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Company Information

SEC Registration No.: 0000174272
Company Name: VICSAL SECURITIES & STOCK BROKERAGE, INC.
Industry Classification: J66930
Company Type: Stock Corporation

Document Information

Document ID: OST105152026811388662
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

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Hi VICSAL SECURITIES & STOCK BROKERAGE, INC.,

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VICSAL SECURITIES AND STOCK BROKERAGE, INC - BIR AFS AND OTHER ATTACHMENTS ESUBMISSION 2025

From: Vicsal Securities and Stock Brokerage, Inc. (vssb_sec2005@yahoo.com)

To: rdo_50css@bir.gov.ph

Bcc: connie.panilag@psv-co.com; gladys.campos@metroretail.ph; jay-anneaira.bernados@psv-co.com

Date: Friday, May 15, 2026 at 11:23 PM GMT+8

TIN: 000-089-167-000

REGISTERED NAME: VICSAL SECURITIES & STOCK BROKERAGE, INC.

ADDRESS: UNIT 504 TOWER 1 & EXCHANGE PLAZA, AYALA TRIANGLE, AYALA AVENUE, MAKATI CITY

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307 KB

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

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

Report for the Period Beginning January 01, 2025 and Ending December 31, 2025

Note:

> **For Broker Dealer whose fiscal year ends on December 31, SEC Form 52-AR shall be filed with the Commission depending on the last numerical digit of its registration number as prescribed by the Commission. Broker dealer whose fiscal year ends on a date other than December 31 shall comply with the filing schedule of 110 days after the close of such fiscal year.**

IDENTIFICATION OF BROKER OR DEALER

Name of Broker Dealer: VICSAL SECURITIES AND STOCK BROKERAGE, INC.

Address of Principal Place of Business: Unit 1910, 19th Flr. PSE Tower, 5th Ave. cor 28th St. BGC. Taguig City

Email Address: vssb_sec2005@yahoo.com

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

Name: MR. FRANK S. GAISANO Tel. No. 0960-407-1919

Fax No. ______________

Paid-up Capital of Registrant: Php 30,000,000.00

IDENTIFICATION OF ACCOUNTANT

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

Name: MA. ALMA C. SESE Tel. No. 8994-3984

Address: 9th Floor Unit C Marc 2000 Tower, 1973 Taft Ave. cor San Andres St., Malate Manila Fax No. ______________

Email Address: almasese@psv-co.com

Certificate Number: 0054588

PTR Number: 0368867 Date Issued January 08, 2026

BOA Registration No. 0222 Date Issued September 13, 2023

Type of SEC Accreditation: Group B Accreditation No. 54588-SEC

Date Accredited: December 1, 2022 Expiry Date: December 31, 2026

This Report Contains:

(/) Cover Page

(/) Statement of Management's Responsibility

(/) Statement of Financial Condition

(/) Statement of Comprehensive Income

(/) Statement of Cash Flow

(/) Statement of Changes in Equity

(/) Statement of Changes in Liabilities Subordinated to Claims of General Creditors

(/) Computation of Risk Based Capital Adequacy Requirement pursuant to Rule 49.1-1

(/) Information Relating to the Possession or Control Requirements under Annex 49.2-A

(/) Computation for Determination of Reserve Requirements under Annex 49.2-B

(/) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

(/) Results of Monthly Securities Count conducted pursuant to Rule 52.1.10 as of the date of the balance sheet statement in the Annual Audited Financial Statement

(/) Broker Dealer Special Form Financial Statement (BDFS)

VICSAL SECURITIES AND STOCK BROKERAGE, INC.

FINANCIAL STATEMENTS
December 31, 2025 and 2024

and

Report of Independent Auditors

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

ANNUAL AUDITED FINANCIAL REPORT

Information Required of Brokers and Dealers Pursuant to Rule 52.1-5 of the Securities and Regulation Code (SRC)

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

IDENTIFICATION OF BROKER OR DEALER

Name of Broker / Dealer: **VICSAL SECURITIES AND STOCK BROKERAGE, INC.**

Address of Principal Place of Business: **Unit 1910, 19th Flr. PSE Tower,**
5th Ave. cor 28th St. BGC,
Taguig City

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

Name: **Frank S. Gaisano** Tel. No. **0960-407-1919**
Fax No.

IDENTIFICATION OF ACCOUNTANT

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

Name: **MA. ALMA C. SESE** Tel. No. **8994-3984**
Fax No.

Addess: **9th Floor Unit C Marc 2000 Tower, 1973 Taft cor San Andres, Malate, Manila**

Certificate Number: **54588**

PTR Number : **0368867** Date Issued: **January 08, 2026**

VSSB
VICSAL SECURITIES &
STOCK BROKERAGE, INC.
Unit 1910, 19th floor, PSE Tower,
5th Ave., cor. 28th St., BGC, Taguig City
OFFICE CEL. # 0960-407-1919

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **VICSAL SECURITIES & STOCK BROKERAGE, INC.** (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the Philippine Financial Reporting Standards (PFRS), 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 to do so.

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

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

PEREZ, SESE, VILLA & CO., the independent auditor appointed by the shareholders for the years ending December 31, 2025 and 2024, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their report to the shareholders, has expressed their opinion on the fairness of presentation upon completion of such audit.

FRANK S. GAISANO
Chairman of the Board /President

MARY IRISH D. GAISANO
Treasurer

Signed this 15 MAY 2026.

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the Taguig City Philippines, this 15 MAY 2026 affiants who are personally known to me and whose identity I have confirmed through their competent evidence of identity bearing the affiants photograph and signature.

NAMES	COMPETENT EVIDENCE OF IDENTITY	DATE AND PLACE ISSUED
FRANK S. GAISANO	P5597665A	01/12/2018 & DFA NCR-SOUTH
MARY IRISH D. GAISANO	P6827296B	05/18/2021 & DFA NCR-SOUTH

Doc No. 478;
Page No. 97;
Book No. VIII;
Series of 2026;

ATTY. CHERIE MAE R. ALAMAG
Notary Public for and in the City of Taguig
Appointment No. 80 (2025-2026)
Valid until December 31, 2026
Roll of Attorneys No. 68813
PTR No. A-6717435; 01/05/2026; Taguig City
IBP Lifetime Member No. 016360; Batangas Chapter
MCLE Compliance No. VIII-0010704; 07/17/2024
(MCLE valid until April 14, 2028)
Unit 2315, Philippine Stock Exchange Tower,
5th avenue cor. 28th Street, Bonifacio Global City, Taguig City

PEREZ, SESE, VILLA & CO.
CERTIFIED PUBLIC ACCOUNTANTS

admin@psv-co.com
(02) 8 994-3984
9th Flr. Unit C MARC 2000 Tower
1973 Taft Ave. cor. San Andres St.
Malate, Manila 1004

REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

To the Board of Directors and Shareholders
VICSAL SECURITIES AND STOCK BROKERAGE, INC.
Unit 1910, 19th Flr. PSE Tower,
5th Avenue cor. 28th Street,
BGC, Taguig City

We have audited the financial statements of **VICSAL SECURITIES AND STOCK BROKERAGE, INC.** (the Company) as at and for the year ended December 31, 2025 in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated May 15, 2026. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules I to VIII, as required by the Securities and Exchange Commission under the Revised Securities Regulation Code Rule 68, are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information are the responsibility of management and have been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

BY: **MA. ALMA C. SESE**
MANAGING PARTNER

CPA License No. 0054588
Tax Identification No. 212-955-173-000
PTR No. 0368867, Issued on January 08, 2026, Manila
SEC Accreditation No.
Partner - 0054588-SEC Group B, Issued on December 01, 2022.
valid for five (5) years covering the audit from 2022 to 2026 Financial Statements
Firm - 0222-SEC Group B, Issued on December 01, 2022
valid for five (5) years covering the audit from 2022 to 2026 Financial Statements
IC Accreditation No.
Partner - IC-EA-2025-0041-R Group B, Issued on January 19, 2026
valid for three (3) years covering the audit from 2025 to 2027 Financial Statements
BOA/PRC Accreditation No. 0222, Issued on September 13, 2023
valid until October 12, 2026
BIR Accreditation No. 06-002735-001-2024, Issued on April 12, 2024
valid for three (3) years until April 11, 2027

Manila, Philippines
May 15, 2026

admin@psv-co.com
(02) 8 994-3984
9th Flr. Unit C MARC 2000 Tower
1973 Taft Ave. cor. San Andres St.
Malate, Manila 1004

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors and Stockholders
VICSAL SECURITIES AND STOCK BROKERAGE, INC.
Unit 1910, 19th Flr. PSE Tower,
5th Avenue cor. 28th Street,
BGC, Taguig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **VICSAL SECURITIES AND STOCK BROKERAGE, INC.** (the Company), which comprise the statements of financial position as at December 31, 2025, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including 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 its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2025 required by the Bureau of Internal Revenue as disclosed in Note 28 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

BY: **MA. ALMA C. SESE**
MANAGING PARTNER

CPA License No. 0054588
Tax Identification No. 212-955-173-000
PTR No. 0368867, Issued on January 08, 2026, Manila
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valid until October 12, 2026
BIR Accreditation No. 06-002735-001-2024, Issued on April 12, 2024
valid for three (3) years until April 11, 2027

Manila, Philippines
May 15, 2026

VICSAL SECURITIES AND STOCK BROKERAGE, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2025 and 2024

			Security Position (2025)			Security Position (2024)	
	Notes	2025	Long	Short	2024	Long	Short
ASSETS							
Current Assets							
Cash and cash equivalents	*4,6*	₱ 10,890,604	₱ -	₱ -	₱ 12,284,688	₱ -	₱ -
Other receivables	*4,5,8*	145,264	-	-	174,668	-	-
Prepayments and other current assets	*4,5,9*	448,942	-	-	369,989	-	-
Total Current Assets		11,484,810	-	-	12,829,345	-	-
Non-Current Assets							
Financial asset at fair value through other comprehensive income	*4,5,10*	28,098,204	28,098,204	-	21,595,792	21,595,792	-
Trading right	*4,5,12*	1,233,309	-	-	1,233,309	-	-
Property and equipment, net	*4,5,11*	-	-	-	9,999	-	-
Deferred tax assets, net	*4,5,22*	-	-	-	592,443	-	-
Refundable Deposit	*4,5,13*	723,077	-	-	723,077	-	-
Total Non-Current Assets		30,054,590	28,098,204	-	24,154,620	21,595,792	-
TOTAL ASSETS		₱ 41,539,400	28,098,204	-	₱ 36,983,965	₱ 21,595,792	₱ -
Securities in Vault, Transfer Office and Philippine Depository and Trust Corp.		-	₱ -	₱ 28,473,164		₱ -	₱ 21,961,897
LIABILITIES AND EQUITY							
Current Liabilities							
Payable to customers	*4,5,14*	₱ 13,305	₱ 374,960	₱ -	₱ 9,807	₱ 366,105	₱ -
Other payables	*4,5,15*	828,202	-	-	643,105	-	-
Other current liabilities	*4,5,16*	24,689	-	-	23,180	-	-
Total Current Liabilities		866,196	374,960	-	676,092	366,105	-
Non-Current Liability							
Retirement liability	*4,5,17*	527,049	-	-	741,231	-	-
Deferred tax liabilities, net	*4,5,22*	708,039	-	-	-	-	-
Total Non-Current Liabilities		1,235,088	-	-	741,231	-	-
Total Liabilities		2,101,284	374,960	-	1,417,323	366,105	-
Equity							
Share capital	*4,18*	30,000,000	-	-	30,000,000	-	-
Equity reserves	*4,18*	2,832,160	-	-	(2,369,770)	-	-
Retained earnings	*4,18*	6,605,956	-	-	7,936,412	-	-
Total Equity , net		39,438,116	-	-	35,566,642	-	-
TOTAL LIABILITIES AND EQUITY		₱ 41,539,400	₱ 28,473,164	₱ 28,473,164	₱ 36,983,965	₱ 21,961,897	₱ 21,961,897

(See accompanying Notes to Financial Statements)

VICSAL SECURITIES AND STOCK BROKERAGE, INC.

STATEMENTS OF COMPREHENSIVE INCOME

For The Years Ended December 31, 2025 and 2024

	Notes	**2025**	2024
REVENUES			
Dividend income	*4,10*	₱ **919,224**	₱ 919,224
DIRECT COSTS	*4,19*	**(358,749)**	(351,188)
GROSS INCOME		**560,475**	568,036
OPERATING EXPENSES	*4,5,20*	**(2,321,712)**	(2,117,440)
LOSS FROM OPERATION		**(1,761,237)**	(1,549,404)
INTEREST INCOME	*4,6*	**538,476**	597,641
NET LOSS BEFORE INCOME TAX		**(1,222,761)**	(951,763)
INCOME TAX EXPENSE			
Current	*4,5,22*	**(107,695)**	(119,528)
NET LOSS FOR THE YEAR		**(1,330,456)**	(1,071,291)
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will not be reclassified to profit or loss			
Fair value income (loss) on OCI	*4,10,18*	**6,502,412**	(1,252,308)
Tax effect		**(1,300,482)**	164,967
		5,201,930	(1,087,341)
TOTAL COMPREHENSIVE INCOME (LOSS)		₱ **3,871,474**	₱ (2,158,632)

(See accompanying Notes to Financial Statements)

VICSAL SECURITIES AND STOCK BROKERAGE, INC.

STATEMENTS OF CHANGES IN EQUITY

For The Years Ended December 31, 2025 and 2024

	Notes	**2025**	2024
SHARE CAPITAL		**₱ 30,000,000**	₱ 30,000,000
EQUITY RESERVES	*3,4,18*		
Balance at beginning of the year		**(2,369,770)**	(1,282,429)
Other comprehenssive income (loss) for the year	*4,10,18*	**5,201,930**	(1,087,341)
Balance at end of the year		**2,832,160**	(2,369,770)
RETAINED EARNINGS	*3,4,18*		
Unappropriated			
Balance at beginning of the year		**35,849**	1,107,140
Net loss for the year		**(1,330,456)**	(1,071,291)
Appropriation for the year per SRC Rule 49.1		**-**	-
Balance at end of the year		**(1,294,607)**	35,849
Appropriated	*3,4,18*		
Balance at beginning of the year		**7,900,563**	7,900,563
Appropriation for the year per SRC Rule 49.1		**-**	-
Balance at end of the year		**7,900,563**	7,900,563
Retained Earnings		**6,605,956**	7,936,412
TOTAL EQUITY		**₱ 39,438,116**	₱ 35,566,642

(See accompanying Notes to Financial Statements)

VICSAL SECURITIES AND STOCK BROKERAGE, INC.

STATEMENTS OF CASH FLOWS

For The Years Ended December 31, 2025 and 2024

	Notes	**2025**	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss before tax		**₱ (1,222,761)**	₱ (951,763)
Adjustment to reconcile net loss to net cash provided by operating activities:			
Depreciation	*4,5,11*	**9,999**	2,000
Dividend revenue	*4,10*	**(919,224)**	(919,224)
Interest income	*4,6*	**(538,476)**	(597,641)
Operating loss before changes in working capital		**(2,670,462)**	(2,466,628)
Decrease (Increase) in:			
Other receivables	*4,5,8*	**29,404**	39,331
Prepayments and other current assets	*4,5,9*	**(78,953)**	(112,585)
Increase (Decrease) in:			
Payable to customers	*4,5,14*	**3,498**	3,687
Other payables	*4,5,15*	**185,097**	(339,280)
Other current liabilities	*4,5,16*	**1,509**	(2,332)
Retirement liability	*4,5,17*	**(214,182)**	-
Cash used in operations		**(2,744,089)**	(2,877,807)
Income tax paid	*4,5,22*	**(107,695)**	(119,528)
Interest received	*4,6*	**538,476**	597,641
Dividend received	*4,10*	**919,224**	919,224
Net cash used in operating activities		**(1,394,084)**	(1,480,470)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	*4,5,11*	**-**	(11,999)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(1,394,084)**	(1,492,469)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**12,284,688**	13,777,157
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**₱ 10,890,604**	₱ 12,284,688

(See accompanying Notes to Financial Statements)

NOTE 1 - GENERAL INFORMATION

VICSAL SECURITIES AND STOCK BROKERAGE, INC. (the Company) is a domestic corporation, incorporated in the Philippines on February 28, 1990, and was licensed by the Securities and Exchange Commission (SEC) under Registration No. 174272 to engage in buying, selling off, or dealing in stocks, bonds and other securities for its own account as a dealer or for the account of others as a stockbroker and to render financial advisory services. The Company is both a stockholder of and a holder of an exchange trading right in the Philippine Stock Exchange, Inc. (PSE).

The Company's registered address, which is also its principal place of business is located at Unit 1910, 19th Floor Philippine Stock Exchange Tower, 5th Avenue cor. 28th Street, Bonifacio Global City, Taguig City.

Status of Operations

The Company has ceased operations since June 2021 and, as of the reporting date, has not engaged in any trading or client-facing activities.

Approval of the Financial Statement

The financial statements of the Company for the year ended December 31, 2025, including its comparative figures as at December 31, 2024 were approved and authorized for issue by the Board of Directors (BOD) on May 15, 2026.

NOTE 2 - BASIS OF PREPARATION AND PRESENTATION

Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standard (PFRS) Accounting Standards.

Preparation and Measurement

The Company has prepared the financial statements as at and for the year ended December 31, 2025 and 2024 on a going concern basis, which assumes continuity of current business activities and the realization of assets and settlements of liabilities in the ordinary course of business.

The financial statements are presented in Philippine Peso (₱) the currency of the primary economic environment in which the Company operates. All amounts are rounded to the nearest peso.

The financial statements of the Company have been prepared on a historical cost basis, except for financial asset at fair value through other comprehensive income. Historical cost is generally based on the fair value of the consideration given in exchange for an asset or fair value of consideration received in exchange for incurring 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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

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

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

When measuring the fair value of an asset or a liability, the Company uses market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Company (working closely with external qualified valuers) using valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account.

Further information about assumptions made in measuring fair values is included in the following:

• Note 5 - Significant Accounting Judgements and Estimates
• Note 27 - Fair Value Measurement

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety; which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognized by the Company at the end of the reporting period during which the change occurred.

NOTE 3 - ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The Company adopted all applicable accounting standards and interpretations as at December 31, 2025. The new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (IASB) and approved by the Financial and Sustainability Reporting Standards Council (FSRSC) in the Philippines, that were assessed by the Management to be applicable to the Company's financial statements are as follows:

Adoption of Amended Standards Effective Beginning on or after January 1, 2025:

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new and amended Standards which the Company adopted effective for annual periods beginning January 1, 2025.

Unless otherwise indicated, the adoption of the new and amended standards did not have any material effect on the financial statements. Additional disclosures have been included in the notes to financial statements, as applicable.

Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

New and Amended PFRS and PIC Issuances in Issue but Not Yet Effective or Adopted

Unless otherwise indicated the Company does not expect that the future adoption of the said pronouncements to have a significant impact on the financial statements. The Company intends to adopt the following pronouncements when they become effective;

Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*

  The amendments add illustrative examples to several PFRS Accounting Standards intended to improve the reporting of climate-related and other uncertainties in the financial statements, particularly to address stakeholders' concerns about consistency of information within the general-purpose financial reports and sufficient information on climate-related risks and other uncertainties in the financial statements.

  The examples address topics such as materiality judgements, significant judgements and estimates, and aggregation and disaggregation.

  The illustrative examples are not an integral part of PFRS Accounting Standards and, as such, do not have an effective date or transition requirements. However, an entity is expected to be entitled to sufficient time to implement any changes to align the information disclosed in its financial statements with the illustrative examples. Determining how much time is sufficient is a matter of judgement that depends on an entity's particular facts and circumstances. Nonetheless, an entity would be expected to implement any changes on a timely basis.

  Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

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

  The amendments clarify that a financial liability is derecognized on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*

  The amendments only apply to contracts that reference nature-dependent electricity such as contracts to buy or sell nature-dependent electricity, as well as financial instruments that reference such electricity. This amendment cannot be applied by analogy to other contracts, items or transactions.

  The amendments clarify the application of the 'own-use' requirements for in-scope contracts, amend the designation requirements for a hedge item in a cash flow hedging relationship for in-scope contracts and include new disclosure requirements.
  Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

- Annual Improvements to PFRS Accounting Standards—Volume 11

  The amendments are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversight osr conflicts between the requirements in the Accounting Standards. The following is the summary of the Standards involved and their related amendments.

  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*

    The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.

  - Amendments to PFRS 7, *Gain or Loss on Derecognition*

    The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.

  - Amendments to PFRS 9

    - Lessee Derecognition of Lease Liabilities
      The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.

    - Transaction Price
      The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to 'transaction price as defined by PFRS 15 *Revenue from Contracts with Customers*'

with 'the amount determined by applying PFRS 15'. The term 'transaction price' in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.

- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*

  The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.

- Amendments to PAS 7, *Cost Method*

  The amendments to paragraph 37 of PAS 7 replaced the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

Effective beginning on or after January 1, 2027

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

  The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:

  - Required totals, subtotals and new categories in the statement of profit or loss
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  Based on preliminary assessment, the management believes that the adoption of PFRS 18 will not affect total profit or equity of the Company. However, the adoption may affect the subtotals and performance measures presented in the statement of comprehensive income. The Company is continuously evaluating the full impact of this new standard on its financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*

  The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS Accounting Standards.

  In 2025, PFRS 19 was amended to provide reduced disclosure requirements for new or amended PFRS Accounting Standards adopted by the FSRSC from the issuances of the IASB between February 2021 and May 2024.

  The application of the standard is optional for eligible entities.

  Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*
  The amendments introduce translation requirements for entities translating their financial statements, or the results and financial position of a foreign operation, from a functional

currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

Deferred effectivity

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

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

  On January 13, 2016, the FSRSC deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

  Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

The revised, amended, and additional disclosures or accounting changes provided by the standards and interpretations will be included in the company financial statements in the year of adoption, if applicable.

NOTE 4 - MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies that have been used in the preparation of these financial statements are summarized below. These accounting policies information is considered material because of its amounts, nature and related amounts. These are material in understanding material information in the financial statement. These policies have been consistently applied to all the years presented, unless otherwise stated.

Financial Assets and Liabilities

Date of recognition. 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 settlement date accounting.

Initial Recognition and Measurement. Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated at FVPL, includes transaction costs.

"Day 1" Difference. Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a "Day 1" difference) in profit or loss.
In cases where there is no observable data on inception, the Company deems the transaction price as the best estimate of fair value and recognizes "Day 1" difference in profit or loss when the inputs

become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the "Day 1" difference.

Classification

The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVTPL, (b) financial assets at amortized cost and (c) financial assets at fair value through other comprehensive income (FVOCI). Financial liabilities, on the other hand, are classified as either (a) financial liabilities at FVTPL or (b) financial liabilities at amortized cost. The classification of a financial instrument largely depends on the Company's business model and its contractual cash flow characteristics.

As December 31, 2025 and 2024, the Company does not have financial asset and liabilities classified as FVTPL but has financial assets as 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 allowance for credit losses, if any. 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 and through amortization process.

As at December 31, 2025 and 2024, the Company's cash and cash equivalents, receivable from customers, other receivables and refundable deposits are classified under this category. (Note 6, 7, 8 and 13)

Cash

Cash in banks are demand deposits with banks and earn interest at prevailing bank deposit rates. Meanwhile, cash equivalents are short-term highly liquid investments that are readily convertible into known amounts of cash, which are subject to an insignificant risk of changes in value and which have a maturity of three (3) months or less at acquisition.

Receivables

Receivables are initially recognized when the Company becomes a party to the contractual provisions of the financial instrument. They are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or origination of the financial asset, except for financial assets measured at fair value through profit or loss.

For receivables arising from the sale of securities, the asset is recognized on the trade date, which is the date the Company commits to sell the securities.

Subsequent to initial recognition, receivables are measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

The Company applies the Expected Credit Loss (ECL) model in accordance with PFRS 9 – Financial Instruments in assessing impairment of receivables.

Under this model, the Company recognizes an allowance for expected credit losses based on the probability of default and expected recoveries over the life of the financial asset.

In measuring expected credit losses, the Company considers:

- historical credit loss experience.
- current economic conditions; and
- forward-looking information that may affect the collectability of the receivables.

Receivables from clearing house arising from securities transactions are generally considered to have low credit risk due to the regulated settlement system of the securities market. Accordingly, expected credit losses recognized on these balances are typically minimal.

Receivables are derecognized when the contractual rights to receive cash flows from the financial asset have expired, or when the Company has transferred substantially all the risks and rewards of ownership of the financial asset.

Financial liabilities

Classification and presentation

The Company classifies its financial liabilities in the following categories: (i) at amortized cost; and (ii) at fair value through profit or loss.

The Company did not hold any financial liabilities under category (ii) during and at the end of each reporting period.

Financial Liabilities at Amortized Cost

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.

Recognition and measurement

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

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. 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.

As at December 31, 2025 and 2024, the Company's payables to customers and other payables are classified under this category. (Note 14 and 15)

Trade and Other Payables

Payables are recognized when the Company becomes a party to the contractual provision that gives rise to the receivable of another entity. Trade and other payables are recognized initially at the transaction price and are subsequently measured at amortized cost. For short-term, non-interest-bearing payables, the carrying amount approximates the amount payable due to the short-term nature of these liabilities. They are included in current liabilities, except for maturities greater than 12 months after the reporting date, which are then classified as noncurrent liabilities.

Trade payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the suppliers.

Financial Assets at FVOCI.

For debt instruments that meet the contractual cash flow characteristic and are not designated at FVTPL under the fair value option, the financial assets shall be measured at FVOCI 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 selling the financial assets; 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.

For equity instruments, the Company may irrevocably designate the financial asset to be measured at FVOCI as long as these are not held for trading purposes.

After initial recognition, Financial assets at FVOCI are presented in the financial statements at fair value with changes in fair value are recognized in Other Comprehensive Income (OCI).

Interest income on debt instruments is calculated using the effective interest method while credit losses on debt instruments measured at FVOCI are recognized directly in profit or loss. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI are reclassified to profit or loss.

Dividends from equity instruments held at FVOCI are recognized in profit or loss when the right to receive payment is established. Cumulative changes in fair value of FVOCI equity instruments are recognized in equity and are not reclassified to profit or loss in subsequent periods.

As at December 31, 2025 and 2024, the Company's financial assets classified as FVOCI are presented in Note 10.

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 FVTPL, 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 FVTPL category to financial assets at amortized cost, its fair value at the reclassification date becomes its new gross carrying amount.

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at amortized cost, any gain or loss previously recognized in OCI shall be recognized in profit or loss.

For a financial asset reclassified out of the financial assets at FVTPL category to financial assets at FVOCI, its fair value at the reclassification date becomes its new gross carrying amount. Meanwhile, for a financial asset reclassified out of the financial assets at FVOCI category to financial assets at FVTPL, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

Impairment of Financial Assets

The Company records an allowance for "expected credit loss" (ECL). 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. The difference is then discounted at an approximation to the asset's original effective interest rate.

For debt instruments measured at amortized cost and FVOCI, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECLs 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 and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For receivables from customers, the Company has applied the provision of SRC Rule 52.1.11 and Risk Based Capital Adequacy. The Company's Credit Losses was computed based on the classification, credit loss rate and basis specified in SRC Rule No. 52.1.11. In 2023, section 52.1.11.2 and 52.1.11.3 was amended through SEC Memorandum Circular No. 11, Series of 2023.

Derecognition of Financial Assets and Liabilities

Financial Assets

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 financial asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its 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

A financial liability is derecognized when the obligation under the liability is discharged, 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 statements of comprehensive income.

A modification is considered substantial if the present value of the cash flows under the new terms, including net fees paid or received and discounted using the original effective interest rate, is different by at least 10% from the discounted present value of remaining cash flows of the original liability.

The fair value of the modified financial liability is determined based on its expected cash flows, discounted using the interest rate at which the Company could raise debt with similar terms and conditions in the market. The difference between the carrying value of the original liability and fair value of the new liability is recognized in the statements of comprehensive income.

On the other hand, if the difference does not meet the 10% threshold, the original debt is not extinguished but merely modified. In such case, the carrying amount is adjusted by the costs or fees paid or received in the restructuring.

Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is 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.

Classification of Financial Instrument between Liability and Equity

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

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

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

Other Receivables

Other receivables include advances granted to employees, which are generally collectible within one (1) year.

Employee advances are recognized at fair value at the date of grant, which is normally equal to the amount advanced, as the stated interest rate approximates market rate.

Subsequent to initial recognition, employee advances are measured at amortized cost using the effective interest method (EIR) in accordance with PFRS 9 Financial Instruments.

Interest income is recognized over the term of the advance based on the effective interest rate.

The advances are repayable over a period of one (1) year and are amortized on a systematic basis over the term of the loan. Where the difference between straight-line amortization and the effective interest method is not material, the Company applies a straight-line method as a practical approximation of the effective interest method.

The Company recognizes an allowance for expected credit losses (ECL) on employee advances using a simplified approach, considering historical default experience and forward-looking information. Given the short-term nature and recoverability through payroll deductions, expected credit losses are generally not material.

Employee advances are presented under "Other Receivables" in the statement of financial position and are classified as current assets.

Prepayments and Other Current Assets

Prepayments are expenses paid in cash and recorded as assets before they are used or consumed, as the service or benefit will be received in the future. Prepayments are recognized when paid and stated at cost less any utilized portion. Prepayments are apportioned over the period covered by the payment and charged to the appropriate account in the statements of comprehensive income when incurred.

Prepaid income tax from Creditable Withholding Taxes (CWTs) CWTs represent amounts withheld from income subject to expanded withholding taxes. CWTs can be utilized as payment for income taxes provided that these are properly supported by certificates of creditable tax withheld at source to the rules on Philippine income taxation.

Prepayments and other current assets that are expected to be realized for not more than 12 months after the end of the reporting period are classified as current assets; otherwise, these are classified as other noncurrent assets.

At each reporting date, prepayments and other current assets are assessed for impairment. If impaired, the carrying amount is reduced to it carrying amount; the impairment loss is recognized immediately in statements of comprehensive income.

Prepayments and other current assets are derecognized when they have no future benefit is expected from it. Any gain or loss on derecognition of prepayment and other assets is recognized in the statements of comprehensive income in the year in which it arises.

Property and Equipment

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

Items of property and equipment are initially measured at cost. Such cost includes purchase price and all incidental costs necessary to bring the asset to its location and condition. Subsequent to initial recognition, items of property and equipment are measured in the Statements of Financial Position at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation, which is computed on a straight-line basis, is recognized so as to allocate the cost of assets less their residual values over their estimated useful lives.

If there is an indication that there has been a significant change in useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

When assets are sold, retired or otherwise disposed of, their costs and related accumulated depreciation and impairment losses, if any, are removed from the accounts and any resulting gain or loss is reflected in profit or loss for the period.

Intangible Assets

Intangible asset represents trading right. This is initially measured at cost and is presented in the statement of financial position at cost less accumulated amortization and any accumulated impairment losses.

Trading right is the result of the conversion plan to preserve the Company's access to the trading facilities and for it to continue to transact business at the PSE.

Trading right is initially measured at cost and are subsequently measured at cost less any accumulated impairment loss. The trading right is an intangible asset to be regarded as having an indefinite useful life as there is no foreseeable limit to the period over which this asset is expected to generate net cash inflows for the Company.

Trading right is not amortized but reviewed each year to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. The Company tests the asset for impairment by comparing its carrying amount with its recoverable amount, and recognizing any excess of the carrying amount over the recoverable amount as an impairment loss.

When assets are sold, retired or otherwise disposed of, their cost and related accumulated amortization and impairment losses, if any, are removed from the accounts and any resulting gain or loss is reflected in profit or loss for the period.

Deferred Tax Assets

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax losses, and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carryforward benefits can be utilized.

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

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

Refundable Deposits

Refundable deposits represent amounts paid to Clearing and Trade Guarantee Fund (CTGF) maintained by Securities Clearing Corporation of the Philippines (SCCP), as security for the performance of contractual obligations.

These deposits are initially recognized at the transaction price. Subsequently, refundable deposits are measured at amortized cost, less any impairment, if applicable.

Refundable deposits are classified as non-current assets unless they are expected to be recovered within twelve (12) months from the reporting date, in which case they are presented as current assets.

The Company assesses at each reporting date whether there is objective evidence of impairment. If such evidence exists, an impairment loss is recognized in profit or loss.

Impairment of Non- Financial Assets

At each reporting date, the carrying amount of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit and loss

Any impairment loss is recognized if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its net recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that are largely independent from other assets of the Company. Impairment losses are recognized in profit or loss in the period incurred.

The net recoverable amount of an asset is the greater of its value in use or its fair value less costs to sell. Value in use is the present value of future cash flows expected to be derived from an asset while fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognized.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit and loss.

Other Current Liabilities

Other current liabilities consist of withholding taxes, and statutory payables. These liabilities are recognized when the related obligation arises, such as upon occurrence of taxable transactions, incurrence of expenses, or recognition of payroll and statutory contributions. These are subsequently measured at the undiscounted amount expected to be paid to the relevant authorities, as these are short-term in nature and the effect of discounting is immaterial.

These are classified as current liabilities as they are expected to be settled within twelve (12) months from the reporting date and are derecognized upon payment or settlement of the obligation.

Deferred Tax Liabilities

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that they arise from:

- the initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit.

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

Deferred tax liabilities are recognized when:

- the carrying amount of an asset exceeds its tax base, or
- the tax base of a liability exceeds its carrying amount,
  resulting in future taxable amounts.

Deferred tax liabilities are measured at the applicable income tax rate, and are not discounted.

Deferred tax liabilities are presented in the statement of financial position as non-current liabilities.

Deferred tax assets and deferred tax liabilities are offset only when:

- the Company has a legally enforceable right to offset current tax assets against current tax liabilities; and
- the deferred taxes relate to income taxes levied by the same taxation authority.

Deferred tax expense or benefit is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the deferred tax is also recognized in the same manner.

Equity

Share Capital

Share capital is measured at par value for all shares issued. Proceeds and/or fair value of considerations received more than par value are recognized as capital more than par value.

The share capital represents the par value of shares that were issued at the end of the reporting period.

Equity Reserve

Equity reserves represent amounts recognized directly in equity arising from transactions and events required by applicable Philippine Financial Reporting Standards (PFRS) to be excluded from profit or loss. These may include cumulative unrealized fair value gains or losses on financial assets measured at fair value through other comprehensive income (FVOCI), remeasurement gains or losses on defined benefit plans, foreign currency translation adjustments, and other capital transactions recognized directly in equity. Such reserves are presented separately in the statement of changes in equity and are generally not available for dividend distribution unless otherwise permitted by law and regulations.

Movements in equity reserves are recognized directly in equity, net of any related tax effects. Amounts may be transferred to retained earnings when the reserves are realized, reclassified, or otherwise permitted under applicable regulations and corporate policies. Any subsequent changes in the underlying transactions are accounted for in accordance with the relevant PFRS requirements.

Retained Earnings

Retained earnings include income earned in current and prior periods net of any dividend declaration, effects of changes in accounting policy and prior period adjustments.

Appropriated retained earnings pertains to the restricted portion which is intended for the resource fund in compliance with SRC rule 49.1 (B). Unappropriated retained earnings represent the portion which can be declared as dividends to shareholders.

Appropriated Retained Earnings

Appropriated retained earnings pertains to the restricted portion which is intended for the resource fund in compliance with SRC rule 49.1 (B). Unappropriated retained earnings represent the portion which can be declared as dividends to shareholders.

Accumulated deficits

Accumulated deficits represent accumulated losses incurred by the Company. It includes effect of changes in accounting policy as may be required by the standard's transitional provisions and effect of correction of prior period errors.

Revenue

Revenue recognition

Revenue 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.

Commission

Commissions on brokerage transactions are recorded on a trade date basis as trade transactions occur.

Other Income

Income from other sources is recognized when earned during the period.

The following specific recognition criteria must also be met for other revenues outside the scope of PFRS:

Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, provided that it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably.

Interest income

Interest Income is recognized in profit or loss as it accrues, considering the effective yield of the assets.

Other Comprehensive Income (OCI)

Other components of equity comprise of items of income and expense that are not recognized in profit or loss for the year. Other comprehensive income pertains to cumulative remeasurement gains (losses) on net retirement asset or liability.

Trading Gains or Losses on Financial Assets at FVTPL

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

Expenses

Expenses are decreases in economic benefits in the form of decreases in assets or increase in liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Expenses are generally recognized when the services are received or when the expenses are incurred.

Direct costs

Direct costs are expenses incurred that are associated with services rendered which includes salaries and employee benefits and other expenses directly associated with the cost of service.

Operating expenses

Operating expenses are costs attributable to administrative, marketing, and other business activities of the Company which include salaries and employee benefits, depreciation and professional fees and other costs that cannot be associated directly to the services rendered.

Income Tax

Income tax expense includes current tax expense and deferred tax expense.

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

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

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforwards of unused MCIT and NOLCO 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 future taxable income 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 income will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period applicable 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.

Most changes in deferred tax assets or deferred tax liabilities are recognized as a component of tax expense in profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity. In this case, the tax is also recognized in OCI or directly in equity, respectively.

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

Employee Benefits

Short-term benefits

Short-term benefits given by the Company to its employees include salaries and wages, compensated absences, 13th month pay, employer share contributions and other de minimis benefits, among others.

These are recognized as expenses in the period the employees render services to the Company.

Retirement Benefits

The Company does not have a formal retirement benefit plan. The Company provides retirement benefits to qualified employees in accordance with Republic Act No. 7641 (Retirement Pay Law). The retirement benefit obligation is computed based on the employees' current salary multiplied by their years of service, consistent with the minimum retirement benefit prescribed under the law.

The Company accounts for retirement benefits using the accrual method. The cost of providing retirement benefits is recognized as an expense over the period in which employees render the related services. The retirement liability is measured as the present value of the defined benefit obligation at the end of the reporting period.

As of December 31, 2025 and 2024 none of the employees qualified for retirement benefits under RA7641.

Management will reassess the need to obtain an actuarial valuation in the future should the number of employees increase or the retirement benefit obligation become significant.

Related Party Transactions and Relationships

Related party transactions are transfer of resources, services or obligations between the Company and its related parties, regardless whether a price is charged. Transactions between related parties are accounted for at arm's length prices or on terms similar to those offered to non-related parties in an economically comparable market.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; (c) individuals owning, directly or indirectly, an interest in the voting power of the investee that gives them significant influence over the Company and close members of the family of any such individual; and (d) the Company's funded retirement plan.

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

Leases

A lease is a contract that conveys the right to use an identified asset for a period of time in exchange for a consideration.

Determination as to whether a contract is, or contains, a lease is made at the inception of the lease. Accordingly, the Company assesses whether the contract meets three key evaluations which are:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the lessee;
- the lessee has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and,
- the lessee has the right to direct the use of the identified asset throughout the period of use. The lessee assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Company as Lessee

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability in the Statements of Financial Position. The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments include fixed payments (including in-substance fixed), variable lease payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options (either renewal or termination) reasonably certain to be exercised. Subsequent to initial measurement, the liability is increased for interest incurred and reduced for lease payments made.

The right-of-use asset is initially measured at the amount of lease liability adjusted for any initial direct costs incurred by the lessee, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequently, the Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Foreign Currency Transaction

Foreign currency transactions are initially recognized using the spot rate of exchange at the date of the transaction. Monetary assets and liabilities that are denominated in foreign currency are translated into the functional currency using the closing rate as of the reporting date. Gains and losses arising from foreign currency transactions and remeasurement of monetary assets and liabilities are recognized immediately in profit and loss.

Provisions and Contingencies

Provisions are recognized when the Company has a present legal or constructive obligation 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. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including risks and uncertainties associated with the present obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a 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 an interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

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

Changes in accounting policies, change in accounting estimates and correction of prior period errors

The Company applies changes in accounting policy if the change is required by the accounting standards or in order to provide reliable and more relevant information about the effects of transactions, other events or conditions on the Company's financial statements. Changes in accounting policy brought about by new accounting standards are accounted for in accordance with the specific transitional provision of the standards. All other changes in accounting policy are accounted for retrospectively.

Changes in accounting estimates is recognized prospectively by reflecting it in the profit and loss in the period of the change if the change affects that period only or the period of the change and future periods if the change affects both.

Prior period errors are omissions from, and misstatements in, the Company's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that was available when financial statements for those periods were authorized for issue and could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

To the extent practicable, the Company corrects a material prior period error retrospectively in the first financial statements authorized for issue after its discovery by restating the comparative amounts for the prior periods(s) presented in which the error occurred, or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for period presented.

When it is impracticable to determine the period-specific effects of an error on comparative information for one or more prior periods presented, the Company restates the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable.

Subsequent events

Subsequent events that provide additional information about conditions existing at period end (adjusting events) are recognized in the financial statements. Subsequent events that provide additional information about conditions existing after period end (non-adjusting events) are disclosed in the notes to the financial statements.

NOTE 5 - SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the financial statements in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards requires the Company to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgements, accounting estimates and assumptions used in the financial statements are based upon management evaluation of relevant facts and circumstances as at the reporting date. While the Company believes that the assumptions are reasonable and appropriate. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of changes in estimates will be reflected in the financial statements as they become reasonably determined.

The 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 period affected.

Judgment

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

Determination of ECL on financial assets

The Company uses a provision matrix to calculate ECL for financial assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns by customer type and credit rating.

The provision matrix is based on the Company's historically observed default rates. The Company's management intends to regularly calibrate on an annual basis the matrix to consider the historical credit loss experience with forward-looking information. Details about the ECL on the Company's trade and other receivables are disclosed in Note 25.

Assessment of Impairment of Nonfinancial Assets

The Company determines whether there are indicators of impairment of the Company's non-financial assets. Indicators of impairment include significant change in usage, decline in the asset's fair value or underperformance relative to expected historical or projected future results. Determining the fair value requires the determination of future cash flows and future economic benefits expected to be generated from the continued use and ultimate disposition of such assets. It requires the Company to make estimates and assumptions that can materially affect the financial statements. Future events could be used by management to conclude that these assets are impaired. Any resulting impairment loss could have a material adverse impact on the Company's financial position and financial performance. The preparation of the estimated future cash flows and economic benefits involves significant judgments and estimation.

No impairment loss on non-financial assets was recognized in the Company's financial statements in either 2025 or 2024.

Estimates

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

Estimation of Allowance for Credit Losses

The measurement of the allowance for Credit Losses on financial assets at amortized cost and at FVOCI (debt instruments) is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring Credit Losses is further detailed in Note 25.

Estimating useful lives of property and equipment

The Company estimates the useful lives of its property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets and residual values are reviewed, and adjusted if appropriate, only if there is a significant change in the asset or how it is used.

The following estimated useful lives are used in depreciating the property and equipment:

Particulars	Useful Lives
Furniture and Fixtures	5 years

Determination of Realizable Amount of Deferred Tax Assets/Liabilities

The Company reviews its deferred tax assets/liabilities at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets/liabilities to be utilized. Management assessed that the deferred tax assets/liabilities recognized as at December 31, 2025 and 2024 will be fully utilized/will be due in the coming years. The carrying value of deferred tax assets/liabilities as of those dates is disclosed in Note 22.

NOTE 6 - CASH AND CASH EQUIVALENTS

This account consists of:

		2025		2024
Cash in banks	**₱**	**10,310,130**	₱	11,704,214
Cash in bank – reserve account		**570,474**		570,474
Cash on hand		**10,000**		10,000
	₱	**10,890,604**	₱	12,284,688

Cash in banks generally earns interest at rates based on daily bank deposit rates. Temporary cash investments are made for varying periods up to three months depending on the Company's immediate cash requirements and earn interest at the prevailing temporary cash investment rates.

These are unrestricted and available for use in the Company's operation except for the special reserve bank account with Rizal Commercial Banking Corporation.

Interest income recognized in the Statements of Comprehensive Income amounted to ₱538,476 and ₱597,641 in 2025 and 2024, respectively.

In compliance with the Securities Regulation Code (SRC) Rule 49.2-1, the Company maintains a special reserve account with Rizal Commercial Banking Corporation for the exclusive benefit of its customers. The Company's reserve requirement is determined on SEC's prescribed computations. As of December 31, 2025, and 2024, the Company's reserve accounts are adequate to cover its reserve requirements.

NOTE 7 - RECEIVABLE FROM CUSTOMERS

The security valuation of the debit balances of receivable from customers' accounts are presented below:

	2025		2024	
	Money Balance	**Security Valuation-Long**	Money Balance	Security Valuation-Long
Fully secured accounts:				
More than 250%	**₱ -**	**₱ -**	₱ -	₱ -
	-	**-**	-	-

Unsecured accounts	**612**	-	612	-
	612	-	612	-
Less: Allowance for credit losses	**(612)**	-	(612)	-
	₱ -	₱ -	₱ -	₱ -

Receivables from customers are due within two (2) business days after the consummation of the transactions.

Allowance for credit losses on trade and other receivables is computed using the formula provided by the SRC Rule No. 52.1.11 which forms part of the Risk-Based Capital Adequacy (RBCA) Report, see Note 26. No credit loss was recognized in the Company's financial statements in either 2025 or 2024.

NOTE 8 - OTHER RECEIVABLES

This account consists of:

	2025	2024
Interest receivable	₱ **143,108**	₱ 156,767
Advances to employees	**-**	16,801
Miscellaneous receivables	**2,156**	1,100
	₱ **145,264**	₱ 174,668

Interest receivables pertain to accrued interest on the Company's short-term placements on time deposit.

Advances to employees pertains to personal advances that are collected through salary deduction.

NOTE 9 - PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	2025	2024
Input VAT	₱ **675,927**	₱ 596,972
Creditable withholding tax	**260,568**	260,569
Prepaid income tax (Note 22)	**125,262**	125,262
Prepaid expenses	**73,210**	73,210
	1,134,967	1,056,013
Allowance for impairment loss	**(686,025)**	(686,025)
	₱ **448,942**	₱ 369,988

Input VAT are indirect taxes on purchases of goods and services. These are creditable to VAT liability of the Company. Allowance for impairment loss of input VAT amounts to ₱425,457 as of December 31, 2025 and 2024.

Creditable withholding taxes (CWTs) represent amounts withheld from income that can be utilized as payment for income taxes. Allowance for impairment loss on CWT amounts to ₱260,568 as of December 31, 2025 and 2024.

Prepaid income tax pertains to excess tax credit which can be claimed against the Company's income tax liability.

Prepaid expenses represents taxes and licenses, bonds and insurance paid in advance which will be expensed in the next accounting period

NOTE 10 - FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

This account represents investment in PSE shares and other PSE listed securities being held for investment purposes.

The movement in the financial assets at fair value through other comprehensive income is summarized below:

2025

	PSE Shares	Other Shares	Total
Balance at beginning of year	₱ 5,084,000	₱ 16,511,792	₱ 21,595,792
Additions	-	-	-
Disposals	-	-	-
Fair value adjustments	1,283,400	5,219,012	6,502,412
Balance at end of year	₱ 6,367,400	₱ 21,730,804	₱ 28,098,204

2024

	PSE Shares	Other Shares	Total
Balance at beginning of year	₱ 5,270,000	₱ 17,578,100	₱ 22,848,100
Additions	-	-	-
Disposals	-	-	-
Fair value adjustments	(186,000)	(1,066,308)	(1,252,308)
Balance at end of year	₱ 5,084,000	₱ 16,511,792	₱ 21,595,792

The Company has 31,000 PSE shares in 2025 and 2024. The fair market value of PSE shares is quoted at ₱205.4 and ₱164 per share as of December 31, 2025, and 2024, respectively.

Fair values of these securities at FVOCI have been determined based on quoted prices in active market (Note 27).

Dividend income on these shares were recognized in the statements of comprehensive income amounting to ₱919,224 in both 2025 and 2024.

NOTE 11 - PROPERTY AND EQUIPMENT, net

A reconciliation of the carrying amounts at the beginning and end of 2025 and 2024, of property and equipment is shown below:

	2025	2024
Costs		
January 1	₱ 76,999	₱ 65,000
Additions	-	11,999
Disposals	-	-
December 31	76,999	76,999
Accumulated depreciation		
January 1	67,000	65,000
Depreciation expense	9,999	2,000
Disposals	-	-
December 31	76,999	67,000
Carrying amount		
December 31	₱ -	₱ 9,999

As of December 31, 2025, and 2024, management believes that there is no impairment loss on its property and equipment.

The amount of depreciation is presented in the statements of comprehensive income under the operating expenses (Note 20).

The Company has not entered any contractual commitment for the acquisition of property and equipment in 2025 and 2024.

NOTE 12 - TRADING RIGHT

This account consists of trading right amounting to ₱1,233,309 as of December 31, 2025 and 2024 and fully amortized computer software.

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

The trading right is regarded as having an indefinite useful life when it was acquired because it is expected to generate net cash inflows indefinitely. Because it is regarded as having an indefinite useful life, the trading right would not be amortized but would be tested for impairment annually and whenever there is an indication that it may be impaired.

The carrying amount of trading rights presented as part of Intangible Assets in the Statement of Financial Position amounts to ₱1,233,309 as at December 31, 2025 and 2024. The last transacted price of the trading right in Philippine Pesos: Seven Million Seven Hundred Thousand (₱7,700,000) dated September 17, 2025. Considering that the market value is significantly higher than the carrying amount, no impairment loss was recognized for this account.

NOTE 13 - REFUNDABLE DEPOSIT

This account pertains to the Clearing and Trade Guaranty Fund (CTGF) amounting to ₱723,077 as of December 31, 2025, and 2024, respectively. This pertains to fund established, maintained by Securities Clearing Corporation of the Philippines (SCCP), for the purpose of covering failed trades due to member's illiquidity and/or insolvency. This is refundable upon cessation of the Company's business and/or termination of the Company's membership with SCCP.

NOTE 14 - PAYABLES TO CUSTOMERS

This account consists of Payable to Customers amounting to ₱13,305 and ₱9,807 as at December 31, 2025, and 2024, respectively.

The security values of the credit balance of customers' accounts are as follows:

	2025				2024			
		Credit Balance		**Security Valuation-Long**		Credit Balance		Security Valuation-Long
With money balance	₱	13,305	₱	100,207	₱	9,807	₱	82,258
Without money balance		-		274,753		-		283,848
	₱	13,305	₱	374,960	₱	9,807	₱	366,106

Payables to customers are non-interest bearing and are payable within two (2) business days after the consummation of the transactions.

NOTE 15 - OTHER PAYABLES

This account consists of:

		2025		2024
Accrued expenses	₱	**620,864**	₱	409,949
Accounts payable		**156,583**		156,583
Miscellaneous payable		**50,755**		76,573
	₱	**828,202**	₱	643,105

Accrued expenses represent incurred expenses on professional fees, audit fees to CMIC and utilities which has not been paid as of the reporting dates.

Accounts payable pertains to unreleased checks as of reporting period and issued checks considered stale check as of reporting period.

Miscellaneous payables pertain to dividends received by the Company on behalf of its clients that has not been claimed as of the year end.

NOTE 16 - OTHER CURRENT LIABILITIES

This account consists of:

		2025		2024
Statutory payable	₱	15,016	₱	13,838
Due to BIR		9,673		9,342
	₱	24,689	₱	23,180

Due to BIR consists of obligations to Bureau of Internal Revenue such as final taxes, withholding taxes and value added tax.

Statutory payable consists of statutory obligations to government agencies such as Social Security System, Philippine Health Insurance Corporation and Home Development Mutual Fund. These are for remittance in the succeeding period.

NOTE 17 - RETIREMENT LIABILITY

The Company has no formal retirement plan for its employees. The Company's retirement liability amounted to ₱527,049 and 741,231 as of December 31, 2025, and 2024, respectively.

Management has accrued retirement liability considering requirement of Republic Act 7641, an act providing for retirement pay to qualified private sector employees in the absence of any retirement plan.

NOTE 18 - EQUITY

Capital Stock

The Company is authorized to issue Four Hundred Ten Thousand (410,000) ordinary shares with a par value of one hundred peso (₱100) per share.

As of December 31, 2025, and 2024, the Company's total subscribed, issued and outstanding capital stock is owned by ten (10) shareholders. Four (4) shareholders owned more than 100 shares.

A reconciliation of the outstanding share capital at the beginning and end of 2025 and 2024 is shown below:

2025

	Shares		Amount
Outstanding 12/31/2024	300,000	₱	30,000,000
Issuance	-		-
Reacquisition	-		-
Outstanding 12/31/2025	300,000	₱	30,000,000

2024

	Shares		Amount
Outstanding 12/31/2023	300,000	₱	30,000,000
Issuance	-		-
Reacquisition	-		-
Outstanding 12/31/2024	300,000	₱	30,000,000

Minimum Capital Requirement

In a meeting held on October 21, 2010, the SEC issued Resolution No. 489 and 492 granting the deferment of the ₱30,000,000 unimpaired paid-in capital requirement of Trading Participants effective January 1, 2011 until November 30, 2011 provided that Trading Participants with Unimpaired Paid-up Capital falling below ₱30,000,000 shall post a surety bond amounting to ₱30,000,000 on top of the surety bond of ₱12,000,000 in compliance with SRC Rule 28.1 for the same period until securities held and controlled by the Trading Participant shall be recorded under the name of the individual clients in the books of the Transfer Agent or in the sub-account with the Philippine Depository and Trust Corporation at the option of the client. Compliance with the requirement is a condition for the renewal of the Broker Dealer license for the period covering January 1, 2011 to December 31, 2013.

In compliance with Section 2 of D, Article VII of the amended Market Regulation Rules, which was approved by the Securities and Exchange Commission on September 8, 2009, effective November 1, 2009, the surety bond, shall be Ten Million Pesos (₱10,000,000) for Brokers and Two Million Pesos (₱2,000,000) for Dealers.

On November 28, 2025, the Company renewed its SEC licenses and the required surety bond coverage for the period January 1, 2025, to December 31, 2025 in the amount of Twelve Million Pesos (₱12,000,000) in compliance with SRC Rule 28.1.

Based on SEC Memorandum Circular No. 16 dated November 11, 2004, starting December 1, 2005, every broker dealer is expected to comply with all the requirements of the Risk-Based Capital Adequacy (RBCA) rules. As of December 31, 2005, the RBCA report is prepared based on the guidelines which cover the following risks: (a) position of market risks, (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks, and (c) operation risk.

The Company monitors capital on the basis of RBCA Ratio and Net Liquid Capital (NLC). RBCA requirement is the minimum level of capital that has to be maintained by firms which are licensed, or securing a broker dealer license, taking into consideration the firm a size, complexity and business risk. RBC ratio is the quotient of the NLC and the sum of the requirements for operation risk, credit risk, and position or market risk.

NLC, on the other hand, represents the equity eligible for NLC adjusted for non-allowable current and non-current assets as described under the Circular.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Under the guidelines set-out by the SEC, all registered brokers dealers should maintain the following RBCA and NLC requirements:

A. RBCA ratio of greater than or equal to 1:1;

   As at December 31, 2025 and 2024, the Company's RBCA ratio of xxx and 4.389, respectively, is in compliance with the minimum capital requirement set out by the RBCA framework.

B. NLC should be at least ₱5,000,000 or 5% of aggregate indebtedness, whichever is higher;

C. A dealer who deals only with proprietary shares and does not keep shares in its custody shall maintain a NLC of ₱2,500,000 or 2.5% of aggregate indebtedness, whichever is higher;

D. No broker dealer shall permit its aggregate indebtedness to exceed 2,000% of its NLC.

The Company's NLC amount to ₱6,287,734 and ₱11,024,132 as of December 31, 2025 and 2024, respectively, which is more than 5% of the Company's aggregate indebtedness. As at December 31, 2024 and 2023, is compliant with items A to D as prescribed by Securities and Exchange Commission (SEC).

On May 28, 2009, the SEC approved PSE's Rules Governing Trading Rights and Trading Participants which provides among other the following provisions:

a. Trading participants should have a minimum unimpaired paid-up capital (defined as the trading participant's total paid up capital less any deficiency in the retained earnings account) of ₱20,000,000 effective December 31, 2009, provided further that effective December 31, 2010 and onwards, the minimum unimpaired paid up capital shall be ₱30,000,000; and
b. Each trading participant shall pledge its trading right to the extent of its full value to secure the payment of all debts and claims due to the trading participant, the government, PSE and to other trading participants of the PSE and to the Securities Clearing Corporation of the Philippines.

On August 8, 2023, the SEC approved amendments to the 2015 Implementing Rules and Regulations of the Securities Regulation Code (the "2015 SRC Rules") and SEC Memorandum Circular (MC) No. 16, series of 2004, relative to the settlement cycle from T+3 to T+2.

As at December 31, 2025 and 2024, the Company is in compliance with PSE's Rules Governing Trading Rights and Trading Participants.

Equity Reserves

Reconciliation of the equity reserves account is as follows:

		2025		2024
Balance at beginning of year	**₱**	**(2,369,770)**	₱	(1,282,429)
Fair value gain (loss) on FVOCI		**6,502,412**		(1,252,308)
Tax expense		**(1,300,482)**		250,462
Adjustment on income tax rate		**-**		(85,495)
Other comprehensive income (loss) after tax		**5,201,930**		(1,087,341)
Balance at end of year	**₱**	**2,832,160**	₱	(2,369,770)

Retained Earnings

Appropriation

In compliance with SRC Rule 49.1 (B) Reserve Fund, every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfers the same to the appropriated retained earnings. Appropriation shall be 30%, 20%, 10% of profit after tax for broker dealers with unimpaired paid-up capital of ₱10M to ₱30M, ₱30M to ₱50M and above ₱50M, respectively.

Total appropriated retained earnings as of December 31, 2025, and 2024, in compliance with the above circular amounted to ₱7,900,563. The Company did not appropriate for reserve funds for both years 2025 and 2024 due to losses incurred.

NOTE 19 - DIRECT COSTS

Details of the Company's direct costs are as follows:

		2025		2024
Salaries and wages	₱	**307,461**	₱	308,391
SSS, PHIC, HDMF contribution		**36,510**		35,060
Stock exchange dues and fees		**12,000**		5,000
Central depository fees		**2,778**		2,737
	₱	**358,749**	₱	351,188

NOTE 20 - OPERATING EXPENSES

Details of the Company's operating expense are as follows:

		2025		2024
Salaries and wages	₱	**278,267**	₱	242,385
Professional fees		**259,324**		256,574
Directors fee		**88,889**		88,888
13th month and other benefits		**70,149**		48,509
Taxes and licenses (Note 28)		**49,400**		21,226
Gas and Oil		**46,029**		44,231
Insurance		**45,069**		41,870
SSS, PHIC and HDMF contributions		**37,260**		30,020
Postage, communication and subscriptions		**32,077**		21,744
Utilities		**11,354**		26,643
Depreciation expense (Note 11)		**9,999**		2,000
Rent (Note 24)		**9,450**		28,350
Training and seminars		**7,000**		7,000
Office supplies		**5,241**		2,735
Bank charges		**2,125**		2,375
Miscellaneous		**1,370,079**		1,252,890
	₱	**2,321,712**	₱	2,117,440

NOTE 21 - DEPRECIATION AND EMPLOYEE BENEFITS

Depreciation, amortization and employee benefits were presented as follows:

2025

		Direct Costs		Operating Expense		Total
Depreciation	₱	**-**	₱	**9,999**	₱	**9,999**
Employee benefits		**343,971**		**385,676**		**729,647**

Employee benefits includes salaries and wages and SSS, PHIC, HDMF contribution

2024

		Direct Costs		Operating Expense		Total
Depreciation	₱	-	₱	2,000	₱	2,000
Employee benefits		343,451		320,914		664,365

**Employee benefits includes salaries and wages and SSS, PHIC, HDMF contribution*

NOTE 22 - INCOME TAXES

The Company recognized current income tax expense amounting to ₱107,695 and ₱119,528 for the years ended December 31, 2025 and 2024, respectively.

Reconciliation between statutory tax and effective tax follows:

		2025		2024
Income tax at statutory rate	₱	**(244,552)**	₱	(190,353)
Tax effect of income subject to final tax		**(107,695)**		(119,528)
Tax effect of dividend income		**(183,845)**		(183,845)
Unrecognized deferred tax assets		**536,092**		493,726
Effective income tax	₱	**-**	₱	-

Analysis of income tax payable (prepaid income tax) follows:

		2025		2024
Regular Corporate Income Tax:				
Loss before tax	₱	**(1,222,761)**	₱	(951,763)
Permanent differences:				
Interest income subjected to final tax		**(538,476)**		(597,641)
Non-taxable dividend income		**(919,224)**		(919,224)
Taxable loss		**(2,680,461)**		(2,468,628)
Tax rate		**20%**		20%
	₱	**(536,092)**	₱	(493,726)
Minimum Corporate Income Tax:				
Taxable gross income (loss)	₱	**-**	₱	-
Tax rate		**2%**		2%
		-		-
Tax due (Higher of RCIT or MCIT)				
Less:				
Prior Year's Excess Credit		**(125,262)**		(125,262)
Prepaid income tax (Note 9)	₱	**(125,262)**	₱	(125,262)

The Company did not recognize deferred tax assets on NOLCO and credit loss because the management does not expect that sufficient future taxable profit will be available against which the tax benefits can be utilized.

The deferred tax expense (income) for the year ended December 31, 2025 and 2024 follows:

	Statements of Financial Position		Statements of Comprehensive Income			
			Profit or Loss		Other Comprehensive	
	2025	2024	2025	2024	2025	2024
Unrealized (gain) loss on FVOCI	₱ (708,039)	₱ 592,443	₱ -	₱ -	₱ (1,300,482)	₱ 164,967
Unrecognized						
Credit losss	122	122	-	-	-	-
NOLCO	2,979,199	2,443,107	536,092	493,726	-	-
Net deferred tax assets (liabilities)	₱ 2,271,282	₱ 3,035,672				
Deferred tax expense (income)			₱ 536,092	₱ 493,726	₱ (1,300,482)	₱ 164,967

Net Operating Loss Carry Over (NOLCO)

Net operating loss carry-over (NOLCO) represents the excess of allowable deductions over gross income in a taxable year, which may be carried forward and deducted from future taxable income. NOLCO is recognized as a deferred tax asset to the extent that it is probable that sufficient future taxable profit will be available against which the losses can be utilized.

The deferred tax asset is measured using the applicable income tax rate expected to apply in the period when the benefit is realized.

NOLCO is applied as a deduction from taxable income within the three (3)-year period immediately following the year in which the loss was incurred, in accordance with existing tax laws and regulations. Any unused NOLCO after the allowable period expires and is no longer available as a deduction.

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

Details of Company's NOLCO which can be claimed as deductions against future taxable income for three (3) consecutive taxable years are as follows:

Year Incurred	Date of Expiration	Amount	Applied	Expired	Balance (NOLCO)
2025	2028	₱ 2,680,461	₱ -	₱ -	₱ 2,680,461
2024	2027	2,468,628	-	-	2,468,628
2023	2026	2,749,101	-	-	2,749,101
2022	2025	2,642,885	-	2,642,885	-
		₱ 10,541,075	₱ -	₱ 2,642,885	₱ 7,989,190

Details of Company's NOLCO which can be claimed as deductions against future taxable income for five (5) consecutive taxable years in reference to RR 25 - 2020 are as follows:

Year Incurred	Date of Expiration	Amount	Applied	Expired	Balance (NOLCO)
2021	2026	₱ 2,411,208	₱ -	₱ -	₱ 2,411,208
2020	2025	1,943,710	-	1,943,710	-
		₱ 4,354,918	₱ -	₱ 1,943,710	₱ 2,411,208

NOTE 23 - RELATED PARTY TRANSACTIONS

Key Management Compensation

There was no compensation, or any forms of remuneration paid to the members of key management in either 2025 or 2024.

NOTE 24 - LEASE AGREEMENTS

Lease Payments Not Recognized as Liabilities

The Company has elected not to recognize a lease liability for short-term leases or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. Lease payments recognized as expense amounts to ₱9,450 and ₱28,350 in 2025 and 2024, respectively (Note 20).

NOTE 25 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated with the Board of Directors and focuses on actively securing the Company's short-to-medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's business activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The most significant financial risks which the Company is exposed to are described below:

Market Risk

The Company is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, interest rate risk and certain other price risk which result from both its operating, investing and financing activities.

A. Price Risk

The Company's market price risk arises from its investments carried at fair value (i.e., financial assets classified as financial assets at FVOCI). The Company manages exposures to price risk by monitoring the changes in the market price of the investments and at some extent, diversifying the investment portfolio in accordance with the limit set by management.

For listed equity securities, an average volatility of 17% and 15% has been observed during 2025 and 2024, respectively. The table below summarizes the sensitivity of the Company profit before tax to the observed volatility rates of the fair values.

	2025		2024	
Observed Volatility Rates	**17%**	**(17%)**	15%	(15%)
Profit before tax	₱ 1,105,410	₱ (1,105,410)	₱ 187,846	₱ (187,846)

The assumed price volatilities used in the sensitivity analysis represent the defined shift used by the Company to manage price risk based on the historical performance of equity securities.

The following table indicates the impact of changes in the PSE index (PSEi) of the Company's net unrealized gain on financial assets at FVOCI for 2025 and 2024:

	2025		2024	
Change in PSEi	**17%**	**(17%)**	15%	(15%)
Change on trading income at equity portfolio under:				
Industrial	₱ 1,621,785	₱ (1,621,785)	₱ 942,151	₱ (942,151)

Financial institution		570,534		(570,534)		464,706		(464,706)
Mining and oil		37,681		(37,681)		15,155		(15,155)
	₱	2,230,000	₱	(2,230,000)	₱	1,422,012	₱	(1,422,012)
As a percentage of the Company's net unrealized gain(loss) for the year (gross of tax)		-79%		79%		60%		-60%

B. Interest Rate Risk

The Company's exposure to the risk for changes in interest rates relates primarily to the Company's bank accounts. As at December 31, 2025 and 2024, these amounted to ₱10,880,604 and ₱12,274,688 respectively. The Company's exposure to changes in interest rates is not significant.

Credit Risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments arising from selling services to customers including related parties and placing deposits with banks.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties. In addition, for a significant proportion of sales, advance payments are received to mitigate credit risk. Accordingly, the Company's exposure to bad debts is not significant.

With respect to credit risk arising from other financial assets of the Company, which comprise cash and cash equivalents and refundable deposits, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company limits its exposure to credit risks by depositing its cash only with financial institutions duly evaluated and approved by the BOD. The Company's exposure on rental deposit is minimal since no default in payments were made by the counterparties.

The Company's receivable from customers related to unsecured and partially secured account is actively monitored to avoid significant concentrations of credit risk. A substantial portion of the Company's receivable from customers is secured by shares of stocks listed and traded in the PSE and lodged with Philippine Depository and Trust Corporation (PDTC) under the account of the Company.

The table below is an analysis of receivables from customers as follows:

2025

		Balance		Collateral (net of haircut)		Counterparty exposure (after collateral)		Allowance for credit losses		Net exposure
T to T+1 of counterparty	₱	-	₱	-	₱	-	₱	-	₱	-
T+2 to T+12 of counterparty		-		-		-		-		-
T+13 to T+30 of counterparty		-		-		-		-		-
Beyond T+30 of counterparty		612		-		612		612		-
	₱	612	₱	-	₱	612	₱	612	₱	-

2024

	Balance		Collateral (net of haircut)		Counterparty exposure (after collateral)		Allowance for credit losses		Net exposure	
T to T+1 of counterparty	₱	-	₱	-	₱	-	₱	-	₱	-
T+2 to T+12 of counterparty		-		-		-		-		-
T+13 to T+30 of counterparty		-		-		-		-		-
Beyond T+30 of counterparty		612		-		612		612		-
	₱	612	₱	-	₱	612	₱	612	₱	-

The Company continuously monitors the faults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Company trades only with recognized and creditworthy third parties. It is the Company's policy that all customers are subject to credit verification procedures.

In respect of receivable from customers and clearing house and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the statements of financial position.

None of the Company's financial assets are secured by collateral or other credit enhancements, except for cash and receivables from customers as described below.

(a) Cash and cash equivalents

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

(b) Receivables from Customers

The Company trades only with recognized and credit worthy third parties. In accordance with RBCA requirements, limits are imposed to avoid large exposures to a single client or counterparty, single debt issue and single equity issue relative to a particular issuer company and its group of companies. As a result, maximum credit risk, without taking into account the fair value of any collateral and netting agreements, is limited to the amounts in the statements of financial position.

The Company applies the provision of SRC Rules 52.1.11 and Risk Based Capital Adequacy in measuring Credit Losses.
To measure the credit losses, receivables were classified based on the provision of SRC Rule No. 52.1.11.2 as follows:

Classification

T+0 to T+1
T+2 to T+12
T+13 to T+30
T+31 up

The credit loss rates are based on the provision of SRC Rule No. 52.1.11.3 as follows:

Classification	Provision	Base
T+0 to T+0 to T+1	0	Total Receivables (TR)
T+2 to T+2 to T+12	2%	TR
T+13 to T+13 to T+30	50%	TR less collateral (net of haircut)
T+31 up	100%	TR less collateral (net of haircut)

The credit loss were computed by getting, for each doubtful account an amount equivalent to the provision of the amount outstanding net of collateral (net of haircut). Basis for the computation would be the individual accounts.

(c) Other receivables

The amount of ECL is not significant due to the fact that the collectability of contractual cash flows expected from these financial instruments is reasonably assured.

Liquidity Risk

Liquidity risk is generally defined as the current and prospective risk to earnings or capital arising from the Company's inability to meet its obligation when they come due without recurring unacceptable losses or coats.

The Company manages its liquidity needs by carefully monitoring cash inflows and cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are normally invested in short-term placements. Funding for long-term liquidity needs could be sourced through available credit facilities.
Company's payable to customers are normally settled within two (2) days. Other payables are normally settled within one (1) year after reporting date.

The following table presents the maturity profile of the Company's financial assets and liabilities as at December 31, 2025 and 2024 based on contractual undiscounted payments.

	December 31, 2025				
	Within 3 months	3 months to 6 months	6 months to 1 year	3 to 5 years	Total
Financial Assets:					
Cash and cash equivalents	₱ 1,062,604	₱ 9,906,624	₱ -	₱ -	₱ 10,969,228
Other receivables	-	145,264	-	-	145,264
Financial assets at FVOCI	-	-	-	28,098,204	28,098,204
	₱ 1,062,604	₱ 10,051,888	₱ -	₱ 28,098,204	₱ 39,212,696
Financial Liabilities:					
Payable to customers	₱ 3,498	₱ -	₱ 9,807	₱ -	₱ 13,305
Other payables	877,581	-	-	-	877,581
	₱ 881,079	₱ -	₱ 9,807	₱ -	₱ 890,886

	December 31, 2024				
	Within 3 months	3 months to 6 months	6 months to 1 year	3 to 5 years	Total
Financial Assets:					
Cash and cash equivalents	₱ 1,001,549	₱ 11,404,069	₱ -	₱ -	₱ 12,405,618
Other receivables	-	174,668	-	-	174,668
Financial assets at FVOCI	-	-	-	21,595,792	21,595,792
	₱ 1,001,549	₱ 11,578,737	₱ -	₱ 21,595,792	₱ 34,176,078
Financial Liabilities:					
Payable to customers	₱ 3,687	₱ -	₱ 6,120	₱ -	₱ 9,807
Other payables	689,464	-	-	-	689,464
	₱ 693,151	₱ -	₱ 6,120	₱ -	₱ 699,271

NOTE 26 - 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 the minimum capital requirements imposed by PSE and SEC.

The Company, being a broker/dealer in securities, is regulated by PSE and SEC and subject to the following capital requirement in accordance with the Securities Regulatory Commission (SRC).

Risk Based Capital Adequacy Requirement

Based on SEC Memorandum Circular No. 16, the Company is required an RBCA ratio of greater than or equal to 1:1. The RBCA ratio is computed by dividing Company's Net Liquid Capital (NLC) to its Total Risk Capital Requirement (TRCR). TRCR is the sum of: a) Operational Risk Requirement (ORR); b) Credit Risk Requirement which include requirements for Counterparty Risk, Settlement Risk, Large Exposure Risk, and Margin Lending/Financing Risk; and c) Position or Market Risk Requirement.

On August 8, 2023, the SEC approved amendments to the 2015 Implementing Rules and Regulations of the Securities Regulation Code (the "2015 SRC Rules") and SEC Memorandum Circular (MC) No. 16, series of 2004, relative to the settlement cycle from T+3 to T+2.

The Company's RBCA ratio as at years ended December 31, 2025 and 2024 are 2,323% and 4,389% respectively.

Details of computation of the Company's Risk Based Capital Adequacy Ratio are shown below:

	2025	2024
Net liquid capital		
Equity eligible for net liquid capital	**₱ 36,793,480**	₱ 34,974,199
Ineligible assets	**30,505,746**	23,950,067
Total	**6,287,734**	11,024,132

Risk capital requirements				
Operational risk requirement	₱	**270,668**	₱	251,148
Position risk requirement		**-**		-
Large exposure risk		**-**		-
Total	₱	**270,668**	₱	251,148
Risk based capital adequacy ratio		**2,323%**		4,389%

Net Liquid Capital

The Company is required, at all times, to have and maintain a Net Liquid Capital (NLC) of five million (₱5M) or 5% of its Aggregate Indebtedness (AI), whichever is higher. The Company's NLC has an excess of ₱1,287,734 and ₱6,024,132 as of December 31, 2025 and 2024, respectively.

In computing for NLC, all non-allowable asset/equities, and collateralized liabilities will be deducted and allowable liabilities and equities are added to equity per books.

Details of Company NLC as of years ended December 31, 2025 and 2024 are shown below:

		2025		2024
Net liquid capital	₱	**6,287,793**	₱	11,024,132
Less: Required net liquid capital, higher of:				
5% aggregate indebtedness		**69,665**		70,866
Minimum amount		**5,000,000**		5,000,000
Required net liquid capital		**5,000,000**		5,000,000
Net risk based capital excess	₱	**1,287,794**	₱	6,024,132
Ratio of aggregate indebtedness to net liquid capital		**22%**		13%

Total Risk Capital Requirement

Detail of TRCR follows:

A. *Operational Risk*

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

Below is the manual computation of operational risk requirement for the last three years:

Revenue		**2024**		**2023**		**2022**		**Average**
Commission revenue	₱	-	₱	-	₱	-	₱	-
Interest income		**478,113**		**543,922**		**249,308**		**423,781**
Net Recovery from market decline of Marketable Securities Owned		-		-		-		-
Dividend income		**919,224**		**919,224**		**950,224**		**929,557**
Gain on Sale of Marketable Securities		-		-		-		-
Gain on Sale of other Assets		-		-		-		-
Other income/revenue		-		-		-		-
Average of the last three								

year gross income	**1,397,337**	**1,463,146**	**1,199,532**	**1,353,338**
Operational risk factor	**-**	**-**	**-**	**20%**
Total operational risk requirement				**₱ 270,668**

The Company's Core Equity should, at all times, be greater than its Operational Risk Requirement.

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 in value of FVOCI securities).

The Company has no operational risk exposure since its Core Equity is greater than the operational risk requirement as calculated.

B. Position/Price Risk

The Company is exposed to equity security price risk because of investments held and classified in Fair Value through OCI. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the management

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

2025

	Total Market Value of Instrument	**Position Risk Factors**	**Position Risk Requirement**
Equities in PHISIX	**₱ -**	**25.00%**	**₱ -**
Other equities outside the PHISIX	**-**	**35.00%**	**-**
FX Position	**-**	**8.00%**	**-**
	₱ -		**₱ -**

2024

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	₱ -	25.00%	₱ -
Other equities outside the PHISIX	-	35.00%	-
FX Position	-	8.00%	-
	₱ -		₱ -

C. Large Exposure Risk

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

The Company does not have any exposure to single client or counterparty, direct exposure to debt for fixed income securities, and direct exposure to single equity relative to a particular issuer company and its group of companies as the Company does not exceed to the maximum Large Exposure Risk Limit of 30% of its Core Equity.

D. Counterparty Risk Exposure

Unsettled customer trades (arising from customer-to-broker agency relationship)- A counterparty exposure of this kind occurs when a) the customer poses the possible risk of failing to deliver securities on a sell contract or b) the customer poses the possible risk of failing to pay cash on a buy contract.

Unsettled principal trades (arising from broker-to-broker or broker-to-exchange/clearing agency relationships). A counterparty exposure risk of this kind occurs when a) the broker dealer poses the possible risk of failing to receive cash from its counterparty on a sell contract or b) the broker dealer poses the possible risk of failing to receive the securities from its counterparty on a buy contract. Debts/loans, contra losses and other amounts due- A broker dealer has a counterparty exposure if a debt/loan, receivable from a customer/client, contra loss, or any other amount due is not paid on its agreed due date. In the case of a contra loss, the due date shall be the date of the contra.

The Company has no counterparty exposure which results to counterparty exposure on unsettled customers trades in 2025 and 2024.

As at December 31, 2025 and 2024, the Company is in compliance with Risk Based Capital Adequacy Requirement.

NOTE 27 - FAIR VALUE MEASUREMENT

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

		2025			
			Fair Value		
	Notes	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Financial asset at FVOCI	10	₱ 28,098,204	₱ 28,098,204	₱ -	₱ -
Assets for which fair values are disclosed:					
Cash and cash equivalents	6	10,890,604	-	10,890,604	-
Other receivables	8	145,264	-	145,264	-
Refundable deposit	13	723,077	-	723,077	-
		₱ 39,857,149	₱ 28,098,204	₱ 11,785,945	₱ -
Liabilities for which fair values are disclosed:					
Payable to customers	14	₱ 13,305	₱ -	₱ 13,305	₱ -
Other payables	15	828,202	-	828,202	-
		₱ 841,507	₱ -	₱ 841,507	₱ -

		2024			
			Fair Value		
	Notes	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Financial asset at FVOCI	10	₱ 21,595,792	₱ 21,595,792	₱ -	₱ -
Assets for which fair values are disclosed:					

Cash and cash equivalents	6	12,284,688	-	12,284,688	-
Other receivables	8	174,668	-	174,668	-
Refundable deposit	13	369,989	-	369,989	-
		₱ 34,425,137	₱ 21,595,792	₱ 12,829,345	₱ -
Liabilities for which fair values are disclosed:					
Payable to customers	14	₱ 9,807	₱ -	₱ 9,807	₱ -
Other payables	15	643,105	-	643,105	-
		₱ 652,912	₱ -	₱ 652,912	₱ -

NOTE 28 - SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

Presented below and in the succeeding pages is the supplementary information required by the Bureau of Internal Revenue (BIR) under Revenue Regulations (RR) No. 15-2010 and RR No. 34-2020 to be disclosed as part of the notes to the financial statements.

This supplementary information is presented for purposes of compliance with BIR requirements and is not a required disclosure under the Philippine Financial Reporting Standards (PFRS) Accounting Standards.

The details of taxes, duties, and license fees paid or accrued during the taxable year, as required under the aforementioned Revenue Regulations, are presented below and in the succeeding pages.

Revenue Regulation 15-2010

a) Output VAT

In 2025, the Company declared output VAT as follows:

	Tax Base	Output VAT
Taxable Sales (Commission Revenue)	₱ -	₱ -

The tax bases are included as part of Revenue in the 2025 statements of comprehensive income.

b) Input VAT

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

	Purchases	Input VAT
Balance, beginning of year	₱ 4,974,771	₱ 596,973
Domestic purchases of services	-	-
Purchases other than capital goods	657,954	78,954
Balance, end of the year		₱ 675,927

c) *Taxes and Licenses*

The details of Taxes and Licenses presented under operating expense in the Statements of Comprehensive Income (Note 20) are broken down as follows:

		Amount
Business permits and licenses	₱	48,293
Community tax		1,107
	₱	49,400

d) *Withholding Taxes*

The details of total withholding taxes for the year ended December 31, 2025 are shown below.

		Amount
Withholding tax at source (expanded)	₱	32,496
Withholding tax on compensation		1,306
	₱	33,802

e) *Tax Assessments and Cases*

The Company has no outstanding Letter of Authority from the Bureau of Internal Revenue as of the reporting date.

f) *Related Party Transaction*

The Company is covered under Section 2 of the Revenue Regulation 34-2020 requirements and procedures for related party transaction, including filing of BIR Form 1709, Information Return on its Transactions with Related Party.

SCHEDULE I

VICSAL SECURITIES AND STOCK BROKERAGE, INC.
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
FOR THE YEAR ENDED December 31, 2025

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

VICSAL SECURITES AND STOCK BROKERAGE, INC.
RISK BASED-CAPITAL ADEQUACY WORKSHEET PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 16, AS AMENDED, THROUGH SEC MEMORANDUM CIRCULAR NO. 11, SERIES OF 2023
December 31, 2025

Assets	**44,184,092**
Liabilities	**4,745,978**
Equity as per books	**39,438,114**
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	(2,644,634)
Revaluation Reserves	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	(2,644,634)
Equity Eligible For Net Liquid Capital	**36,793,480**
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	1,233,309
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	-
d. Prepayment from Client for Early Settlement of Account	
e. All Other Current Assets	75,366
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	
h. Notes Receivable (non-trade related)	
i. Interest and Dividends Receivables outstanding for more than 30 days	
j. Ineligible Insurance claims	
k. Ineligible Deposits	
l. Short Security Differences	
m. Long Security Differences not resolved prior to sale	
n. Other Assets including Equity Investment in PSE	29,197,071
Total ineligible assets	**30,505,746**

Net Liquid Capital (NLC)	**6,287,734**
Less:	
Operational Risk Reqt (Schedule ORR-1)	**270,668**
Position Risk Reqt (Schedule PRR-1)	
Counterparty Risk (Schedule CRR-1 and detailed schedules)	
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)	
LERR to a single client (LERR-1)	
LERR to a single debt (LERR-2)	
LERR to a single issuer and group of companies (LERR-3)	
Total Risk Capital Requirement (TRCR)	**270,668**
Net RBCA Margin (NLC-TRCR)	**6,017,066**
Liabilities	**4,745,978**
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilites	
Loans secured by securities	
Loans secured by fixed assets	
Others	**3,352,674**
Total adjustments to AI	(3,352,674)
Aggregate Indebtedness	**1,393,304**
5% of Aggregate Indebtedness	**69,665**
Required Net Liquid Capital (> of 5% of AI or P5M)	**5,000,000**
Net Risk-based Capital Excess / (Deficiency)	**1,287,734**
Ratio of AI to Net Liquid Capital	**22%**
RBCA Ratio (NLC / TRCR)	**2323%**

SCHEDULE III

VICSAL SECURITIES AND STOCK BROKERAGE, INC.
INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS UNDER APPENDIX F OF SRC RULE 49.2.1
FOR THE YEAR ENDED DECEMBER 31, 2025

1. Customers' fully paid securities and excess margin securities not in the broker's or dealers' 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 actions was not taken by respondent within the time frame specified under SRC Rule 49.2-1:

Market Valuation	₱	NIL
Numer of items	₱	NIL

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

Market Valuation	₱	NIL
Numer of items	₱	NIL

SCHEDULE IV

VICSAL SECURITIES AND STOCK BROKERAGE, INC.
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER SRC RULE 49.2
DECEMBER 31, 2025

Particulars	Credits	Debits
1. Free credit balances and other credit balance in customers' security accounts.	172,506	
2. Monies borrowed collateralized by securities carried for the account of customers.		
3. Monies payable against customers' securities loaned.		
4. Costumers' securities failed to receive.		
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 over 30 calendar days old,		
7. Market value of the short security count differences over 30 calendar days old.		
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 3o 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.		0
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to deliver.		
12. Failed to deliver customers' securities not older than 30 calendar days.		0
13. Others:		
Total	172,506	0
Net Credit (Debit)	172,506	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	181,131	

VICSAL SECURITIES AND STOCK BROKERAGE, INC.
REPORT DESCRIBING MATERIAL INADEQUACIES FOUND TO EXIST
OR FOUND TO HAVE EXISTED SINCE THE PREVIOUS AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2025

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

SCHEDULE VI

VICSAL SECURITIES AND STOCK BROKERAGE, INC.
REPORT OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED
FOR THE YEAR ENDED DECEMBER 31, 2025

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

OATH

REPUBLIC OF THE PHILIPPINES)
TAGUIG CITY) S.S.

I, Frank S. Gaisano, Chairman of the Board and President of the VICSAL SECURITIES AND STOCK BROKERAGE, INC. do solemnly swear that all matters set forth in this summary of securities count for the month ended December 31, 2025 are true and correct to the best of my knowledge and belief.

FRANK S. GAISANO
Chairman of the Board

SUBSCRIBED AND SWORN to before me, a Notary Public, this ___ day of _______, affiant exhibiting to me his _______________ issued at __________on _____________ and date expired on ______________.

Doc. No. _____
Page No. _____
Book No._____
Series of _____

VICSAL SECURITIES AND STOCK BROKERAGE, INC.
STOCK POSITION PER LOCATION REPORT
As at December 31, 2025

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		PER AUDIT		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Difference	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
ABSP	ABS-CBN HLDGS. PHIL DEPOSIT RECEIPT	45	153	-	-	45	153	45	-	-	-	-	-	-	-
ACRMC	ACR MINING CORPORATION	12,740	-	-	-	-	-	-	-	12,740	-	-	-	-	-
ALI	AYALA LAND INC.	526	11,809	-	-	526	11,809	526	-	-	-	-	-	-	-
APL	APOLLO GLOBALCAPITAL, INC.	6,800	34	-	-	6,800	34	6,800	-	-	-	-	-	-	-
C	CHELSEA LOGISTICS & INFRASTRUCTURE	1,000	950	-	-	1,000	950	1,000	-	-	-	-	-	-	-
CPG	CENTURY PROPERTIES GROUP INC.	5,000	3,450	-	-	5,000	3,450	5,000	-	-	-	-	-	-	-
DD	DOUBLEDRAGON PROPERTIES CORPORATION	600	5,568	-	-	600	5,568	600	-	-	-	-	-	-	-
EIBA	EXPORT INDUSTRY BANK	2	1	-	-	2	1	2	-	-	-	-	-	-	-
FFI	FILIPINO FUND, INC.	63	473	-	-	63	473	63	-	-	-	-	-	-	-
FPH	FIRST PHIL. HOLDINGS CORP.	-	-	276,920	21,322,840	276,920	21,322,840	276,920	-	-	-	-	-	-	-
GERI	GLOBAL-ESTATE RESORTS,INC.	1,000	690	-	-	1,000	690	1,000	-	-	-	-	-	-	-
ICT	INTL CONT TERMINAL SERV INC	87	49,329	-	-	87	49,329	87	-	-	-	-	-	-	-
MA	MANILA MINING CORP.	-	-	55,000,000	401,500	55,000,000	401,500	55,000,000	-	-	-	-	-	-	-
MON	MONDRAGON INTL. PHIL.	20,060	2,006	-	-	-	2,006	-	-	-	-	20,060	2,006	-	-
MRSGI	METRO RETAIL STORES GROUP, INC.	28,000	32,200	-	-	28,000	32,200	28,000	-	-	-	-	-	-	-
OM	OMICO MNG.	-	-	64,000	6,464	64,000	6,464	64,000	-	-	-	-	-	-	-
PCEV	PLDT COMM. & ENERGY VENTURES, INC.	300	840	-	-	-	840	-	-	300	840	-	-	-	-
PCOR	PETRON CORP.	1,600	3,968	-	-	1,600	3,968	1,600	-	-	-	-	-	-	-
PPI	PHILTOWN PROPERTIES, INC.	103,239	-	-	-	-	-	-	-	-	-	103,239	-	-	-
PSE	THE PHILIPPINE STOCK EXCHANGE, INC.	-	-	31,000	6,367,400	31,000	6,367,400	31,000	-	-	-	-	-	-	-
PTT	PHIL. TELEGRAPH & TEL. CORP.	100,000	33,000	-	-	100,000	33,000	100,000	-	-	-	-	-	-	-
SHLPH	PILIPINAS SHELL PETROLEUM CORP.	1,500	10,395	-	-	1,500	10,395	1,500	-	-	-	-	-	-	-
SMPH	SM PRIME HOLDINGS, INC.	5	114	-	-	5	114	5	-	-	-	-	-	-	-
TEL	PLDT INC.	115	144,900	-	-	115	144,900	115	-	-	-	-	-	-	-
UP	UNIVERSAL RIGHTFIELD	1,888,000	71,744	-	-	1,888,000	71,744	1,888,000	-	-	-	-	-	-	-
V	VANTAGE CORPORATION	3,750	3,338	-	-	3,750	3,338	3,750	-	-	-	-	-	-	-
Total		**2,174,432**	**374,960**	**55,371,920**	**28,098,204**	**57,410,013**	**28,473,164**	**57,410,013**	**-**	**13,040**	**840**	**123,299**	**2,006**	**-**	**-**

Number of Shares in Vault	13,040
Number of Shares in Clearing House	-
Number of Shares in Transfer Office	123,299
Number of Shares in Transfer PCD	57,410,013
Total Number of Shares	**57,546,352**

The following were noted delisted as of December 31, 2025

MON	MONDRAGON INTL. PHIL.	20,060
PPI	PHILTOWN PROPERTIES, INC.	103,239
RPC	REYNOLDS PHILS	700
		123,999

VICSAL SECURITIES AND STOCK BROKERAGE, INC.
SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE AMENDED SRC RULE 68
FINANCIAL SOUNDNESS INDICATORS
For The Years Ended December 31, 2025 and 2024

Current / Liquidity Ratio

	2025	2024
Total current assets	₱ 11,484,811	₱ 12,829,345
Total current liabilities	866,196	676,092
Current ratio	13.259:1	18.976:1

Quick Ratio

	2025	2024
Total liquid asset	₱ 11,035,868	₱ 12,459,356
Total current liabilities	866,196	676,092
Liquidity ratio	12.741:1	18.428:1

Working Capital to Total Asset

	2025	2024
Working capital	₱ 10,618,615	₱ 12,153,253
Total liabilities	2,101,284	1,417,323
Working capital ratio	5.053:1	8.575:1

Solvency Ratio

	2025	2024
Total assets	₱ 41,539,400	₱ 36,983,965
Total liabilities	2,101,284	1,417,323
Solvency ratio	19.769:1	26.094:1

Debt-to-equity Ratio

	2025	2024
Total liabilities	₱ 2,101,284	₱ 1,417,323
Total equity	39,438,116	35,566,642
Debt-to-equity ratio	0.053:1	0.04:1

Asset-to-equity Ratio

	2025	2024
Total assets	₱ 41,539,400	₱ 36,983,965
Total equity	39,438,116	35,566,642
Asset to equity ratio	1.053:1	1.04:1

Interest Rate Coverage Ratio

	2025	2024
Pre-tax profit (loss) before interest	₱ (1,222,761)	₱ (951,763)
Interest expense	-	-
Interest rate ratio	N/A	N/A

Profitability Ratio

		2025		2024
Net profit (loss) after tax	₱	**(1,330,456)**	₱	(1,071,291)
Total equity		**39,438,116**		35,566,642
		-0.034:1		-0.03:1

a.) Return on asset ratio

		2025		2024
Net income (loss) after tax	₱	**(1,330,456)**	₱	(1,071,291)
Average assets		**39,261,683**		38,232,244
		-0.034:1		-0.028:1

b.) Return on equity ratio

		2025		2024
Net profit (loss) after tax	₱	**(1,330,456)**	₱	(1,071,291)
Average equity		**37,502,379**		36,645,958
		-0.035:1		(0.029)

c.) Gross Profit Margin Ratio

		2025		2024
Net profit (loss) before tax	₱	**(1,330,456)**	₱	(1,071,291)
Gross profit (loss)		**560,475**		568,036
		-2.374:1		(1.886)

d.) Profit margin

		2025		2024
Net profit (loss) after tax	₱	**(1,330,456)**	₱	(1,071,291)
Revenue		**919,224**		919,224
		-1.447:1		(1.165)

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
For the Reporting Period Ended December 31, 2025

VICSAL SECURITIES AND STOCK BROKERAGE, INC.
Unit 1910, 19th Flr. PSE Tower, 5th Avenue cor. 28th Street, BGC, Taguig City

Unappropriated Retained Earnings, beginning of reporting period		₱	35,849
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings			
• Reversal of Retained Earnings Appropriation/s	-		
• Effect of restatements or prior-period adjustments	-		
• Reclassification from equity reserves due to disposal	-		-
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings			
• Dividends declaration during the reporting period	-		
• Retained Earnings appropriated during the reporting period	-		
• Effect of restatements or prior-period adjustments	-		
• Others	-		-
Unappropriated Retained Earnings, as asjusted			35,849
Add/Less: Net Income (Loss) for the current year			(1,330,456)
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)			
• Equity in net income of associate/joint venture, net of dividends declared	-		
• Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-		
• Unrealized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-		
• Unrealized fair value gain of Investment Property	-		
• Other unrealized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-		
• Sub-total			-
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)			
• Realized foreign exchange gain, except those attributable to cash and cash equivalents	-		
• Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-		
• Realized fair value gain of Investment Property	-		
• Other realized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-		
• Sub-total			-
Add: Category C.3: Unrealized income recognized in the profit or loss in prior reporting periods but reversed in the current reporting period (net of tax)			
• Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-		

• Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
• Reversal of previously recorded fair value gain of Investment Property	-	
• Reversal of other unrealized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-	
• Sub-total		-
Adjusted Net Income (Loss)		**(1,330,456)**
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
• Depreciation on revaluation increment (after tax)	-	
• Sub-total		-
Add/Less: Category E: Adjustments related to relief granted by SEC and BSP		
• Amortization of the effect of reporting relief	-	
• Total amount of reporting relief granted during the year	-	
• Others	-	
• Sub-total		-
Add/Less: Category F: Other items that should be excluded from the determination of the amount available for dividends distribution		
• Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
• Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
• Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
• Adjustment due to deviation from PFRS/GAAP - gain (loss)		
• Others	-	
• Sub-total		-
TOTAL RETAINED EARNINGS, END OF THE REPORTING PERIOD AVAILABLE FOR DIVIDEND DECLARATION		**(₱1,330,456)**