLOOMBERRY RESORTS CORP.	6,732,300	17,100,042	6,732,300	17,100,042	-	-
BNCOM	BANK OF COMMERCE	249,100	2,291,720	249,100	2,291,720	-	-
BPI	BANK OF THE PHIL. ISLANDS	404,213	46,929,129	404,213	46,929,129	-	-
BRN	A BROWN COMPANY, INC.	3,572,432	3,322,362	3,572,432	3,322,362	-	-
BRNP	A BROWN CO., INC. SERIES "A" PEF.	32,000	3,104,000	32,000	3,104,000	-	-
BRNPC	A BROWN COMPANY, INC. SERIES C PEF	92,750	9,785,125	92,750	9,785,125	-	-
BSC	BASIC ENERGY CORP.	7,168,478	838,712	7,168,478	838,712	-	-
C	CHELSEA LOGISTICS & INFRA HLDS CORP	1391500	1321925	1391500	1321925	-	-
CAL	(DELISTED) CALATA CORPORATION	181,176	-	181,176	-	-	-
CBC	CHINA BANKING CORP.	1,414,024	80,599,368	1,414,024	80,599,368	-	-
CDC	CITYLAND DEVELOPMENT CORP. "A"	11,234,104	6,628,121	11,234,104	6,628,121	-	-
CEB	CEBU AIR, INC.	229,660	7,349,120	229,660	7,349,120	-	-
CEBCP	CEBU AIR, INC. CONV. PEF. SHARES	153,155	5,360,425	153,155	5,360,425	-	-
CEI	CROWN EQUITIES, INC.	70,831,680	5,099,881	70,831,680	5,099,881	-	-
CEU	CENTRO ESCOLAR UNIVERSITY	123,865	1,944,681	123,865	1,944,681	-	-
CHP	CEMEX HOLDINGS PHILS.	8,637,545	9,414,924	8,637,545	9,414,924	-	-
CIC	CONCEPCION INDUSTRIAL CORP	800	10,880	800	10,880	-	-
CLI	CEBU LANDMASTERS, INC.	52,464	123,290	52,464	123,290	-	-
CNPF	CENTURY PACIFIC FOOD, INC.	55,150	2,150,850	55,150	2,150,850	-	-

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
CNVRG	CONVERGE ICT SOLUTIONS, INC.	13,890,200	₱212,797,864	13,890,200	₱212,797,864	-	₱-
COAL	COAL ASIA HOLDINGS INC.	1,800,000	50,400	1,800,000	50,400	-	-
COL	COL FINANCIAL GROUP, INC.	1,197,500	1,700,450	1,197,500	1,700,450	-	-
COSCO	COSCO CAPITAL, INC.	908,075	6,347,444	908,075	6,347,444	-	-
CPG	CENTURY PROPERTIES GROUP, INC.	9,226,277	6,366,131	9,226,277	6,366,131	-	-
CPM	CENTURY PEAK HOLDINGS CORP.	505,000	1,206,950	505,000	1,206,950	-	-
CREIT	CITICORE ENERGY REIT CORP.	2,584,000	9,224,880	2,584,000	9,224,880	-	-
CROWN	CROWN ASIA CHEMICALS CORP.	16,000	26,880	16,000	26,880	-	-
CSB	CROWN ASIA CHEMICALS CORP.	63,970,725	1,091,340,568	63,970,725	1,091,340,568	-	-
CTS	CTS GLOBAL EQUITY GROUP, INC.	2,567,000	924,120	2,567,000	924,120	-	-
CYBR	CYBER BAY CORPORATION	9,672,660	-	9,672,660	-	-	-
DD	DOUBLE DRAGON CORP.	331,000	3,071,680	331,000	3,071,680	-	-
DDMPR	DDMP REIT, INC.	14,354,500	14,641,590	14,354,500	14,641,590	-	-
DELM	DEL MONTE PACIFIC LIMITED	12,242	57,537	12,242	57,537	-	-
DFNN	DIVERSIFIED FINANCIAL NETWORK	1,925,200	1,540,160	1,925,200	1,540,160	-	-
DHI	DOMINION HOLDINGS, INC.	3,850,290	5,351,903	3,850,290	5,351,903	-	-
DITO	DITO CME HOLDINGS CORP.	14,029,657	9,540,167	14,029,657	9,540,167	-	-
DIZ	DIZON COPPER SILVER MINES, INC	2,493	12,465	2,493	12,465	-	-
DMC	DMCI HOLDINGS, INC.	699,700	7,374,838	699,700	7,374,838	-	-
DMW	DM WENCESLAO & ASSOCIATES INC.	29,500	147,500	29,500	147,500	-	-
DNA	(SUSPENDED) PHILAB HOLDINGS CORP.	425,200	-	425,200	-	-	-
DNL	D&L INDUSTRIES, INC.	2,526,000	9,725,100	2,526,000	9,725,100	-	-
DWC	DISCOVERY WORLD CORPORATION	27,000	29,160	27,000	29,160	-	-
ECVC	EAST COAST VULCAN CORPORATION	25,010,527	6,752,842	25,010,527	6,752,842	-	-
EEI	EEI CORPORATION	927,807	2,634,972	927,807	2,634,972	-	-
EEIPB	EEI CORP. SERIES B PREF. SHARES	30,000	2,952,000	30,000	2,952,000	-	-
EGRN	EVERWOODS GREEN RESOURCES, IN	17,190,000	-	17,190,000	-	-	-
EIBA	(DELISTED) EXPORT INDS. "A"	3,317,041	-	3,317,041	-	-	-
EIBB	EXPORT & INDUSTRY BANK B	10,000	-	10,000	-	-	-
ELI	EMPIRE EAST LAND HOLDINGS, INC	53,216,546	5,534,521	53,216,546	5,534,521	-	-
EMI	EMPERADOR INC.	70,100	1,121,600	70,100	1,121,600	-	-
ENEX	ENEX ENERGY CORP.	65,220	217,835	65,220	217,835	-	-
EURO	EURO-MED LAB. PHILS., INC.	22,000	22,000	22,000	22,000	-	-
EW	EAST WEST BANKING CORP.	1,096,054	12,714,226	1,096,054	12,714,226	-	-
FAF	FIRST ABACUS FINANCIAL HLDGS.	31,161,000	20,566,260	31,161,000	20,566,260	-	-
FB	SAN MIGUEL FOOD & BEVERAGE, INC.	23,315,940	1,282,376,700	23,315,940	1,282,376,700	-	-
FCG	FIGARO COFFEE GROUP, INC.	3,302,000	1,915,160	3,302,000	1,915,160	-	-
FDC	FILINVEST DEVELOPMENT CORP.	805,862	3,666,672	805,862	3,666,672	-	-
FEU	FAR EASTERN UNIVERSITY	14,570	11,656,000	14,570	11,656,000	-	-
FFI	FILIPINO FUND, INC.	4,509	33,818	4,509	33,818	-	-
FGEN	FIRST GEN CORPORATION	452,600	8,029,124	452,600	8,029,124	-	-
FILRT	FILINVEST REIT CORP.	4,793,760	14,860,656	4,793,760	14,860,656	-	-
FJP	F&J PRINCE HOLDINGS CORP. "A"	1,507,950	4,054,050	1,507,950	4,054,050	-	-
FJPB	F&J PRINCE HOLDINGS CORP. "B"	174,300	271,830	174,300	271,830	-	-
FLI	FILINVEST LAND, INC.	88,579,777	68,206,428	88,579,777	68,206,428	-	-
FNI	GLOBAL FERRONICKEL HOLDINGS, INC.	14,868,603	20,072,614	14,868,603	20,072,614	-	-
FOOD	ALLIANCE SELECT FOODS INTL, INC.	632,942	234,188	632,942	234,188	-	-
FPH	FIRST PHIL. HOLDINGS CORP.	448,884	34,564,068	448,884	34,564,068	-	-
FPI	FORUM PACIFIC, INC.	1,331,000	319,440	1,331,000	319,440	-	-
FRUIT	FRUITAS HOLDINGS, INC.	1,318,000	843,520	1,318,000	843,520	-	-
FWBC	FWBC HOLDINGS, INC.	200,745	-	200,745	-	-	-
GEO	GEOGRACE RESOURCES PHILS	32,759,870	2,850,109	32,759,870	2,850,109	-	-
GERI	GLOBAL-ESTATE RESORTS, INC.	10,061,282	6,942,285	10,061,282	6,942,285	-	-
GLO	GLOBE TELECOM, INC.	23,101	36,591,984	23,101	36,591,984	-	-
GMA7	GMA NETWORK, INC.	915,200	4,951,232	915,200	4,951,232	-	-
GMAP	GMA HOLDINGS, INC. "PDR"	66,575	352,182	66,575	352,182	-	-
GO	(DELISTED)GOTESCO LAND, INC. "A"	11,186	-	11,186	-	-	-
GOB	(DELISTED)GOTESCO LAND, INC. "B"	999	-	999	-	-	-
GPH	GRAND PLAZA HOTEL CORPORATION	322	1,864	322	1,864	-	-
GREEN	GREENERGY HOLDINGS INC.	561,486	101,067	561,486	101,067	-	-
GSMI	GINEBRA SAN MIGUEL, INC.	3,190,403	941,168,885	3,190,403	941,168,885	-	-
GTCAP	GT CAPITAL HOLDINGS, INC.	28,560	16,993,200	28,560	16,993,200	-	-
GTPPB	GT CAPITAL HOLDINGS, INC. SERIES B	150	150,000	150	150,000	-	-
HI	HOUSE OF INVESTMENTS, INC.	685,300	3,083,850	685,300	3,083,850	-	-
HOME	ALLHOME CORP.	255,700	60,601	255,700	60,601	-	-
HTI	HAUS TALK, INC.	31,034,000	34,137,400	31,034,000	34,137,400	-	-
HVN	GOLDEN MV HOLDINGS, INC.	550	550,000	550	550,000	-	-
I	I-REMIT, INC.	138,702	27,602	138,702	27,602	-	-
ICT	INTL CONTAINER TERMINAL SERVICES	61,104	34,645,968	61,104	34,645,968	-	-
IDC	ITALPINAS DEVELOPMENT CORP.	144,319	125,558	144,319	125,558	-	-
IMI	INTEGRATED MICRO-ELECTRONICS	161,201	559,367	161,201	559,367	-	-

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
IMP	IMPERIAL RESOURCES, INC. "A"	38,000	₱26,600	38,000	₱26,600	-	₱-
INFRA	PHIL. INFRADEV HOLDINGS, INC.	2,704,500	851,918	2,704,500	851,918	-	-
ION	IONICS CIRCUITS, INC.	1,240,500	1,265,310	1,240,500	1,265,310	-	-
IPM	IPM HOLDINGS, INC.	75,000	117,750	75,000	117,750	-	-
IPO	IPEOPLE, INC. "A"	36,100	216,600	36,100	216,600	-	-
IS	ISLAND INFORMATION TECH., INC.	2,000,000	246,000	2,000,000	246,000	-	-
JFC	JOLLIBEE FOODS CORPORATION	175,498	31,589,640	175,498	31,589,640	-	-
JGS	JG SUMMIT HOLDINGS, INC.	619,814	14,658,601	619,814	14,658,601	-	-
JOH	JOLLIVILLE HOLDINGS CORP.	3,170,000	9,763,600	3,170,000	9,763,600	-	-
KEEPR	THE KEEPERS HOLDINGS, INC.	561,000	1,391,280	561,000	1,391,280	-	-
KEP	KEPPEL PHILS. PROPS., INC.	299,199	658,238	299,199	658,238	-	-
KPPI	KEPWELTH PROPERTY PHILS., INC.	1,000	1,190	1,000	1,190	-	-
LAND	CITY AND LAND DEVELOPERS INC	249,266	132,111	249,266	132,111	-	-
LC	LEPANTO CONS. MINING CO. "A"	298,388,581	55,612,494	298,388,581	55,612,494	-	-
LCB	LEPANTO CONS. MINING CO. "B"	61,517,425	11,088,713	61,517,425	11,088,713	-	-
LMG	LMG CORPORATION	2,130,000	532,500	2,130,000	532,500	-	-
LODE	LODESTAR INVESTMENT HLDGS. CORP.	1,050,000	367,500	1,050,000	367,500	-	-
LOTO	PACIFIC ONLINE SYSTEMS CORP.	22,500	38,250	22,500	38,250	-	-
LPZ	LOPEZ HOLDINGS CORP.	82,504	306,915	82,504	306,915	-	-
LSC	LORENZO SHIPPING CORP.	340,000	207,400	340,000	207,400	-	-
LTG	LT GROUP, INC.	412,800	6,101,184	412,800	6,101,184	-	-
MA	MANILA MINING CORP. "A"	255,838,527	3,021,825	255,838,527	3,021,825	-	-
MAB	MANILA MINING CORP. "B"	277,041,109	856,302	277,041,109	856,302	-	-
MAC	MACROASIA CORPORATION	1,858,020	8,063,807	1,858,020	8,063,807	-	-
MACAY	MACAY HOLDINGS, INC.	264	1,845	264	1,845	-	-
MAH	METRO ALLIANCE "A"	-	45,510	-	45,510	-	-
MAHB	METRO ALLIANCE "B"	346,000	153,870	346,000	153,870	-	-
MARC	MARCVENTURES HOLDINGS, INC.	1,440,800	1,008,560	1,440,800	1,008,560	-	-
MAXS	MAXS GROUP, INC.	156,100	382,445	156,100	382,445	-	-
MB	MANILA BULLETIN PUBLISHING CORP.	8,984,462	1,473,452	8,984,462	1,473,452	-	-
MBC	MANILA BROADCASTING CORP.	5,000	25,150	5,000	25,150	-	-
MBT	METROPOLITAN BANK & TRUST CO.	925,559	63,400,791	925,559	63,400,791	-	-
MC	(DELISTED) MARSTEEL CONS., "A"	800,000	-	800,000	-	-	-
MEDIC	MEDILINES DISTRIBUTORS INC.	1,285,000	334,100	1,285,000	334,100	-	-
MEG	MEGAWORLD CORP.	4,903,474	10,199,226	4,903,474	10,199,226	-	-
MER	MANILA ELECTRIC CO.	53,430	30,668,820	53,430	30,668,820	-	-
MERP	MERALCO 9 1/2% SERIES A	35	-	35	-	-	-
MFC	MANULIFE FINANCIAL CORP.	2,508	4,715,040	2,508	4,715,040	-	-
MG	MILLENIUM GLOBAL HOLDINGS, INC.	9,419,000	565,140	9,419,000	565,140	-	-
MGH	(SUSPENDED) METRO GLOBAL HLDGS CORP	5,300	-	5,300	-	-	-
MHC	MABUHAY HOLDINGS CORP.	4,159,000	478,285	4,159,000	478,285	-	-
MJC	MANILA JOCKEY CLUB, INC.	6,624,803	8,413,500	6,624,803	8,413,500	-	-
MJIC	MJC INVESTMENT CORP.	25,300	25,300	25,300	25,300	-	-
MM	MERRYMART CONSUMER CORP.	2,597,000	1,038,800	2,597,000	1,038,800	-	-
MONDE	MONDE NISSIN CORP.	1,126,700	6,534,860	1,126,700	6,534,860	-	-
MRC	MRC ALLIED INDUSTRIES, INC.	485,500	422,385	485,500	422,385	-	-
MREIT	MREIT, INC.	1,192,200	16,690,800	1,192,200	16,690,800	-	-
MRSGI	METRO RETAIL STORES GROUP, INC.	933,500	1,073,525	933,500	1,073,525	-	-
MVC	MABUHAY VINYL CORP.	12,816	66,515	12,816	66,515	-	-
MWC	MANILA WATER CO., INC.	2,044,765	82,404,029	2,044,765	82,404,029	-	-
MWIDE	MEGAWIDE CONSTRUCTION CORP.	423,502	1,266,271	423,502	1,266,271	-	-
MWP7B	MEGAWIDE CONSTRUCTION CORP.	60,000	6,300,000	60,000	6,300,000	-	-
MYNLD	MEGAWIDE CONSTRUCTION CORP.	2,403,044	40,611,444	2,403,044	40,611,444	-	-
NI	NIHAO MINERAL RES. INTL, INC.	177,285	55,845	177,285	55,845	-	-
NIKL	NICKEL ASIA CORPORATION	10,963,263	42,647,093	10,963,263	42,647,093	-	-
NOW	NOW CORPORATION	1,869,500	1,271,260	1,869,500	1,271,260	-	-
NRCP	NATL REINSURANCE CORP	30,796,000	23,712,920	30,796,000	23,712,920	-	-
NXGEN	(SUSPENDED) NEXTGENESIS CORPORATION	56,000	-	56,000	-	-	-
OGP	OCEANAGOLD PHILIPPINES, INC.	12,100	389,620	12,100	389,620	-	-
OM	OMICO CORPORATION	3,695,666	373,262	3,695,666	373,262	-	-
OPM	ORIENTAL PET. & MINERALS "A"	1,441,960,630	17,585,015	1,441,960,630	17,585,015	-	-
OPMB	ORIENTAL PET. & MINERALS "B"	187,593,460	1,969,634	187,593,460	1,969,634	-	-
ORE	ORIENTAL PENINSULA RES. GROUP	7,962,600	2,946,162	7,962,600	2,946,162	-	-
OV	THE PHILODRILL CORP.	470,360,262	4,186,206	470,360,262	4,186,206	-	-
PA	PACIFICA HOLDINGS, INC.	62,000	58,900	62,000	58,900	-	-
PAL	PAL HOLDINGS, INC.	193,028	733,506	193,028	733,506	-	-
PAX	PAXYS, INC.	10,000	26,100	10,000	26,100	-	-
PBB	PHILIPPINE BUSINESS BANK	353,567	2,722,466	353,567	2,722,466	-	-
PBC	PHIL. BANK OF COMMUNICATIONS	5,023	83,884	5,023	83,884	-	-
PCOR	PETRON CORPORATION	35,796,095	88,774,316	35,796,095	88,774,316	-	-
PCP	(DELISTED) PICOP RES., INC.	10,157,845	-	10,157,845	-	-	-

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
PERC	PETROENERGY RESOURCES CORP.	11,304,700	₱39,566,450	11,304,700	₱39,566,450	-	₱-
PGOLD	PUREGOLD PRICE CLUB, INC.	24,200	919,600	24,200	919,600	-	-
PHA	PREMIERE HORIZON ALLIANCE CORP.	6,320,000	1,497,840	6,320,000	1,497,840	-	-
PHC	PHILCOMSAT HOLDINGS CORP.	222,000	408,480	222,000	408,480	-	-
PHES	PHILIPPINE ESTATES CORP.	1,290,000	361,200	1,290,000	361,200	-	-
PHN	PHINMA CORPORATION	5,530	92,351	5,530	92,351	-	-
PHR	PH RESORTS GROUP HOLDINGS, INC.	1,072,140	142,595	1,072,140	142,595	-	-
PIF	FFI PHILIPPINE INDEX FUND, CORP.	666	-	666	-	-	-
PIZZA	SHAKEYS PIZZA ASIA VENTURES, INC.	14,004,811	95,232,715	14,004,811	95,232,715	-	-
PLUS	DIGIPLUS INTERACTIVE CORP.	370,331,851	5,999,375,986	370,331,851	5,999,375,986	-	-
PMPC	PANASONIC MFG. PHILS. CORP.	2,500	27,000	2,500	27,000	-	-
PMT	(DELISTED)PRIMETOWN PROP GROUP,	2,000	-	2,000	-	-	-
PNB	PHILIPPINE NATIONAL BANK	693,345	37,717,968	693,345	37,717,968	-	-
PNC	(SUSPENDED) PHIL. NATIONAL CONSTR.	192,941	-	192,941	-	-	-
PNX	PHOENIX PETROLEUM PHILS., INC.	106,433	443,826	106,433	443,826	-	-
PORT	GLOBALPORT 900, INC.	3,400	-	3,400	-	-	-
PPC	PRYCE CORPORATION	1,300	17,160	1,300	17,160	-	-
PPI	PHILTOWN PROP., INC- P.DIV.(NON-T)	1,901	-	1,901	-	-	-
PRC	PHILIPPINE RACING CLUB, INC.	20,000	132,000	20,000	132,000	-	-
PRF3B	PCOR PERPETUAL PREF. SERIES 3 "B"	750	753,750	750	753,750	-	-
PRF4B	PETRON CORP. PREF. SERIES 4 "B"	1,000	995,000	1,000	995,000	-	-
PRF4C	PETRON CORP. PREF. SERIES 4 "C"	1,900	1,917,100	1,900	1,917,100	-	-
PRF4E	PETRON CORP. PREF. SERIES 4 "E"	10,500	10,500,000	10,500	10,500,000	-	-
PRIM	PRIME MEDIA HOLDINGS, INC.	169,680	220,584	169,680	220,584	-	-
PRMX	PRIMEX CORPORATION	44,366,000	56,788,480	44,366,000	56,788,480	-	-
PSB	PHILIPPINE SAVINGS BANK	3,147	169,938	3,147	169,938	-	-
PSE	THE PHILIPPINE STOCK EXCHANGE, INC.	157,573	32,365,494	157,573	32,365,494	-	-
PTT	(SUSPENDED) PHIL. TELEG. & TEL	3,051,666	-	3,051,666	-	-	-
PX	PHILEX MINING CORP.	22,887,234	226,583,617	22,887,234	226,583,617	-	-
PXP	PXP ENERGY CORP.	2,163,613	5,149,399	2,163,613	5,149,399	-	-
RCB	RIZAL COMM BANKING CORP.	102,126	2,650,170	102,126	2,650,170	-	-
RCBP	R C B C "PREF"	7583	-	7583	-	-	-
RCI	ROXAS AND CO., INC.	121,785	326,384	121,785	326,384	-	-
RCR	RL COMMERCIAL REIT, INC.	1,479,150	11,862,783	1,479,150	11,862,783	-	-
REG	REPUBLIC GLASS HOLDINGS CORP.	235,237	541,045	235,237	541,045	-	-
RFM	RFM CORPORATION	298,634	1,418,512	298,634	1,418,512	-	-
RLC	ROBINSONS LAND CORP.	1,931,587	31,214,446	1,931,587	31,214,446	-	-
RLT	PHIL. REALTY & HOLDINGS CORP.	8,795,473	958,707	8,795,473	958,707	-	-
ROCK	ROCKWELL LAND CORPORATION	315,990	584,581	315,990	584,581	-	-
ROX	ROXAS HOLDINGS, INC.	221,880	321,726	221,880	321,726	-	-
RPC	(DELISTD) REYNOLDS PHILIPPINES CORP	3,561	-	3,561	-	-	-
RRHI	ROBINSONS RETAIL HOLDINGS, INC.	56,230	1,858,402	56,230	1,858,402	-	-
SWM	SANITARY WARES MFG.	310,400	-	310,400	-	-	-
SBS	SBS PHILIPPINES CORPORATION	205,177	798,139	205,177	798,139	-	-
SCC	SEMIRARA MINING AND POWER CORP.	321,260	9,075,595	321,260	9,075,595	-	-
SECB	SECURITY BANK CORPORATION	99,780	6,550,557	99,780	6,550,557	-	-
SECBP	SECURITY BANK CORP. "PREF."	27,880	-	27,880	-	-	-
SEVN	PHILIPPINE SEVEN CORP.	28,588	1,057,756	28,588	1,057,756	-	-
SFI	SWIFT FOODS, INC.	18,787	883	18,787	883	-	-
SFIP	SWIFT FOODS, INC. CONVERT. PREF.	14,463	22,418	14,463	22,418	-	-
SGI	SOLID GROUP, INC.	38,153,000	48,454,310	38,153,000	48,454,310	-	-
SGP	SYNERGY GRID & DEVT. PHILS. INC	6,480,000	107,308,800	6,480,000	107,308,800	-	-
SHLPH	SHELL PILIPINAS CORPORATION	69,000	478,170	69,000	478,170	-	-
SHNG	SHANG PROPERTIES, INC.	11,351,516	40,184,367	11,351,516	40,184,367	-	-
SLF	SUN LIFE FINANCIAL INC.	4,947	17,017,680	4,947	17,017,680	-	-
SLI	STA. LUCIA LAND, INC.	265,000	689,000	265,000	689,000	-	-
SM	SM INVESTMENTS CORP.	38,794	27,136,403	38,794	27,136,403	-	-
SMC	SAN MIGUEL CORP.	11,908,720	976,515,040	11,908,720	976,515,040	-	-
SMC2I	SAN MIGUEL CORP. SERIES 2-I PREF.	11,000	819,500	11,000	819,500	-	-
SMC2L	SAN MIGUEL CORP. SERIES 2-L PREF.	56,300	4,371,695	56,300	4,371,695	-	-
SMC2N	SAN MIGUEL CORP. SERIES 2-N PREF.	45,770	3,684,485	45,770	3,684,485	-	-
SMC2O	SAN MIGUEL CORP. SERIES 2-O PREF.	685,000	55,485,000	685,000	55,485,000	-	-
SMC2P	SAN MIGUEL CORP. SERIES 2-O PREF.	3,000	231,000	3,000	231,000	-	-
SMC2Q	SAN MIGUEL CORP. SERIES 2-O PREF.	1,500	116,700	1,500	116,700	-	-
SMC2R	SAN MIGUEL CORP. SERIES 2-O PREF.	4,000	310,000	4,000	310,000	-	-
SMC2T	SAN MIGUEL CORP. SERIES 2-O PREF.	18,000	1,377,000	18,000	1,377,000	-	-
SMC2U	SAN MIGUEL CORP. SERIES 2-O PREF.	551,500	41,914,000	551,500	41,914,000	-	-
SMPH	SM PRIME HOLDINGS, INC.	2,094,714	47,654,743	2,094,714	47,654,743	-	-
SOC	SOC RESOURCES, INC.	7,813,000	1,421,966	7,813,000	1,421,966	-	-
SPC	SPC POWER CORP.	3,500	34,090	3,500	34,090	-	-
SPM	SEAFRONT RESOURCES CORP.	426,555	1,006,670	426,555	1,006,670	-	-

CODE	NAME	Per Records		Per Count		Unlocated Difference	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
SPNEC	SP NEW ENERGY CORP.	29,377,594	₱34,371,785	29,377,594	₱34,371,785	-	₱-
SPT	FFI SPECIAL PURPOSE TRUST	222,000	-	222,000	-	-	-
SSI	SSI GROUP, INC.	777,600	2,045,088	777,600	2,045,088	-	-
STI	STI EDUCATION SYSTEMS HLDGS., INC.	4,195,090	5,915,077	4,195,090	5,915,077	-	-
STN	STENIEL MFG CORP.	686,625	1,496,842	686,625	1,496,842	-	-
STR	STARMALLS, INC.	32,000	40,000	32,000	40,000	-	-
SUN	SUNTRUST RESORT HOLDINGS, INC.	267,500	203,300	267,500	203,300	-	-
T	TKC METAL CORP.	242,000	106,480	242,000	106,480	-	-
TBGI	TRANSPACIFIC BROADBAND GRP	1,070,000	142,310	1,070,000	142,310	-	-
TCB2C	CIRTEK HLDGS PHILS CORP 2C PREF	19,500	253,500	19,500	253,500	-	-
TCB2D	CIRTEK HOLDINGS PHILS CORP 2D PREF	111,600	921,816	111,600	921,816	-	-
TECH	CIRTEK HOLDINGS PHILS. CORP.	69,940	44,062	69,940	44,062	-	-
TEL	PLDT INC.	46,814	58,985,640	46,814	58,985,640	-	-
TELB	(DELISTED) PLDT (10% PREF) SERIES B	15	-	15	-	-	-
TELH	(DELISTED) PLDT (10% PREF) SERIES H	200	-	200	-	-	-
TELK	(DELISTED) PLDT (10% PREF) SERIES K	350	-	350	-	-	-
TELN	(DELISTED) PLDT (10% PREF) SERIES N	80	-	80	-	-	-
TELQ	(DELISTED) PLDT (10% PREF) SERIES Q	350	-	350	-	-	-
TELR	(DELISTED) PLDT SERIES "R"	350	-	350	-	-	-
TELS	(DELISTED) PLDT SERIES "S"	350	-	350	-	-	-
TELU	(DELISTED) PLDT (10% PREF) SERIES U	1,750	-	1,750	-	-	-
TELW	PLDT (10% PREF) SERIES W	3,000	-	3,000	-	-	-
TELX	(DELISTED) PLDT SERIES "X"	700	-	700	-	-	-
TFC	PTFC REDEVELOPMENT CORP.	91,676	4,143,755	91,676	4,143,755	-	-
TFHI	TOP FRONTIER INVESTMENT HLDGS, INC.	1,654,744	100,939,384	1,654,744	100,939,384	-	-
TUGS	HARBOR STAR SHIPPING SERVICES, INC.	76,000	44,840	76,000	44,840	-	-
UBP	UNION BANK OF THE PHILS.	108,185	2,877,721	108,185	2,877,721	-	-
UNI	(DELISTED) UNIOIL RES. HLDGS. CO.	8,370,500	-	8,370,500	-	-	-
UP	UNIVERSAL RIGHTFIELD PROP.	7,027,000	-	7,027,000	-	-	-
UPM	UNITED PARAGON MINING CORP.	16,475,000	95,555	16,475,000	95,555	-	-
URC	UNIVERSAL ROBINA CORP.	93,391	6,285,214	93,391	6,285,214	-	-
UW	(DELISTED) UNIWIDE HOLDINGS, INC.	4,300,000	-	4,300,000	-	-	-
V	VANTAGE EQUITIES, INC.	4,745,250	4,223,272	4,745,250	4,223,272	-	-
VITA	VITARICH CORPORATION	1,687,000	894,110	1,687,000	894,110	-	-
VLL	VISTA LAND & LIFESCAPES	812,325	844,818	812,325	844,818	-	-
VMC	VICTORIAS MILLING CO., INC.	282,702	489,074	282,702	489,074	-	-
VREIT	VISTAREIT, INC.	3,935,000	5,390,950	3,935,000	5,390,950	-	-
WEB	PHILWEB CORPORATION	5,823,420	36,105,204	5,823,420	36,105,204	-	-
WIN	WELLEX INDUSTRIES, INC.	1,000,000	260,000	1,000,000	260,000	-	-
WLCON	WILCON DEPOT, INC.	33,100	230,376	33,100	230,376	-	-
WPI	WATERFRONT PHILIPPINES, INC.	2,103,200	851,796	2,103,200	851,796	-	-
X	XURPAS INC.	611,000	151,528	611,000	151,528	-	-
ZHI	ZEUS HOLDINGS, INC.	10,893,000	729,831	10,893,000	729,831	-	-
		6,812,804,879	₱13,948,875,040	6,812,804,879	₱13,948,875,040	-	₱-

**SCHEDULE VII**

**MANDARIN SECURITIES CORPORATION  
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS  
PURSUANT TO THE REVISED SRC RULE 68**

**DECEMBER 31, 2025 AND 2024**

<b>Ratio</b>	<b>Formula</b>	<b>2025</b>	<b>2024</b>
Current ratio	Total current assets	<b>₱1,269,932,612</b>	₱595,111,406
	Divided by: Total current liabilities	<b>1,076,883,995</b>	408,863,620
	<b>Current ratio</b>	<b>1.18:1</b>	1.46:1
Quick ratio	Quick assets	<b>₱1,268,317,515</b>	₱594,364,203
	Divided by: Total current liabilities	<b>1,076,883,995</b>	408,863,620
	<b>Quick ratio</b>	<b>1.18:1</b>	1.45:1
Solvency ratio	Net income after tax	<b>₱5,931,388</b>	₱2,527,985
	Add: Depreciation	<b>1,263,908</b>	1,346,544
	Net income after tax before depreciation	<b>7,195,296</b>	3,874,529
	Divided by: Total liabilities	<b>1,082,260,328</b>	412,618,677
	<b>Solvency ratio</b>	<b>0.01:1</b>	0.01:1
Debt-to-equity ratio	Total liabilities	<b>₱1,082,260,328</b>	₱412,618,677
	Divided by: Total equity	<b>238,899,135</b>	233,878,184
	<b>Debt-to-equity ratio</b>	<b>4.53:1</b>	1.76:1
Asset-to-equity ratio	Total assets	<b>₱1,321,159,463</b>	₱646,496,861
	Divided by: Total equity	<b>238,899,135</b>	233,878,184
	<b>Asset-to-equity ratio</b>	<b>5.53:1</b>	2.76:1
Return on equity	Net income	<b>₱5,931,388</b>	₱2,527,985
	Divided by: Average total equity	<b>236,388,660</b>	232,490,958
	<b>Return on equity</b>	<b>0.03:1</b>	0.01:1
Return on assets	Net income	<b>₱5,931,388</b>	₱2,527,985
	Divided by: Average total assets	<b>983,828,162</b>	520,931,752
	<b>Return on assets</b>	<b>0.01:1</b>	0.00:1
Net profit margin	Net income	<b>₱5,931,388</b>	₱2,527,985
	Divided by: Revenue	<b>80,313,132</b>	137,291,549
	<b>Net profit margin</b>	<b>0.07:1</b>	0.02:1
Interest rate coverage ratio	Income before interest and taxes	<b>₱8,550,583</b>	₱3,619,959
	Divided by: Interest expense	<b>44,271</b>	20,584
	<b>Interest rate coverage ratio</b>	<b>193.14:1</b>	175.86:1

**SCHEDULE VIII**

**MANDARIN SECURITIES CORPORATION  
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION  
PURSUANT TO THE SEC MEMORANDUM CIRCULAR NO. 18-2024**

**DECEMBER 31, 2025 AND 2024**

	<b>2025</b>	<b>2024</b>
<b>Total Audit Fees</b>	<b>₱315,000</b>	<b>₱285,000</b>
Non-audit service fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
<b>Total Non-audit Fees</b>	<b>-</b>	<b>-</b>
<b>TOTAL AUDIT AND NON-AUDIT FEES</b>	<b>₱315,000</b>	<b>₱285,000</b>