

**EAGLE EQUITIES, 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: EAGLE EQUITIES, INC.

Address of Principal Place of Business: 779 Harvard St., Wack-Wack Village,  
Mandaluyong City

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

Name: JOSEPH Y. ROXAS Tel. No. 7241584  
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. \_\_\_\_\_

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

Certificate Number: 54588

PTR Number : 368867 Date Issued: January 8, 2026

**EAGLE EQUITIES, INC.**  
**TABLE OF CONTENTS**

**ANNUAL AUDITED FINANCIAL REPORT PACKAGE**  
**DECEMBER 31, 2025**

	<b>Submitted</b>
Cover Page	<u>X</u>
Statement of Management Responsibility	<u>X</u>
Supplemental Statement of Independent Auditors	<u>X</u>
Report of Independent Auditors on Supplementary Schedules filed separately from the Basic Financial Statements	<u>X</u>
Report of Independent Auditors	<u>X</u>
Financial Statements:	
Statements of Financial Position	<u>X</u>
Statements of Comprehensive Income	<u>X</u>
Statements of Changes in Equity	<u>X</u>
Statements of Cash Flows	<u>X</u>
Notes to Financial Statements	<u>X</u>
Supplementary Schedules	
Schedule I      Statement of Changes in Liabilities Subordinated to Claims of General Creditors	<u>X</u>
Schedule II      Computation of Risk Based Capital Adequacy per SRC Rule 49.1-1	<u>X</u>
Schedule III      Information Relating to Possession or Control Requirements Under Appendix F of SRC Rule 49.2-1	<u>X</u>
Schedule IV      Computation of Determination of Reserve Requirements Under Appendix G of SRC Rule 49.2	<u>X</u>
Schedule V      A Report Describing any Material Inadequacies Found to Exist or Found to Have Existed since the Previous Audit	<u>X</u>
Schedule VI      Results of Monthly Securities count conducted pursuant to SRC Rule 52.1-10 as of the Date of the Balance Sheet Included in the Annual Audited Financial Report Package	<u>X</u>
Schedule VII      Financial Soundness Indicators	<u>X</u>
Schedule VIII      Reconciliation of Retained Earnings Available for Dividends Declaration	<u>X</u>

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


The management of **EAGLE EQUITIES, 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 prescribed Philippine Financial Reporting Standards (PFRS) Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

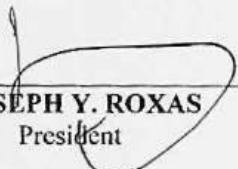
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or 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 auditors appointed by the shareholders, have audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their report to the shareholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

  
**JOSEPH Y. ROXAS**  
Chairman of the Board

  
**JOSEPH Y. ROXAS**  
President

  
**ERIC Y. ROXAS**  
Treasurer

Signed this May 11, 2026.

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the QUEZON CITY Philippines, this MAY 14 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

JOSEPH Y. ROXAS  
ERIC Y. ROXAS

PASSPORT  
PASSPORT

06/14/2018 DPA NCR EAST  
07/07/2021 PFA NCR EAST VALMORES

NOTARY PUBLIC

UNTIL DECEMBER 31, 2026

ADM MATTER NO. 003

PTR NO. 6324528 / 1.05/2025-D.C.

IDP NO. INV 002041 / 12-01-2025-D.C.

Roll No. 28436

FILE NO. VII-0000000 / 06-07-2026

Add 473 Boni Serrano Road, Barangay

San Roque, Murphy, Quezon City,

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PAGE # 98

BOOK # XXXIV

SERIES OF 20 26

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**SUPPLEMENTAL STATEMENT OF  
INDEPENDENT AUDITORS**


**To The Board of Directors and Shareholders  
EAGLE EQUITIES, INC.**

779 Harvard St., Wack-Wack Village,  
Mandaluyong City

We have audited the financial statements of **EAGLE EQUITIES, INC.** (the Company) for the year ended December 31, 2025, on which we have rendered the attached report dated May 11, 2026.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the said Company has seven (7) shareholders owning one hundred (100) or more shares of the Company's capital stock as at December 31, 2025, as disclosed in Note 17 of the Financial Statements.

**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 11, 2026




**REPORT OF INDEPENDENT AUDITORS  
ON SUPPLEMENTARY SCHEDULES**

**To The Board of Directors and Shareholders  
EAGLE EQUITIES, INC.**  
779 Harvard St., Wack-Wack Village,  
Mandaluyong City

We have audited the financial statements of **EAGLE EQUITIES, 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 11, 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

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valid for three (3) years until April 11, 2027

Manila, Philippines

May 11, 2026



## REPORT OF INDEPENDENT AUDITORS

**To The Board of Directors and Shareholders**  
**EAGLE EQUITIES, INC.**  
779 Harvard St., Wack-Wack Village,  
Mandaluyong City

### Report on the Audit of the Financial Statements

#### *Opinion*

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

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

#### *Basis for Opinion*

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

## Report on Other Legal and Regulatory Requirements

Our audit was 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 30 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

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valid for three (3) years until April 11, 2027

Manila, Philippines

May 11, 2026

**EAGLE EQUITIES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
*December 31, 2025 and 2024*

	Notes	2025		2024	
		Security Position (2025)		Security Position (2024)	
		Long	Short	Long	Short
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash	4.5.6	P 50,811,494	P	P 55,790,152	P
Financial asset at fair value through profit or loss	4.5.7	423,304	P 423,304	511,136	P 511,136
Receivables from customers, net	4.5.8	15,931,258	P 353,889,932	13,751,533	P 828,127,804
Prepayments and other current assets	4.5.9	362,709	-	248,893	-
<b>Total Current Assets</b>		<b>67,528,765</b>	<b>354,313,236</b>	<b>70,301,714</b>	<b>828,638,940</b>
<b>Non-Current Assets</b>					
Property and equipment, net	4.5.10	82,005	-	160,764	-
Intangible Asset	4.5.11	13,375	-	25,950	-
Refundable deposit	4.5.12	914,216	-	891,331	-
Deferred tax asset, net	4.25	4,455,735	-	4,521,630	-
<b>Total Non-Current Assets</b>		<b>5,465,331</b>	<b>-</b>	<b>5,599,675</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>P 72,994,096</b>	<b>354,313,236</b>	<b>P 75,901,389</b>	<b>828,638,940</b>
<b>Securities in Vault, Transfer Office and Philippine Depository and Trust Corp.</b>					
		P	P 4,672,793,670	P	P 3,164,130,049
<b>LIABILITIES AND EQUITY</b>					
<b>Current Liabilities</b>					
Payable to customers	4.13	P 32,638,665	P 4,318,480,434	P 30,931,989	P 2,335,491,109
Payable to clearing house	4.14	12,940	-	4,504,866	-
Other payables	4.15	176,505	-	71,086	-
Other current liabilities	4.16	337,978	-	415,004	-
<b>Total Current Liabilities</b>		<b>33,166,088</b>	<b>4,318,480,434</b>	<b>35,922,945</b>	<b>2,335,491,109</b>
<b>Non-Current Liability</b>					
Retirement liability	4.24	3,349,967	-	3,884,724	-
<b>Total Liabilities</b>		<b>36,516,055</b>	<b>-</b>	<b>39,807,669</b>	<b>-</b>
<b>Equity</b>					
Share capital	4.17	34,609,108	-	34,609,108	-
Share premium	4.17	6,300,000	-	6,300,000	-
Other comprehensive income	4.17	741,015	-	473,326	-
Accumulated deficits	4.17	(5,172,082)	-	(5,288,714)	-
<b>Equity, net</b>		<b>36,478,041</b>	<b>-</b>	<b>36,093,720</b>	<b>-</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P 72,994,096</b>	<b>P 4,672,793,670</b>	<b>P 4,672,793,670</b>	<b>P 3,164,130,049</b>

(See accompanying Notes to Financial Statements)

## EAGLE EQUITIES, INC.

### STATEMENTS OF COMPREHENSIVE INCOME

*For The Years Ended December 31, 2025 and 2024*

	<i>Notes</i>	2025	2024
<b>REVENUES</b>			
Commission revenue	4,18	P 6,297,588	P 4,514,046
Dividend income	4,7	232	3,320
Gain (loss) on sale of financial assets at FVTPL	4,7	58,290	21,362
Unrealized gain (loss) on financial assets at FVTPL	4,7	(85,629)	31,528
<b>Total Revenues</b>		<b>6,270,481</b>	<b>4,570,256</b>
<b>DIRECT COSTS</b>	4,19	<b>(4,485,715)</b>	<b>(4,208,466)</b>
<b>GROSS PROFIT</b>		<b>1,784,766</b>	<b>361,790</b>
<b>OTHER INCOME</b>	4,21	<b>1,338,325</b>	<b>113,715</b>
<b>GROSS INCOME</b>		<b>3,123,091</b>	<b>475,505</b>
<b>OPERATING EXPENSES</b>	4,20	<b>(2,968,696)</b>	<b>(4,696,208)</b>
<b>INCOME (LOSS) BEFORE INCOME TAX</b>		<b>154,395</b>	<b>(4,220,703)</b>
<b>INCOME TAX EXPENSE (BENEFITS)</b>	4,25		
Current		38,794	8,320
Deferred		(1,031)	(856,228)
		<b>37,763</b>	<b>(847,908)</b>
<b>NET INCOME (LOSS) FOR THE YEAR</b>		<b>116,632</b>	<b>(3,372,795)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified</b>			
<b>    subsequently to profit or loss</b>			
Actuarial gain on retirement benefit obligations	4,17,24	334,611	611,059
Tax expense		(66,922)	(122,212)
		<b>267,689</b>	<b>488,847</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>			
<b>    FOR THE YEAR</b>		<b>P 384,321</b>	<b>P (2,883,948)</b>

*(See accompanying Notes to Financial Statements)*

## EAGLE EQUITIES, INC.

### STATEMENTS OF CHANGES IN EQUITY

*For The Years Ended December 31, 2025 and 2024*

	<i>Notes</i>	2025	2024
<b>SHARE CAPITAL</b>			
Balance at beginning of the year	<i>4,17</i>	<b>P 34,609,108</b>	<b>P 33,263,600</b>
Additional Issuance			
Common shares		-	1,345,508
Balance at end of the year		<b>34,609,108</b>	<b>34,609,108</b>
<b>SHARE PREMIUM</b>			
Balance, beginning of the year	<i>4,17</i>	<b>6,300,000</b>	6,300,000
Additional		-	-
Balance, end of the year		<b>6,300,000</b>	6,300,000
<b>OTHER COMPREHENSIVE INCOME</b>			
Balance at beginning of the year	<i>4,17</i>	<b>473,326</b>	(15,521)
Other comprehensive income for the year		<b>267,689</b>	488,847
Balance at end of the year		<b>741,015</b>	473,326
<b>ACCUMULATED DEFICITS</b>			
<b>Unappropriated</b>			
Balance at beginning of the year		<b>(6,920,911)</b>	(3,548,116)
Net income (loss) for the year		<b>116,632</b>	(3,372,795)
Appropriation for the year per SRC Rule 49.1		<b>(23,326)</b>	-
Balance at end of the year		<b>(6,827,605)</b>	(6,920,911)
<b>Appropriated</b>			
Balance at beginning of the year		<b>1,632,197</b>	1,632,197
Appropriation for the year per SRC Rule 49.1		<b>23,326</b>	-
Balance at end of the year		<b>1,655,523</b>	1,632,197
<b>Accumulated Deficits, net</b>		<b>(5,172,082)</b>	(5,288,714)
<b>EQUITY, net</b>		<b>P 36,478,041</b>	<b>P 36,093,720</b>

*(See accompanying Notes to Financial Statements)*

## EAGLE EQUITIES, INC.

### STATEMENTS OF CASH FLOWS

*For The Years Ended December 31, 2025 and 2024*

	<i>Notes</i>	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income (loss) before tax		P 154,395	P (4,220,703)
<b>Adjustment to reconcile net income (loss) to</b>			
<b>Net cash provided by operating activities:</b>			
Depreciation and amortization	<i>4,10,11</i>	91,334	125,569
Unrealized loss (gain) on financial asset at FVTPL	<i>4,7</i>	85,629	(31,528)
Unrealized foreign exchange loss (gain)	<i>4,21</i>	(3,662)	(8,662)
Dividend revenue	<i>4,7</i>	(232)	(3,320)
Interest income	<i>4,6,21</i>	(15,021)	(16,020)
		312,443	(4,154,664)
<b>Operating income (loss) before changes in working capital</b>			
<b>Decrease (Increase) in:</b>			
Financial asset at fair value through profit or loss	<i>4,5,7</i>	2,203	257,776
Receivables from customers, net	<i>4,5,8</i>	(2,179,725)	(1,225,930)
Receivable from clearing house	<i>4,5,14</i>	-	689,619
Prepayments and other current assets	<i>4,5,9</i>	(77,294)	151,830
<b>Increase (Decrease) in:</b>			
Payable to customers	<i>4,13</i>	1,706,676	56,265
Payable to clearing house	<i>4,14</i>	(4,491,926)	4,504,866
Other payables	<i>4,15</i>	105,419	(191,015)
Other current liabilities	<i>4,16</i>	(77,026)	235,052
Retirement liability	<i>4,24</i>	(200,146)	419,258
		(4,899,376)	743,057
<b>Cash generated from (used in) operations</b>			
Interest received	<i>4,6,21</i>	15,021	16,020
Dividend received	<i>4,7</i>	232	3,320
Income tax paid	<i>4,25</i>	(75,316)	(64,940)
		(4,959,439)	697,457
<b>Net cash (used in) provided by operating activities</b>			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment of refundable deposit	<i>4,5,12</i>	(22,885)	(25,041)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of shares	<i>4,17</i>	-	1,345,508
<b>NET (DECREASE) INCREASE IN CASH</b>		(4,982,324)	2,017,924
<b>EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH</b>		3,662	8,662
<b>CASH AT THE BEGINNING OF THE YEAR</b>		55,790,152	53,763,566
<b>CASH AT THE END OF THE YEAR</b>		P 50,811,490	P 55,790,152

*(See accompanying Notes to Financial Statements)*

**EAGLE EQUITIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025 and 2024**

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**NOTE 1 - GENERAL INFORMATION**

**EAGLE EQUITIES, INC.**, (the Company) is a corporation registered with the Philippine Securities and Exchange Commission under registration number ASO95-010543 dated October 19, 1995. The Company is established primarily to engage in and to carry on the business of buying, selling, marketing or underwriting stocks, bonds and other securities.

The Company's registered address, which is also its principal place of business, is located at 779 Harvard Street, Wack-Wack Village, Mandaluyong City.

*Approval of the Financial Statement*

The financial statements of the Company for the year ended December 31, 2025 including its comparative figure for the year ended December 31, 2024 were approved and authorized for issue by the Board of Directors (BOD) on May 11, 2026.

**NOTE 2 - BASIS OF PRESENTATION**

*Statement of Compliance*

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

*Basis of 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 (P) the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest peso, except when otherwise indicated.

The financial statements of the Company have been prepared on a historical cost basis, except for financial asset carried at fair value through profit or loss. 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.

A 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 29 - 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 or 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.

**Current versus Noncurrent Classification**

The Company presents assets and liabilities in the statements of financial position based on current/noncurrent classification.

An asset is current when it is:

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

The Company classifies all other assets as noncurrent.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or

- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

### **Financial Instruments**

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

**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 FVTPL, 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 FTVPL, (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 (a) either financial liabilities at FVTPL or (b) financial liabilities at amortized cost. The classification of a financial instruments largely depends on the Company's business model and its contractual cash flow characteristics.

### **Financial Assets at FVTPL**

Financial assets at FVTPL are either classified as held for trading or designated at FVTPL. A financial instrument is classified as held for trading if it meets either of the following conditions:

- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term.
- On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

This category includes equity instruments which the Company had not irrevocably elected to classify at FVOCI at initial recognition. This category includes debt instruments whose cash flows are not "solely for payment of principal and interest" assessed at initial recognition of the assets, or which are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

The Company may, at initial recognition, designate a financial asset meeting the criteria to be classified at amortized cost or at FVOCI, as a financial asset at FVTPL, if doing so eliminates or significantly reduces accounting mismatch that would arise from measuring these assets.

After initial recognition, financial assets at FVPL and held for trading financial liabilities are subsequently measured at fair value. Unrealized gains or losses arising from the fair valuation of financial assets at FVTPL and held for trading financial liabilities are recognized in profit or loss.

For financial liabilities designated at FVTPL under the fair value option, the amount of change in fair value that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss.

As of December 31, 2025, and 2024, the Company does not have financial liabilities classified as FVTPL while the financial assets classified as FVTPL are presented under Note 7.

#### *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 the statements of income when the financial assets are derecognized, modified or impaired. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

As at December 31, 2025 and 2024, the Company's cash, receivable from customers, receivable from clearing house, and refundable deposits are classified under this category. (Notes 6, 8, 14, and 12)

#### *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.

### **Receivables from and Payables to Clearing House**

Receivables from and payables to the clearing house represent amounts arising from securities trading transactions executed by the Company on behalf of its customers and processed through a clearing facility, which remains unsettled as at the reporting date.

These balances are recognized when the Company becomes a party to the contractual provisions of the transaction and are initially measured at fair value, which is normally the transaction price.

Receivables from the clearing house are subsequently measured at amortized cost using the effective interest method, while payables to the clearing house are measured at amortized cost.

Given that these balances are typically settled within a short period (e.g., T+2) in accordance with market practices, their carrying amounts approximate fair value and are measured at their undiscounted amounts, as the effect of discounting is not material.

Receivables from the clearing house are subject to impairment using the expected credit loss (ECL) model. Due to the nature of the clearing house as a central counterparty, the credit risk is considered low.

## **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.

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 payable to customers, payable to clearing house and other payables are classified under this category (Notes 13, 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.

### **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 recognize 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 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.

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.

### **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

### ***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.

Other current assets include prepaid Income Tax and Input VAT.

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. CWTs which are expected to be utilized as payment for income taxes within twelve months, are classified as current assets. Otherwise, it is presented as noncurrent assets.

Input VAT is stated at any cost less impairment in value. Input VAT is the indirect tax paid by the Company on the local purchase of goods or services from a VAT-registered person. Input VAT is deducted from the output VAT in arriving at the VAT due and payable. When the output tax exceeds the input tax, the difference is recognized as a current liability in the statements of financial position. When the input tax exceeds the output tax, the excess is carried over to the next reporting period and is recognized as an asset presented as Input VAT in the statements of financial position. Allowance for unrecoverable input VAT, if any, is maintained by the Company at a level considered adequate to provide for potential uncollectible portion of the claims

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 its 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 purchased computer software. 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. Computer software is amortized over its estimated useful life of three years using the straight-line method. If there is an indication that there has been a significant change in the useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

When intangible 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 assets 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 Deposit***

Refundable deposit includes amount 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 of 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.

### **Other Current Liabilities**

Other current liabilities consist primarily of government taxes payable and statutory payables, including obligations to government agencies arising in the ordinary course of business.

These liabilities are recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Other current liabilities are presented in the statement of financial position at their undiscounted amounts, as they are generally expected to be settled within one year.

### **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.

#### ***Share premium***

Share premium includes the difference between the consideration received and the par value of the shares issued. Any transaction costs associated with the issuance of shares are deducted from Share Premium, net of any related income tax benefits. It represents any contribution of stockholders over the par value of the shares.

### **Accumulated Deficit**

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.

### **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.

### **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. OCI pertains to cumulative remeasurement gains (losses) on net retirement asset or liability.

### **Revenue**

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 Accounting Standards:

### **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.

### **Trading Gains or Losses on Financial Assets at FVTPL**

Trading gains or losses on financial assets at 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.

#### ***Interest income***

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

#### **Expenses**

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are generally recognized on an accrual basis, that is, in the period in which they are incurred, regardless of when payment is made.

The Company classifies its expenses into operating expenses and administrative expenses based on the nature and purpose of the costs incurred.

#### ***Operating and administrative expenses***

Operating expenses represent costs directly related to the Company's core brokerage and securities trading activities. These expenses are necessary to facilitate the execution, clearing, and settlement of securities transactions and to maintain the Company's trading operations. Administrative expenses represent costs incurred in managing and supporting the overall operations of the Company but are not directly attributable to trading or brokerage activities.

These expenses are recognized when the related services are rendered or when the transaction occurs

#### ***Borrowing cost***

Borrowing costs include interest and other charges related to borrowing arrangements. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of the assets until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale,

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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

#### **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 expense in the period the employees render services to the Company.

#### ***Retirement Benefits***

The Company has a defined benefit plan. The cost of providing benefits under the plan is determined using the projected unit credit method.

Retirement benefit expense includes:

- Service costs; and
- Net interest expense

Remeasurements, comprising of actuarial gains and losses, are recognized immediately in OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss. Net interest is calculated by applying the discount rate to the net defined benefit liability. (Note 24)

### **Related Parties**

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.

### **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 period(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 JUDGEMENTS AND ESTIMATES**

The preparation of the financial statements in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards requires the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgements and 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 determinable.

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:

#### ***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 includes 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.

***Determination of ECL on financial assets***

The Company uses a provision matrix to calculate ECL for financial assets. The provision rates are based on 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.

Details about the ECL on the Company's trade and other receivables are disclosed in Note 27.

***Fair Value Measurement for Financial Assets at FVTPL***

The Company carries certain financial assets at fair value which requires judgment and extensive use of accounting estimates. In cases when active market quotes are not available, fair value is determined by reference to the current market value of another financial instrument which is substantially the same or is calculated based on the expected cash flow of the underlying net base of the instrument or other more appropriated valuation techniques (Note 7).

The amount of changes in fair value would differ if the Company had utilized different valuation methods and assumptions. Any change in fair value of the financial assets and financial liabilities would affect profit. The fair value of derivative financial instruments that are not quoted in an active market is determined through valuation techniques using the net present value computation.

The carrying values of the Group's trading and investment securities and the amounts of fair value changes recognized on those financial assets are disclosed in Note 7.

***Determining the appropriate actuarial assumptions used in measuring the defined benefit obligation.***

The Company applies judgment in determining the appropriate actuarial assumptions used in measuring the defined benefit obligation. This includes the selection of the discount rate, which is determined by reference to the yields of high-quality corporate bonds or, in the absence of a deep market, government bonds with maturities approximating the term of the obligation. Judgment is also applied in assessing whether the actuarial assumptions used are reasonable and consistent with current market conditions and the Company's experience.

***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 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 27.

**Measurement of the defined benefit obligation**

The measurement of the defined benefit obligation is subject to significant estimation uncertainty, as it involves the use of actuarial assumptions. These include the discount rate, salary increase rate, employee turnover rate, mortality rate, and retirement age.

The defined benefit obligation is determined by using the projected unit credit method, which requires estimating future cash outflows and discounting these to their present value.

Due to the long-term nature of the obligation, changes in these assumptions may have a significant impact on the amount of the defined benefit obligation and the related retirement expense. (Note 24)

**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
Transportation Equipment	5 years
Office furniture and equipment	5 years

There were no changes in the estimated useful lives of the Company's property and equipment for the years ended December 31, 2025 and 2024.

**Determination of Realizable Amount of Deferred Tax Assets**

The Company reviews its deferred tax assets 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 asset to be utilized. Management assessed that the deferred tax assets recognized as at December 31, 2025 and 2024 will be fully utilized in the coming years. The carrying value of deferred tax assets as of those dates is disclosed in Note 25.

**NOTE 6 - CASH**

This account consists of:

	2025	2024
Petty cash fund	P 14,000	P 14,000
Cash in bank	50,797,494	55,776,152
	<b>P 50,811,494</b>	<b>P 55,790,152</b>

Cash in bank generally earns interest at rates based on daily bank deposit rates. These are unrestricted and available for use in the Company's operation except for the Company's reserve bank account.

Interest income recognized in the Statement of Comprehensive Income amounted to P15,021 and P16,020 in 2025 and 2024, respectively. (Note 21)

In compliance with Securities Regulation Code (SRC) Rule 49.2-1, the Company maintains a special reserve bank account amounting to P10,381,945 and P22,972,650 as at December 31, 2025 and 2024, respectively 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 - FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

This account consists of Equities outside PHISIX amounting to P423,304 and P511,136 in 2025 and 2024.

The movement in the financial assets at fair value through profit or loss is summarized below:

	2025	2024
Balance at beginning of year	P 511,136	P 737,384
Additions	1,021,795	162,039
Disposals	(1,023,998)	(419,815)
Fair value adjustments	(85,629)	31,528
Balance at end of year	P 423,304	P 511,136

Financial assets at FVTPL represents equity securities held for trading. Fair values are based on the quoted market price at the PSE as at December 31, 2025 and 2024 or on the last trading day of each year.

Dividend income on financial assets at FVTPL presented in the statements of comprehensive income amounted to P232 and P3,320 in 2025 and 2024, respectively.

The Company recognizes gain (loss) on sale of financial assets at FVTPL presented as gain (loss) on sale financial assets at FVTPL in the statements of comprehensive income amounting to a gain of P58,290 in 2025 and a gain of P21,362 in 2024.

The change in fair value of financial assets at fair value through profit or loss recognized and presented as unrealized gain (loss) on financial assets at FVTPL in the statements of comprehensive income amounted to a loss of P85,629 and a gain of P31,528 in 2025 and 2024, respectively.

**NOTE 8 - RECEIVABLES FROM CUSTOMERS, net**

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

	2025		2024	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
Fully secured accounts:				
More than 250%	P 9,402,009	P 344,760,634	P 8,534,795	P 820,041,509
Between 200% to 250%	79,242	169,747	78,960	173,034
Between 150% to 200%	1,943,537	3,117,458	1,883,447	2,869,725
Between 100% to 150%	101,991	107,505	849,279	965,043
	<u>11,526,779</u>	<u>348,155,344</u>	<u>11,346,481</u>	<u>824,049,311</u>
Partially secured accounts:				
Less than 100%	9,574,991	5,734,588	8,825,924	4,078,493
Unsecured accounts	126,019	-	125,751	-
	<u>9,701,010</u>	<u>5,734,588</u>	<u>8,951,675</u>	<u>4,078,493</u>
Less: Allowance for credit losses	(5,296,531)	-	(6,546,623)	-
	<u>P 15,931,258</u>	<u>P 353,889,932</u>	<u>P 13,751,533</u>	<u>P 828,127,804</u>

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

None of the Company's receivables from customers have been pledged as collateral to any loan.

Allowance for credit losses on receivables from customers 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 (Note 27).

Movements in the allowance for credit losses follow:

	<u>2025</u>	<u>2024</u>
Balance at January 1	P 6,546,623	P 5,004,596
Credit losses	-	1,541,667
Recovery of allowance	(1,250,092)	-
Balance, December 31	<u>P 5,296,531</u>	<u>P 6,546,623</u>

**NOTE 9 - PREPAYMENTS AND OTHER CURRENT ASSETS**

This account consists of:

	<u>2025</u>	<u>2024</u>
Prepayments	P 78,836	P 80,216
Prepaid income tax (Note 25)	198,993	162,471
VAT input	84,380	1,286
Advances to employees	500	4,920
	<u>P 362,709</u>	<u>P 248,893</u>

Prepayments represent advance payments for annual dues, taxes and licenses and insurance which are applicable in subsequent period.

VAT input pertains to the VAT component on purchases of goods and services. These are charged against the company's VAT liability in the succeeding period.

Prepaid income tax pertains to excess tax credit that can be claim as deduction against the Company's income tax liability.

Advances to employees pertains to cash advances to employees that are subject to liquidation.

**NOTE 10 - PROPERTY AND EQUIPMENT, net**

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

**2025**

	<u>Office Furniture and Equipment</u>	<u>Transportation Equipment</u>	<u>Total</u>
<b>Costs</b>			
January 01, 2025	P 795,919	P 60,312	P 856,231
Additions	-	-	-
December 31, 2025	<u>P 795,919</u>	<u>P 60,312</u>	<u>P 856,231</u>
<b>Accumulated depreciation</b>			
January 01, 2025	P 643,195	P 52,272	P 695,467
Depreciation expense	70,719	8,040	78,759
December 31, 2025	<u>P 713,914</u>	<u>P 60,312</u>	<u>P 774,226</u>

<b>Carrying amount</b>			
December 31, 2025	<b>P 82,005</b>	<b>P -</b>	<b>P 82,005</b>
<b>Carrying amount</b>			
December 31, 2024	<b>P 152,724</b>	<b>P 8,040</b>	<b>P 160,764</b>
<b>2024</b>			
	<b>Office Furniture and Equipment</b>	<b>Transportation Equipment</b>	<b>Total</b>
<b>Costs</b>			
January 01, 2024	<b>P 795,919</b>	<b>P 60,312</b>	<b>P 856,231</b>
Additions	-	-	-
December 31, 2024	<b>P 795,919</b>	<b>P 60,312</b>	<b>P 856,231</b>
<b>Accumulated depreciation</b>			
January 01, 2024	<b>P 546,489</b>	<b>P 40,209</b>	<b>P 586,698</b>
Depreciation expense	96,706	12,063	108,769
December 31, 2024	<b>P 643,195</b>	<b>P 52,272</b>	<b>P 695,467</b>
<b>Carrying amount</b>			
December 31, 2024	<b>P 152,724</b>	<b>P 8,040</b>	<b>P 160,764</b>
<b>Carrying amount</b>			
December 31, 2023	<b>P 249,430</b>	<b>P 20,103</b>	<b>P 269,533</b>

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

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

None of the property and equipment were used as collateral on loans or any other liabilities.

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

#### NOTE 11 - INTANGIBLE ASSET

Intangible assets represent computer software used in the Company's operations and are not held for sale as part of its ordinary business.

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

	<u>2025</u>	<u>2024</u>
<b>Cost</b>		
Beginning of the year	<b>P 232,939</b>	<b>P 232,939</b>
Additions	-	-
Disposals	-	-
Ending of the year	<b>232,939</b>	<b>232,939</b>
<b>Accumulated Amortization</b>		
Beginning of the year	<b>206,989</b>	<b>190,189</b>
Amortization	<b>12,575</b>	<b>16,800</b>
Disposals	-	-
Ending of the year	<b>219,564</b>	<b>206,989</b>

**Carrying amount**

As of December 31 P 13,375 P 25,950

The software is initially recognized at cost and subsequently measured at cost less accumulated amortization and any impairment losses. Amortization is recognized on a straight-line basis over the estimated useful life of the software, which is typically 5 years.

The Company's computer software is expected to be amortized over its remaining life of 2 years.

**NOTE 12 - REFUNDABLE DEPOSIT**

This account pertains to Clearing and Trade Guaranty Fund (CTGF) established and 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. This amount to P914,216 and P891,331 as of December 31, 2025 and 2024, respectively.

**NOTE 13 - PAYABLE TO CUSTOMERS**

This account consists of payable to customers amounting to P32,638,665 and P30,931,989 as of December 31, 2025 and 2024, respectively.

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

Payables to customers pertain to segregate bank balances secured and held for customers in the course of its regulated trading activities.

The security values of the credit balance of customers' account follows:

	2025		2024	
	Credit Balance	Security Valuation- Long	Credit Balance	Security Valuation-Long
With money balance	P 32,638,665	P 699,203,967	P 30,931,989	P 768,046,188
Without money balance	-	3,619,276,467	-	1,567,444,921
	<u>P 32,638,665</u>	<u>P 4,318,480,434</u>	<u>P 30,931,989</u>	<u>P 2,335,491,109</u>

**NOTE 14 - PAYABLES TO/RECEIVABLES FROM CLEARING HOUSE**

The net balance of this account as at December 31, 2025 and 2024 relates to the trading transactions made for the last two trading days, which have not yet been cleared. The outstanding balance were net payable to clearing house amounting to P12,940 and P4,504,866 in 2025 and 2024, respectively.

**NOTE 15 - OTHER PAYABLES**

This account consists of:

	2025	2024
Advances from officers	P 129,026	P -
Accrued expenses	47,479	11,236
Dividends payable – customers	-	59,850
	<u>P 176,505</u>	<u>P 71,086</u>

Advances from officers pertains to company expenses initially paid by the officers to be reimbursed in the succeeding period.

Accrued expenses include transaction fees, service fee and other expenses incurred but not yet paid as of the reporting period.

**NOTE 16 - OTHER CURRENT LIABILITIES**

This account consists of:

	<u>2025</u>	<u>2024</u>
Due to BIR	<b>P 269,491</b>	<b>P 231,541</b>
Statutory payable	<b>68,487</b>	<b>183,463</b>
	<b><u>P 337,978</u></b>	<b><u>P 415,004</u></b>

Due to BIR consists of consists of final taxes, stock transaction taxes, withholding taxes and value added tax due for remittance to BIR.

Statutory payable consists of statutory obligations to government agencies such as Social Security System and Home Development Mutual Fund.

Details of Due to BIR are as follows:

	<u>2025</u>	<u>2024</u>
VAT payable	<b>P 253,678</b>	<b>P 64,523</b>
Withholding tax on compensation	<b>14,624</b>	<b>4,623</b>
Stock transaction tax payable	<b>626</b>	<b>161,759</b>
Withholding tax expanded	<b>563</b>	<b>636</b>
	<b><u>P 269,491</u></b>	<b><u>P 231,541</u></b>

**NOTE 17 - EQUITY**

**Share Capital**

The Company is authorized to issue Four Hundred Twenty-One (421,000) ordinary shares with par value of one hundred pesos (P100) per share and Two Million Four Hundred Thousand (2,400,000) preferred shares with par value of one peso (P1.00) per share.

As at December 31, 2025 and 2024, the Company has a total of seven (7) shareholders owning one hundred (100) or more shares of the Company's capital stock.

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

**2025**

	<u>Shares</u>	<u>Amount</u>
<b>Outstanding 12/31/2024</b>		
Common shares	<b>P 340,091</b>	<b>P 34,009,108</b>
Preferred shares	<b>600,000</b>	<b>600,000</b>
Issuance – common shares	<b>-</b>	<b>-</b>
<b>Outstanding 12/31/2025</b>	<b><u>P 940,091</u></b>	<b><u>P 34,609,108</u></b>

2024

	Shares	Amount
Outstanding 12/31/2023		
Common shares	P 326,636	P 32,663,600
Preferred shares	600,000	600,000
Issuance – common shares	13,455	1,345,508
Outstanding 12/31/2024	<u>P 940,091</u>	<u>P 34,609,108</u>

*Minimum Capital Requirement*

In a meeting held on October 21, 2010, the SEC issued Resolution No. 489 and 492 granting the deferment of the P30,000,000 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 P30,000,000 shall post a surety bond amounting to P30,000,000 on top of the surety bond of P12,000,000 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 (P10,000,000) for Brokers and Two Million Pesos (P2,000,000) for Dealers.

In November 2024, the Company renewed its surety bond coverage for the period January 1, 2025 to December 31, 2025, in the amount of Twelve Million Pesos (P12,000,000) in compliance with SRC Rule 28.1.

In November 2023, the Company renewed its surety bond coverage for the period January 1, 2024 to December 31, 2024, in the amount of Twelve Million Pesos (P12,000,000) 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 RCBA 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's 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 14.62 and 11.23, respectively and 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 ₱29,336,634 and ₱29,935,740 as at December 31, 2025 and 2024, respectively, which is more than 5% of the Company's aggregate indebtedness. As at December 31, 2025 and 2024, the Company is in 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.

### **Share Premium**

As at December 31, 2025 and 2024, the Company's share premium amounted to ₱6,300,000.

### **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.

In compliance with the above circular, the Company appropriated profit after tax amounting to P23,326 in 2025 and Pnil in 2024. Total appropriated retained earnings as of December 31, 2025 and 2024, in compliance with the above circular amounted to P1,655,523 and P1,632,197, respectively. The company is in compliance with the SRC Rule 49.1(B).

**Other Comprehensive Income**

The reconciliation of items of other comprehensive income presented in the statements of changes in equity are shown below:

	<u>2025</u>	<u>2024</u>
Balance at beginning of year	<b>P 473,326</b>	<b>P (15,521)</b>
Actuarial gain	334,611	611,059
Tax expense	(66,922)	(122,212)
Other comprehensive income after tax	<u>267,689</u>	<u>488,847</u>
Balance at end of year	<b><u>P 741,015</u></b>	<b><u>P 473,326</u></b>

**NOTE 18 - COMMISSION REVENUE**

The Company earns commission revenue through stocks transaction, tender offer and initial public offering.

Breakdown of commission revenue recognized at point in time follows:

	<u>2025</u>	<u>2024</u>
Commission on stocks transaction	<b>P 5,844,306</b>	<b>P 4,400,773</b>
Commission on IPO and tender offer	453,282	113,273
	<b><u>P 6,297,588</u></b>	<b><u>P 4,514,046</u></b>

**NOTE 19 - DIRECT COSTS**

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

	<u>2025</u>	<u>2024</u>
Salaries, wages and benefits	<b>P 3,752,424</b>	<b>P 3,457,156</b>
Central depository fees	356,469	322,419
Stock exchange dues and fees	293,637	400,662
Premier fees and dues	46,343	18,724
Commission expense	36,842	9,505
	<b><u>P 4,485,715</u></b>	<b><u>P 4,208,466</u></b>

**NOTE 20 - OPERATING EXPENSES**

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

	<u>2025</u>	<u>2024</u>
Professional fee	<b>P 405,055</b>	<b>P 487,256</b>
Retirement expense	398,210	420,077
Utilities expense	279,865	290,612
Meetings and conferences	247,476	144,682

Employee welfare	247,148	206,827
Security services	246,721	316,853
Postage, telephone and communication	182,044	172,358
Office supplies	161,804	93,446
Transportation and travel	144,474	270,726
Taxes and licenses (Note 30)	119,109	157,381
Repairs and maintenance	113,181	212,339
Depreciation (Note 11)	78,759	108,769
Insurance	62,047	46,329
Membership dues	55,134	48,560
Fines and penalties	49,680	502
Entertainment, amusement & recreation (EAR)	42,679	33,876
Subscription and periodicals	20,901	12,678
Amortization	12,575	16,800
Bank charges	11,382	11,588
Credit losses	-	1,542,026
Miscellaneous	90,452	102,523
	<u>P 2,968,696</u>	<u>P 4,696,208</u>

**NOTE 21 - OTHER INCOME**

Details of the Company's other income are as follows:

	2025	2024
Recovery of allowances on credit losses (Notes 8)	P 1,250,092	P -
Interest income (Notes 6)	15,021	16,020
Unrealized foreign exchange gain	3,662	8,662
Miscellaneous income	69,550	89,033
	<u>P 1,338,325</u>	<u>P 113,715</u>

Miscellaneous income pertains to income earned from tender offer.

**NOTE 22 - OTHER LOSSES**

This account pertains to unrealized foreign exchange loss amounting to Pnil in 2025 and 2024.

**NOTE 23 - DEPRECIATION, RENT AND EMPLOYEES BENEFITS**

Depreciation, amortization and employees benefits were presented as follows:

2025

	Direct Costs	Operating Expenses	Total
Depreciation (Note 20)	P -	P 78,759	P 78,759
Employee benefits* (Notes 19 and 20)	3,752,424	645,358	4,397,782

\*Employee benefits includes salaries, wages and benefits, employee welfare and retirement expense

2024

	Direct Costs	Operating Expenses	Total
Depreciation (Note 20)	P -	P 108,769	P 108,769
Employee benefits* (Note 19 and 20)	3,457,156	626,904	4,084,060

\*Employee benefits includes salaries, wages and benefits, employee welfare and retirement expense

#### NOTE 24 - EMPLOYEE'S COMPENSATION AND OTHER BENEFITS

##### *Salaries and Employee Benefits Expense*

Salaries and employee benefits are presented below (Note 19 and 20).

	2025	2024
Short-term employee benefits (Notes 19 and 20)	P 3,999,572	P 3,663,983
Post-employment benefit (Note 20)	398,210	420,077
	<u>P 4,397,782</u>	<u>P 4,084,060</u>

The Company currently provides short term benefits to its employee's such as 13th month pay, bonus, leave and other statutory benefits.

##### *Post-employment Defined Benefit Plan*

The most recent actuarial valuations of the present value of the defined benefit obligation were embodied in the Amended PAS 19 Actuarial Valuation Report by Zalamea Actuarial Services as of December 31, 2024.

##### *(a) Characteristics of the Defined Benefit Plan*

The Company does not have an established retirement plan and only conforms to the minimum regulatory benefit under the Retirement Pay Law (Republic Act No. 7641) which is the final salary defined benefit type and provides a retirement benefit equal to 22.5 days' Pay for every year of credited service. The regulatory benefit is paid in a lump sum upon retirement. In accordance with the provisions of the Labor Code, the Company is required to pay eligible employees at least the minimum regulatory benefit upon retirement, subject to age and service requirements. Since the Company does not have a formal, trustee Retirement Plan, there are no Trustees, yet.

The normal retirement age is 60 with a minimum of 5 years of credited service. The benefits are based on one hundred percent of 22.27 days' pay for every year of credited service as determined by the external actuary.

##### *(b) Explanation of Amounts Presented in the Financial Statements*

The valuation results are based on the employee data as of the valuation date as provided by the Company. The discount rate assumption is based on the Bankers Association of the Philippines (BAP) PHP Bloomberg BVAL Reference Rates (BVAL) benchmark reference curve for the government securities market (previously the PDEX (PDST-R2) market yields on benchmark government bonds) as of the valuation date and considering the average years of remaining working life of the employees as the estimated term of the benefit obligation. All amounts presented below and in the succeeding pages are based on the actuarial valuation report obtained from an independent actuary.

The amounts of post-employment defined benefit obligation recognized in the statements of financial position are determined as follows:

	2025	2024
Present value of retirement liability	P 3,349,967	P 3,884,724
Fair value of plan assets	-	-
	<u>P 3,349,967</u>	<u>P 3,884,724</u>

The movements in the present value of the post-employment defined benefit obligation recognized in the books is shown below:

	2025	2024
Balance at beginning of year	P 3,884,724	P 4,076,525
Benefits paid	(598,356)	-
Current service cost	160,465	151,838
Actuarial losses (gains)		
Due to changes in financial assumptions	8,181	33,178
Due to change in experience	(342,792)	(644,237)
Interest cost	237,745	267,420
Balance at end of year	<u>P 3,349,967</u>	<u>P 3,884,724</u>

The Company does not have a formal retirement plan and therefore has no plan assets.

The components of amounts recognized in profit or loss and in other comprehensive income in respect of the defined benefit post-employment plan are as follows:

	2025	2024
<i>Reported in Profit or Loss</i>		
Current service cost	P 160,465	P 151,838
Interest cost	237,745	267,420
	<u>P 398,210</u>	<u>P 419,258</u>
<i>Reported in Other Comprehensive Income</i>		
Actuarial losses (gains) - DBO		
Due to changes in financial assumptions	P 8,181	P 33,178
Due to change in experience	(342,792)	(644,237)
	<u>P (334,611)</u>	<u>P (611,059)</u>

Current service cost and net interest cost is presented in the statements of comprehensive as retirement expense under operating expenses. Amounts recognized in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined benefit post-employment obligation, the following significant actuarial assumptions were used:

	2025	2024
Discount rate	6.00%	6.12%
Future salary increase rate	2.00%	2.00%

The average remaining working lives of an individual retiring at the age of 60 is 6. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of a zero (0) coupon government bonds with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

There are no unusual or significant risks to which the Retirement Obligation exposes the Company. However, it should be noted that in the event a benefit claim arises under the Retirement Obligation, the benefit shall immediately be due and payable from the Company.

The retirement benefit obligation is subject to several key assumptions. Below is the sensitivity analysis which has been determined based on reasonably possible changes of each significant assumption on the retirement benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

	<u>2025</u>		<u>2024</u>
Discount Rate:			
(Actual + 1.00%)	<b>P</b> (65,486)	P	(73,813)
(Actual - 1.00%)	72,049		79,968
Salary Increase Rate:			
(Actual + 1.00%)	74,257		82,498
(Actual - 1.00%)	(68,577)		(77,407)
No Attrition Rates	13,238		10,492

**NOTE 25 - INCOME TAXES**

Income tax expense for the years ended December 31, 2025 and 2024 consists of:

	<u>2025</u>		<u>2024</u>
Current tax expense			
RCIT	<b>P</b> 38,794	P	8,320
Deferred tax expense (income) arising from:			
Temporary differences	(1,031)		(856,228)
Income Tax Expense (benefits)	<b>P</b> 37,763	P	(847,908)

Reconciliation between statutory tax and effective tax follows:

	<u>2025</u>		<u>2024</u>
Income tax at statutory rate	<b>P</b> 30,879	P	(844,141)
Tax effect of income subject to final tax	(3,005)		(3,204)
Tax effect of dividend income exempt from income tax	(46)		(663)
Tax effect of non-deductible fines and penalties	9,935		100
Tax effect of non-deductible EAR	-		-
Income tax expense	<b>P</b> 37,763	P	(847,908)

Analysis of income tax payable follows:

	<u>2025</u>		<u>2024</u>
<b>Regular Corporate Income Tax:</b>			
Income (loss) before tax	<b>P</b> 154,395	P	(4,220,703)
Permanent differences:			
Interest income subjected to final tax	(15,021)		(16,020)
Non-taxable dividend income	(232)		(3,320)
Non-deductible fines and penalties	49,680		502

Temporary differences:		
Retirement benefit expense	398,210	420,077
Retirement benefits paid	(598,356)	-
Unrealized market loss	85,629	(31,528)
Unrealized forex gain	(3,662)	(8,662)
Credit losses	(1,250,092)	1,542,026
Taxable income	(1,179,449)	(2,317,628)
Tax rate	20%	20%
	<u>P (235,890)</u>	<u>P (463,526)</u>

**Minimum Corporate Income Tax:**

Taxable gross income	P 1,939,713	P 415,975
Tax rate	2%	2%
	<u>P 38,794</u>	<u>P 8,320</u>

**Tax due (Higher of RCIT or MCIT)**

	P 38,794	P 8,320
Less:		
Prior year's excess credit	(162,471)	(105,851)
Creditable withholding tax	(64,222)	(35,811)
1st-3rd Quarters income tax payments	(11,094)	(29,129)
Income tax payable (Prepaid income tax)	<u>P (198,993)</u>	<u>P (162,471)</u>

The net deferred tax assets pertain to the following as of December 31, 2025 and 2024 and the related deferred tax income (expense) for the year ended December 31, 2025 and 2024:

	Statement of Comprehensive Income					
	Statement of Financial Position		Profit or Loss		Other Comprehensive Income	
	2025	2024	2025	2024	2025	2024
Credit losses	P 1,023,917	P 1,273,937	P (250,018)	P 308,405	P -	P -
NOLCO	699,415	463,526	235,890	463,526	-	-
MCIT	47,114	8,320	38,794	8,320	-	-
Fair value adjustments	2,021,573	2,004,447	17,126	(6,306)	-	-
Unrealized (gain) loss on foreign exchange	(6,442)	(5,709)	(732)	(1,732)	-	-
Retirement benefit expense	886,077	926,106	(40,029)	84,015	-	-
Actuarial gain (loss)	(215,919)	(148,997)	-	-	(66,922)	(122,212)
Net deferred tax assets	<u>P 4,455,735</u>	<u>P 4,521,630</u>				
Deferred tax income (expense)			<u>P 1,031</u>	<u>P 856,228</u>	<u>P (66,922)</u>	<u>P (122,212)</u>

**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 the three succeeding years are as follows:

Year Incurred	Amount	Applied/ Expired	Balance	Date of Expiration
2025	P 1,179,449	P -	P 1,179,449	2028
2024	2,317,628	-	2,317,628	2027
	<u>P 3,497,077</u>	<u>P -</u>	<u>P 3,497,077</u>	

#### Minimum Corporate Income Tax

The Company is subject to Minimum Corporate Income tax of 2% of gross income on the 4th year immediately following the year in which the Company commenced business operations. The MCIT is imposed when it is greater than the regular corporate income tax based on taxable income. Any excess of the MCIT over the regular corporate income tax may be carried forward and credited against the regular corporate income tax for the succeeding three (3) taxable years.

Deferred tax on MCIT, is the carry forward benefit of the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT). Excess MCIT can be used within three taxable years from the date of payment.

Details of MCIT follows:

Year Incurred	Amount	Applied	Expired	Balance	Date of Expiration
2024	P 8,320	P -	P -	P 8,320	2027
2025	38,794	-	-	38,794	2028
	<u>47,114</u>	<u>-</u>	<u>-</u>	<u>47,114</u>	

#### NOTE 26 - RELATED PARTY TRANSACTIONS

The Company, in the normal course of business, has transactions with related parties. Presented below are the specific relationship, amount of transaction, account balances, terms and conditions and the nature of the consideration to be provided in settlement.

2025					
Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and Officers	Buying Selling	P11,287,394 68,576,263	P(22,721,851)	(1)	(2)

- (1) Non-interest bearing, payable in cash, T+3  
(2) Secured by equity securities

2024

Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and Officers	Buying	P 9,480,158			
	Selling	18,628,485	P(21,674,864)	(1)	(2)

(1) Non-interest bearing, payable in cash, T+3

(2) Secured by equity securities

#### Buying and Selling Transaction

In the ordinary course of business, the Company acts as broker to certain shareholders and officers. Under the Company's policy, these transactions are made substantially on the same terms as with other businesses of comparable risks. In 2025 and 2024, the Company's outstanding balance is presented as part of Receivables from Customers (Payable to Customers) in the statements of financial position.

#### Use of Trading Rights

The Company entered into an agreement with the Chairman of the Board and President of the Company authorizing the latter to use the Company's trading rights without consideration. The agreement does not specify the terms and conditions relating to the duration, compensation, and other matters pertaining to the use of such trading rights.

#### Use of Residence as Office Space

Certain shareholders of the Company have authorized the use of their residence as the Company's office space without consideration.

#### Key Management Compensation

Key management personnel include directors and senior officers having authority and responsibility for planning, directing and controlling the activities of the Company. The aggregate compensation paid or accrued to key management personnel is as follows:

	2025	2024
Short-term benefits	P 1,236,846	P 1,120,488
Post-employment benefits	339,822	240,283
	<b>P 1,576,668</b>	<b>P 1,360,771</b>

#### NOTE 27 - 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 to 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. Foreign Currency Risk**

All transactions of the Company are denominated in Philippine peso, its functional currency. The Company's exposure relates primarily to its dollar denominated bank deposit amounting to P234,449 and P223,492 as at December 31, 2025 and 2024, respectively. The Company's exposure of foreign currency risk is not significant.

**B. 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 FVTPL). 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.

Observed Volatility Rates	2025		2024	
	+17.00%	-17.00%	+15.00%	-15.00%
Profit before tax	P 14,557	P (14,557)	P 4,729	P (4,729)

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 in the past 12 months.

**C. Interest Rate Risk**

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually made at fixed rates. At December 31, 2025 and 2024, the Company is exposed to changes in market interest rates through its cash in bank which are subject to variable interest rates (Notes 6). All other financial assets and liabilities have fixed rates. 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 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 is as follows:

2025

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+1 of counterparty	P 1,945,211	P 145,327,350	P (143,382,139)	P -	P -
T+2 to T+12 of counterparty	101,717	99,683	2,034	2,034	-
T+13 to T+30 of counterparty	-	-	-	-	-
Beyond T+31 of counterparty	19,180,861	13,886,365	5,294,497	5,294,497	-
	<u>P 21,227,789</u>	<u>P -</u>	<u>P (138,085,608)</u>	<u>P 5,296,531</u>	<u>P -</u>

2024

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+1 of counterparty	P 8,208,753	P 579,275,065	P (571,066,312)	P -	P -
T+2 to T+12 of counterparty	157,022	153,882	3,140	3,140	-
T+13 to T+30 of counterparty	4,306	4,306	-	-	-
Beyond T+31 of counterparty	11,928,075	5,384,592	6,543,482	6,543,483	-
	<u>P 20,298,156</u>	<u>P 584,817,845</u>	<u>P (564,519,689)</u>	<u>P 6,546,623</u>	<u>P -</u>

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 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 table below shows the maximum exposure to credit risk for the components of the statements of financial position. The maximum exposure is shown at gross amount, without taking into account collateral and other credit enhancement.

	2025	2024
Cash	P 50,797,494	P 55,776,152
Receivable from customers	21,227,789	20,298,156
Refundable deposit	914,216	891,331
	<u>P 72,939,499</u>	<u>P 76,965,639</u>

Cash excludes cash on hand amounting to P14,000 in 2025 and 2024

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

(a) Cash

The credit risk for cash is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the cash are cash in banks which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P1,000,000 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.

A substantial portion of the Company's Receivable from Customers is secured by shares of stocks (Note 8).

The Company applies the provision of SRC Rules 52.1.11 and Risk Based Capital Adequacy in measuring Credit Losses. In 2023 Section 52.1.11.2 and 52.1.11.3 was amended through SEC Memorandum Circular No. 11 Series of 2023.

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:

<u>Classification</u>	<u>Provision</u>	<u>Base</u>
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) *Receivable from Clearing House*

The credit risk for receivable from clearing house is considered negligible, the amount due were collected within the T+2 term of the receivable. Securities Clearing Corporation of the Philippines (SCCP) is a wholly-owned subsidiary of The Philippine Stock Exchange, Inc. (PSE) and is under the regulatory supervision of the Securities and Exchange Commission (SEC).

(d) *Refundable deposits*

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 costs.

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 three (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 liabilities as at December 31, 2025 and 2024 based on contractual undiscounted payments.

	December 31, 2025				
	Within 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
Payable to customers	P 32,638,665	P -	P -	P -	P 32,638,665
Payable to clearing house	12,940	-	-	-	12,940
Other payables	176,505	-	-	-	176,505
	<u>P 32,828,110</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P 32,828,110</u>
	December 31, 2024				
	Within 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
Payable to customers	P 30,931,989	P -	P -	P -	P 30,931,989
Payable to clearing house	4,504,866	-	-	-	4,504,866
Other payables	71,086	-	-	-	71,086
	<u>P 35,507,941</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P 35,507,941</u>

**NOTE 28 - CAPITAL MANAGEMENT**

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

The Company's BOD has the overall responsibility for monitoring capital proportion to risks. The Associated Person designated by the Company monitors compliance with minimum 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 1462% and 1123% respectively.

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

	2025	2024
<b>Net liquid capital</b>		
Equity eligible for net liquid capital	P 31,799,945	P 31,262,678
Ineligible assets	2,463,311	1,326,938
	<u>29,336,634</u>	<u>29,935,740</u>
<b>Risk capital requirements</b>		
Operational risk requirement	P 1,839,891	P 2,486,071
Position risk requirement	166,912	178,898
Counterparty risk	-	-
Large exposure risk	-	-
<b>Total</b>	<u>P 2,006,803</u>	<u>P 2,664,969</u>
<b>Risk based capital adequacy ratio</b>	<u>1462%</u>	<u>1123%</u>

***Net Liquid Capital***

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

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 at December 31, 2025 and 2024 are shown below:

	2025	2024
<b>Net liquid capital</b>	<b>P 29,336,634</b>	<b>P 29,935,740</b>
<b>Less: Required net liquid capital, higher of:</b>		
5% aggregate indebtedness	1,825,803	848,529
Minimum amount	5,000,000	5,000,000
Required net liquid capital	5,000,000	5,000,000
<b>Net risk based capital excess</b>	<b>P 24,336,634</b>	<b>P 24,935,740</b>
<b>Ratio of aggregate indebtedness to net liquid capital</b>	<b>124%</b>	<b>56%</b>

*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	P 4,514,046	P 12,947,835	P 8,181,617	P 8,547,83
Interest income	16,020	14,838	9,433	13,430
Net Recovery from market decline of Marketable Securities Owned	31,568	-	-	10,523
Rental income	-	-	-	-
Dividend income	3,320	33,248	44,219	26,929
Gain on Sale of Marketable Securities	21,362	-	280,903	100,755
Gain on Sale of other Assets	-	-	-	-
Other income/revenue	97,695	490,934	911,330	499,986
<b>Total revenue/income</b>	<b>4,684,011</b>	<b>13,486,855</b>	<b>9,427,502</b>	<b>9,199,456</b>
Average of the last three years gross income				<b>9,199,456</b>
Operational risk factor				20%
<b>Total operational risk requirement</b>				<b>P 1,839,891</b>

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).

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 Profit or Loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the management.

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

2025

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	P -	25%	P -
Other equities outside the PHISIX	423,304	35%	148,156
Debt instrument up to 1 year	-	1.20%	-
FX Position	234,449	8%	18,756
	<u>P 657,753</u>		<u>P 166,912</u>

2024

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	P -	25%	P -
Other equities outside the PHISIX	511,136	35%	178,898
Debt instrument up to 1 year	-	1.20%	-
FX Position	-	8%	-
	<u>P 511,136</u>		<u>P 178,898</u>

*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 a 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 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 does not have any counter party exposure for the year December 31, 2025 and 2024.

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

#### NOTE 29 - FAIR VALUE MEASUREMENT

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under the current market condition regardless of whether the price is directly observable or estimated using another valuation technique.

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:

	Notes	2025			
		Carrying Amount	Fair Value		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>					
Financial asset at FVTPL	7	P 423,304	P 423,304	P -	P -
<b>Assets for which fair values are disclosed:</b>					
Cash	6	50,811,494	-	50,811,494	-
Receivables from customers	8	15,931,258	-	15,931,258	-
Refundable deposits	12	914,216	-	914,216	-
		<u>P 68,080,272</u>	<u>P 423,304</u>	<u>P 67,656,968</u>	<u>P -</u>
<b>Liabilities for which fair values are disclosed:</b>					
Payable to customers	13	P 32,638,665	P -	P 32,638,665	P -
Payable to clearing house	14	12,940	-	12,940	-
Other payables	15	176,504	-	176,504	-
		<u>P 32,828,109</u>	<u>P -</u>	<u>P 32,828,109</u>	<u>P -</u>

	Notes	Carrying Amount	2024		
			Fair Value		
			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 FVTPL					
	7	P 511,136	P 511,136	P -	P -
Assets for which fair values are disclosed:					
Cash					
	6	55,790,152	-	55,790,152	-
Receivables from customers					
	8	13,751,533	-	13,751,533	-
Refundable deposits					
	12	891,331	-	891,331	-
		<u>P 70,944,152</u>	<u>P 511,136</u>	<u>P 70,433,016</u>	<u>P -</u>
Liabilities for which fair values are disclosed:					
Payable to customers					
	13	P 30,931,989	P -	P 30,931,989	P -
Payable to clearing house					
	14	4,504,866	-	4,504,866	-
Other payables					
	15	71,084	-	71,084	-
		<u>P 35,507,939</u>	<u>P -</u>	<u>P 35,507,939</u>	<u>P -</u>

*Offsetting of Financial Assets and Financial Liabilities*

The following financial assets and financial liabilities with net amount presented in the statements of financial position are subject to offsetting, enforceable matter netting arrangements and similar arrangements:

	Gross amounts recognized in the statements of financial position		Net amount presented in statement of financial position
	Financial assets	Financial Liabilities	
<b>December 31, 2025</b>			
Payable to clearing house	<u>P 626,050</u>	<u>P 638,990</u>	<u>P (12,940)</u>
<b>December 31, 2024</b>			
Receivable from clearing house	<u>P 26,959,898</u>	<u>P 31,464,764</u>	<u>P (4,504,866)</u>

**NOTE 30 - 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
Vatable sales/receipts	P 6,306,359	P 756,763

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	P -	P
Amortization of deferred VAT Input		
Domestic purchase of:		
Goods other than capital goods	1,261,760	151,411
Domestic purchases of services	1,174,146	140,898
Total available VAT Input		292,309
Application against VAT payable		(292,309)
Balance, end of the year		P -

*c) Taxes and Licenses*

The details of Taxes and Licenses account (Note 20) are broken down as follows:

	Amount
Business permit and licenses	P 91,117
Registration fee	27,992
	P 119,109

The amounts of taxes and licenses shown above are included under the operating expenses in the statements of comprehensive income.

*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)	P 66,584
Withholding tax on compensation	71,108
	P 137,692

*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 not 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**

**EAGLE EQUITIES, 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

EAGLE EQUITIES, 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

<b>Assets</b>	73,216,457
<b>Liabilities</b>	36,738,416
<b>Equity as per books</b>	36,478,041
<b>Adjustments to Equity per books</b>	
<b>Add (Deduct):</b>	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / ( Loss ) in proprietary accounts	
Deferred Income Tax	(4,678,096)
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
<b>Total Adjustments to Equity per books</b>	(4,678,096)
<b>Equity Eligible For Net Liquid Capital</b>	31,799,945
<b>Contingencies and Guarantees</b>	
Deduct: Contingent Liability	
Guarantees or indemnities	
<b>Ineligible Assets</b>	
a. Trading Right and all Other Intangible Assets (net)	
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	95,380
d. Prepayment from Client for Early Settlement of Account	
e. All Other Current Assets	79,336
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	176,790
h. Notes Receivable (non-trade related)	
i. Interest and Dividends Receivables outstanding for more than 30 days	
j. Ineligible Insurance claims	
k. Ineligible Deposits	914,216
l. Short Security Differences	
m. Long Security Differences not resolved prior to sale	
n. Other Assets including Equity Investment in PSE	1,197,589
<b>Total ineligible assets</b>	2,463,311
<b>Net Liquid Capital (NLC)</b>	29,336,634
<b>Less:</b>	
Operational Risk Req (Schedule ORR-1)	1,839,891
Position Risk Req (Schedule PRR-1)	166,912
Counterparty Risk (Schedule CRR-1 and detailed schedules)	
<b>Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)</b>	
LERR to a single client (LERR-1)	
LERR to a single debt (LERR-2)	
LERR to a single issuer and group of companies (LERR-3)	
<b>Total Risk Capital Requirement (TRCR)</b>	2,006,803
<b>Net RBCA Margin (NLC-TRCR)</b>	27,329,831
<b>Liabilities</b>	36,738,416
<b>Add: Deposit for Future Stock Subscription (No application with SEC)</b>	
<b>Less: Exclusions from Aggregate Indebtedness</b>	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	
Others	222,361
<b>Total adjustments to AI</b>	(222,361)
<b>Aggregate Indebtedness</b>	36,516,055
<b>5% of Aggregate Indebtedness</b>	1,825,803
<b>Required Net Liquid Capital (&gt; of 5% of AI or PSM)</b>	5,000,000
<b>Net Risk-based Capital Excess / ( Deficiency )</b>	24,336,634
<b>Ratio of AI to Net Liquid Capital</b>	124%
<b>RBCA Ratio (NLC / TRCR)</b>	1462%

**EAGLE EQUITIES, 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 .....	P	-nil-
Numer of items .....	P	-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 .....	P	-nil-
Numer of items .....	P	-nil-

SCHEDULE IV

**EAGLE EQUITIES, 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.	9,575,725	
2. Monies borrowed collateralized by securities carried for the account of customers.		
3. Monies payable against customers' securities loaned.		
4. Customers' securities failed to receive.	214,440	
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 30 calendar days.		
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.		
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		11,632,269
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.		
13. Others:		
<b>Total</b>	<b>9,790,165</b>	<b>11,632,269</b>
Net Credit (Debit)	(1,842,104)	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)		

**EAGLE EQUITIES, 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.

**EAGLE EQUITIES, 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.





EAGLE EQUITIES, INC.  
 STOCK POSITION PERLOCATION REPORT  
 As of December 31, 2025

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
CAT	CENTRAL AZULCAR,RENA DE FARLAC	700	6,797			700	6,797						
CBC	CEINA BANK	4,158,043	237,008,451			4,158,043	237,008,451						
CDC	CITYLAND DEVELOPMENT CORP	290,295	171,274			290,295	171,274						
CEA	CEBU AIR, INC	106,610	3,411,520			106,610	3,411,520						
CEBPC	CEBU AIR CONVERTIBLE PREF SHRS	1,589	55,615			1,589	55,615						
CEI	CROWN EQUITIES, INC	1,948,900	140,321			1,948,900	140,321						
CEU	CENTRO ESCOLAR UNIVERSITY	2,280	35,796			2,280	35,796						
CEP	CELEX HOLDINGS PHILS, INC	2,212,088	2,411,176			2,212,088	2,411,176						
CIC	CONCEPCION INDUSTRIAL CORP	280	3,808			280	3,808						
CLJ	CEBU LANDMASTER, INC	181,130	425,656			181,130	425,656						
CNPF	CENTURY PACIFIC FOOD, INC	37,800	1,474,260			37,800	1,474,260						
CNVRG	CONVERGE INFO & COMM TECH	425,700	6,521,724			425,700	6,521,724						
COAL	COAL ASIA HOLDINGS, INC	28,840,100,000	807,522,800			28,840,100,000	807,522,800						
COL	CITISEC ONLINE.COM INC	1,010,000	1,434,200			1,010,000	1,434,200						
COSCO	COSCO CAPITAL, INC	2,058,419	14,388,349			2,058,419	14,388,349						
CPG	CENTURY PROPERTIES GROUP INC	58,097,474	40,087,257			58,097,474	40,087,257						
CREC	CENTURY PEAK METAL HOLDINGS	1,745,000	4,170,550			1,745,000	4,170,550						
CREIT	CITICORE RENEWABLE ENERGY CORP	111,000	475,080			111,000	475,080						
CROWN	CROWN ASIA CHEMICALS CORP	3,628,000	12,951,960			3,628,000	12,951,960						
CSB	CITYSTATE SAVINGS BANK, INC	1,900	32,414			1,900	32,414						
CTS	CTS GLOBAL EQUITY GROUP, INC	20,050,000	7,218,050			20,050,000	7,218,050						
CYBR	CYBER BAY CORPORATION	12,312,900	4,063,287			12,312,900	4,063,287						
DD	DOUBLE DRAGON PROPERTIES, CORP	945,660	8,775,725			945,660	8,775,725						
DDNPR	DDNPR REIT, INC	5,180,000	5,283,660			5,180,000	5,283,660						
DDRM	DOUBLE DRAGON PREFERRED	60,280	5,847,160			60,280	5,847,160						
DELM	DEL MONTE PACIFIC LIMITED	3,600	16,920			3,600	16,920						
DENN	DIVERSIFIED FINANCIAL NETWORK	5,655,900	4,524,720			5,655,900	4,524,720						
DHI	DOMINION HOLDINGS INC	49,230	68,430			49,230	68,430						
DITO	DITO CME HOLDINGS CORPORATION	8,572,345	5,829,195			8,572,345	5,829,195						
DIZ	DIZON COPPER SILVER MINES, INC	112,100	560,500			112,100	560,500						
DMLC	DMLC HOLDINGS, INC	1,608,100	16,949,374			1,608,100	16,949,374						
DNW	DNI WENCESLAO AND ASSOCIATES	173,000	865,000			173,000	865,000						
DNA	PHILAB HOLDINGS CORP	87,000	248,820			87,000	248,820						
DNL	DEL INDUSTRIES, INC	374,400	1,441,440			374,400	1,441,440						
DWC	DISCOVERY WORLD CORPORATION	460,000	496,800			460,000	496,800						
ECP	EASYSOFT.COM PHILS, INC	13,670	35,542			13,670	35,542						
ECVC	EAST COAST VULCAN CORPORATION	8,305,000	2,242,350			8,305,000	2,242,350						
EED	ENERGY DEVT (EDC) CORP	1,000	6,870			1,000	6,870						
EEL	ENGINEERING EQUIPMENT INC	360,095	1,022,670			360,095	1,022,670						
EEPB	EEL CORP PREFERRED SERIES B	31,770	3,126,168			31,770	3,126,168						
EG	IP E-OLIVE VENTURES, INC	9,180,000	86,292			9,180,000	86,292						
EGN	EVERWOODS GREEN RES & HLD INC	207,133,000	41,426,600			207,133,000	41,426,600						
EIB	EXPORT & INDUSTRY BANK, INC	2,471,192	-			2,471,192	-						
EIBB	EXPORT AND INDUSTRY BANK 7%	500,000	-			500,000	-						
EI	EMPERADOR, INC	3,462,873	360,139	593	62	3,463,466	360,200						
EI	EMPIRE EAST LAND HOLDINGS, INC	376,000	6,016,000			376,000	6,016,000						
EI	EMPIRE EAST LAND HOLDINGS, INC	112,726	376,505			112,726	376,505						
EVENX	EMENX ENERGY CORP	7,000	7,000			7,000	7,000						
EW	EMBROID LABORATORY	888,932	10,311,611			888,932	10,311,611						
EWF	EAST WEST BANKING CORPORATION	18,000	11,880			18,000	11,880						
EAF	FIRST ABACUS FINANCIAL	5,210	288,200			5,210	288,200						
FB	SAN MIGUEL FOOD & BEVERAGE INC	100,000	58,000			100,000	58,000						
FCG	FIGARO COFFER GROUP, INC	131,331	13,131			131,331	13,131						
FDC	FILINVEST DEVELOPMENT CORP	28,864	28,864			28,864	28,864						
FERRO	FERRONOUX HOLDINGS INC	4,000	20,000			4,000	20,000						
FEU	FEAK EASTERN UNIVERSITY	15	12,000			15	12,000						
FFI	FILIPINO FUND, INC	2,031	15,233			2,031	15,233						
FGEN	FIRST GEN CORPORATION	5,847,822	103,740,362			5,847,822	103,740,362						
FILRT	FILINVEST REIT CORP	74,500	230,950			74,500	230,950						
FIP	F&J PRINCE HOLDINGS CORP	82,750	215,150			82,750	215,150						
FRB	F&J PRINCE B	3,500	7,735			3,500	7,735						
FLI	FILINVEST LAND, INC	3,140,358	2,418,076			3,140,358	2,418,076						

EAGLE EQUITIES, INC.  
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STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
FBET	FIRST METRO PHIL. EQUITY FIF	362	36,562			362	36,562						
FN1	GLOBAL PERSONTEL HLDS INC	1,194,968	1,613,207			1,194,968	1,613,207						
FOOD	ALLIANCE SELECT FOODS INT INC	39,884,101	14,757,117	300,493	111,182	40,184,594	14,868,299						
FPH	FIRST PHIL HOLDINGS CORP "A"	71,778	5,526,966			71,778	5,526,966						
FRUIT	FORUM PACIFIC, INC	1,840,000	441,690			1,840,000	441,690						
FRUIT	FRUITAS HOLDINGS INC	1,461,000	935,040			1,461,000	935,040						
GRD	GEOGRAPHIC RESOURCES PHILIPPINES	18,969,038	1,650,306			18,969,038	1,650,306						
GERR	GLOBAL-ESTATE RESORTS, INC	4,010,518	2,787,957			4,010,518	2,787,957						
GLO	GLOBE TEL. GMCR, INC "A"	9,575	15,166,800			9,575	15,166,800						
GMAA	GMA NETWORK, INC	545,000	2,948,450			545,000	2,948,450						
GMAA	GMA HOLDINGS, INC	81,000	428,490			81,000	428,490						
GO	GOTESCO LAND	12,870	-			12,870	-						
GPH	GRAND PLAZA HOTEL CORP	1,500	8,685			1,500	8,685						
GREEN	GREENENERGY HOLDINGS, INC	219,274,407	39,469,393			219,274,407	39,469,393					2,820,000	507,600
GSML	GINEBRA SAN MIGUEL INC	10,728	3,164,760			10,728	3,164,760						
GTCPAP	GT CAPITAL HOLDINGS, INC	23,569	14,023,555			23,569	14,023,555						
H1	HOUSE OF DYES TRUMENT	3,300	14,850			3,300	14,850						
HONE	ALL HOME CORP.	1,629,000	386,073			1,629,000	386,073						
HFT	HEADS TALK, INC	6,865,000	7,551,500			6,865,000	7,551,500						
HVN	GOLDEN BRIA HOLDINGS, INC	560	560,000			560	560,000						
I	H-REXIT	2,242,685	446,294			2,242,685	446,294						
ICT	INTERNL CONTAINER TERMINAL	180	102,060			180	102,060						
IDC	ITALPHINAS DEVELOPMENT CORP	47,981	41,743			47,981	41,743						
INL	INTERATED MICRO-ELECTRONIC IN	289,690	1,004,912			289,690	1,004,912						
INP	IMPERIAL RES INC "A"	300,500	210,350			300,500	210,350						
INPRA	PHILIPPINE INFRADEV HLDS INC	438,339,000	138,076,785			438,339,000	138,076,785						
ION	IONICS CIRCUIT INC	114,500	116,790			114,500	116,790						
IPM	IPM HOLDINGS, INC	683,600	1,073,252			683,600	1,073,252						
IPO	IPORTE, INC	2,375	14,250			2,375	14,250						
IS	ISLAND INF AND TECH INC	300,000	36,900			300,000	36,900						
JAS	JACKSTONES, INC	4,000	4,480			4,000	4,480						
JFC	JOLIBEE FOODS CORPORATION	42,328	7,619,040			42,328	7,619,040						
JOS	JG SIMANT HOLDINGS, INC	73,352	1,734,775			73,352	1,734,775						
JOH	JOLLIVILLE HOLDINGS, INC	3,300	10,164			3,300	10,164						
KEEPR	THE KEEPERS HOLDINGS, INC	1,086,196	2,693,766			1,086,196	2,693,766						
KEP	KEPPEL PHILS PROPERTIES	5,000	11,000			5,000	11,000						
KEP1	KEPPEL PHILS PROPERTIES	3,500	4,165			3,500	4,165						
LAND	CITY AND LAND DEVELOPERS INC	17,016	9,018			17,016	9,018						
LEB	LEB EXPRESS HOLDINGS, INC	800	7,040			800	7,040						
LEB	LEB EXPRESS HOLDINGS, INC	46,076,015	8,524,434	2,009	372	46,078,024	8,524,434						
LEB	LEB EXPRESS HOLDINGS, INC	19,763,999	3,695,899	169	32	19,764,168	3,695,899						
LEB	LEB ANTIO CONS, SING "B"	250	8,450			250	8,450						
LEB1	LIBERTY FLOUR MILLS	1,000	2,030			1,000	2,030						
LEB	LIBERTY TELECONS HOLDINGS INC	530,000	132,500			530,000	132,500						
LEB	LEB TELECONS HOLDINGS INC	2,145,000	750,750			2,145,000	750,750						
LEB	LEB TELECONS HOLDINGS INC	117,200	199,240			117,200	199,240						
LEB	LEB TELECONS HOLDINGS INC	761,700	31,230			761,700	31,230						
LEB	LEB TELECONS HOLDINGS INC	5,970	22,208			5,970	22,208						
LEB	LORENZO SHIPPING CORP.	162,500	99,125			162,500	99,125						
LSC	LSC GROUP, INC	3,383,666	50,010,583			3,383,666	50,010,583						
LTD	LTD GROUP, INC	140,510,626	1,025,728			140,510,626	1,025,728						
LTD	LTD GROUP, INC	11,889,904	85,607			11,889,904	85,607						
MAA	MANILA MINING CORP "A"	11,889,904	1,578,215			11,889,904	1,578,215						
MAA	MANILA MINING CORP "B"	363,644	10,478			363,644	10,478						
MACA	MACROASIA CORPORATION	1,999	41,400			1,999	41,400						
MACA	MACROASIA CORPORATION	60,000	1,238,972			60,000	1,238,972						
MAA	METRO ALLIANCE HOLDINGS "B"	1,769,960	519,400			1,769,960	519,400						
MAA	MARC CENTURES HOLDINGS, INC	212,000	-			212,000	-						
MAA	MANS GROUP, INC	11,138	1,827			11,138	1,827						
MAA	MANILA BULLETIN PUBLISHING "A"	3,165,937	216,866,685			3,165,937	216,866,685						
MAA	MARTROPLATAN BANK	100,000	-			100,000	-						
MAA	MAINSTEL CONS, INC "A"	2,200,000	-			2,200,000	-						
MAA	MAINSTEL CONS, INC "B"	22,000	1,980			22,000	1,980						
MAA	MEDCO HOLDINGS, INC	22,000	-			22,000	-						

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		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
MEDIC	MEDILINES DISTRIBUTOR, INC.	2,760,000	717,600			2,760,000	717,600						
MEG	MEGAWORLD PROP & HOLDINGS INC	7,130,567	14,831,579			7,130,567	14,831,579						
MER	MANILA ELECTRIC COMPANY	37,202	21,353,948			37,202	21,353,948						
MFC	MANULIFE FINANCIAL CORPORATION	2,198	4,132,260			2,198	4,132,260						
MFIN	MAKATI FINANCE CORP.	30,972	46,768			30,972	46,768						
MIG	MILLENNIUM GLOBAL HOLDINGS INC	1,122,000	67,320			1,122,000	67,320						
MGH	METRO GLOBAL HOLDINGS CORP	375,000	375,000			375,000	375,000						
MHC	MABUHAY HOLDINGS	1,911,000	219,765			1,911,000	219,765						
MJC	MANILA JOCKEY CLUB	102,076	129,657			102,076	129,657						
MJD	MJC INVESTMENTS CORPORATION	567,340	567,340			567,340	567,340						
MJM	MERYMAAT CONSUMER INC	276,000	110,400			276,000	110,400						
MON	MONDRAGON INTERNATIONAL PHIL.	170,510	17,054			170,510	17,054						
MONDE	MONDE NISSIN CORPORATION	463,900	2,690,620			463,900	2,690,620						
MARC	MARC ALLIED IND	1,465,503	1,274,988			1,465,503	1,274,988						
MAREIT	MAREIT, INC.	1,666,700	23,333,800			1,666,700	23,333,800						
MBSGI	METRO RETAIL STORES GROUP, INC.	9,000	10,350			9,000	10,350						
MVC	MABUHAY VYNL CORP	7,800	40,482			7,800	40,482						
MWC	MANILA WATER CO	15,740,700	634,551,710			15,740,700	634,551,710						
MWIDE	MEGAWIDE CONSTRUCTION CORPORA	180,622	540,660			180,622	540,660						
MWY5	MEGAWIDE CONS PREF SERIES 5	10,000	1,030,000			10,000	1,030,000						
MWY7B	MEGAWIDE CONSTRUCTN CORP P-7B	20,000	2,100,000			20,000	2,100,000						
MYND	MAAYNAD WATER SVCS, INC COMMON SHS	2,125,300	35,917,570			2,125,300	35,917,570						
NI	NIHAO MINERAL RESOURCES	1,251,000	394,065			1,251,000	394,065						
NKL	NICCEL ASIA CORPORATION	1,102,680	4,289,425			1,102,680	4,289,425						
NOW	NOW CORPORATION	102,900	69,972			102,900	69,972						
NRCEN	NATIONAL REINSURANCE CORP	1,874,000	1,412,980			1,874,000	1,412,980						
NGEN	NEXTGENESIS CORPORATION	84,350	590,450			84,350	590,450						
OGP	OCEANGOLD PHILS, INC.	739,000	23,473,800			739,000	23,473,800						
OM	ORIENTAL MINING & INDUSTRIAL CORP	4,051,399	409,191			4,051,399	409,191						
OPM	ORIENTAL PETROLEUM "A"	837,801,051	10,054,357			837,801,051	10,054,357						
OPB	ORIENTAL PETROLEUM "B"	94,806,204	1,137,674			94,806,204	1,137,674						
ORP	ORIENTAL PENINSULA RESOURCES	573,000	212,010			573,000	212,010						
OV	THE PHILDRILL CORPORATION	394,726,715	3,513,068			394,726,715	3,513,068						
PA	PACIFIC A, INC.	82,500	78,375			82,500	78,375						
PAL	PAL HOLDINGS, INC.	10,951	41,614			10,951	41,614						
PAX	PAXYS, INC.	9,000	23,380			9,000	23,380						
PBD	PHILIPPINE BUSINESS BANK	996,226	7,670,940			996,226	7,670,940						
PBC	PHIL. BANK OF COMMUNICATION	8,387	140,063			8,387	140,063						
PCOR	PETRON CORPORATION	2,809,853	6,968,435			2,809,853	6,968,435						
PCR	PIGCO RESOURCES	10,310,510	-			10,310,510	-						
PERC	PETROENERGY RESOURCES CORP	424,039	1,484,137			424,039	1,484,137						
PCOLD	PUREGOLD PRICE CLUB, INC.	172,810	6,566,780			172,810	6,566,780						
PIA	PREMIER HORIZON ALLIANCE CORP	445,000	105,465			445,000	105,465						
PIIC	PHILCOAKATT HOLDINGS CORP.	297,000	546,480			297,000	546,480						
PHES	PHIL. ESTATES CORP	2,681,000	750,680			2,681,000	750,680						
PHEN	PHINNA CORPORATION	6,919	116,048			6,919	116,048						
PIR	PH RESORTS GROUP HOLDINGS INC	5,482,400	729,159			5,482,400	729,159						
PIZZA	SHANEY'S PIZZA ASIA VENTURE INC	32,000	217,600			32,000	217,600						
PLAS	DIGIPLUS INTERACTIVE CORP	1,921,304	31,125,125			1,921,304	31,125,125						
PLMB	PANASONIC MFG PHILS CORP	1,464	15,811			1,464	15,811						
PNAT	PHILIPPINE NATIONAL BANK "A"	36,000	-			36,000	-						
PNB	PHILIPPINE NATIONAL BANK "A"	574,135	31,232,944			574,135	31,232,944						
PNX	PHOENIX PETROLEUM PHILS, INC	609,128	2,540,064			609,128	2,540,064						
PNX1	PHOENIX PETROLEUM-PREF SER A	40	7,116			40	7,116						
PPC	PRYCE PROPERTY CORPORATION	1,900	25,080			1,900	25,080						
PP1	PELITOWN PROPERTIES, INC.	2,272	-			2,272	-						
PPC	PELL RACING CLUB	6,265,804	41,354,306			6,265,804	41,354,306						
PREIT	PREMIERE ISLAND POWER REIT COR	50,000	51,000			50,000	51,000						
PRE3B	PETRON REOPTICAL PREF 3B	16,200	16,200			16,200	16,200						
PRE3C	PCOR NON-VOTING SERIES-C	5	\$0.15			5	\$0.15						
PRE4C	PETRON CORP SERIES 4D PREF SHARES	5,700	\$443,000			5,700	\$443,000						
PRE4E	PETRON CORP SERIES 4E PREF SHARES	50	50,000			50	50,000						

(5,000)  
(201,500)

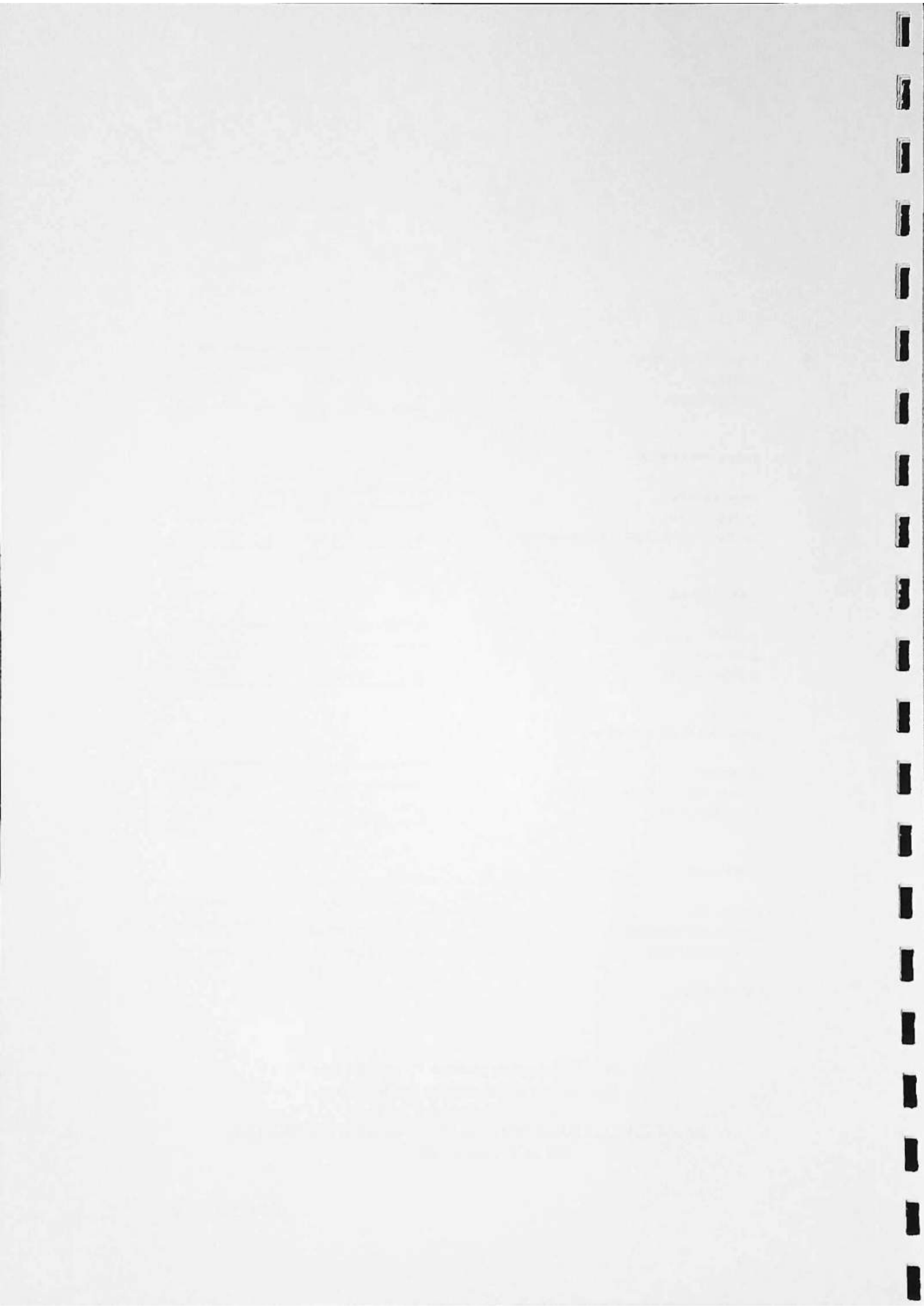
EAGLE EQUITIES, INC.  
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		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
PRIN1	PRIME MEDIA HOLDINGS, INC	30,436	39,567			30,436	39,567						
PRBK	PRINEX CORPORATION	411,400	526,592			411,400	526,592						
PSB	PHIL. SAVINGS BANK	7,841	423,414			7,841	423,414						
PSE	PHILIPPINE STOCK EXCHANGE, INC	108,044	22,192,238			108,044	22,192,238						
PTC	PHIL. TRUST COMPANY	130	15,600			470	56,400					(340)	(40,800)
PX	PHIL. TELEGRAPH & TEL CORP	480,666	158,620			480,666	158,620						
PXL	PHIL EX MNG CORPORATION	934,290	9,249,471			934,290	9,249,471						
PXP	PXP ENERGY CORP	694,215	1,652,232			694,215	1,652,232						
RCA	RIZAL COMM'L. BANKING CORP	99,855	2,591,237			99,855	2,591,237						
RCA	ROXAS AND COMPANY, INC	6,179	16,560			6,179	16,560						
RCA	RL COMMERCIAL REIT, INC	1,320,000	10,586,400			1,320,000	10,586,400						
RCE	REPOWER ENERGY DEVT CORP	6,563,703	41,619,514			6,563,703	41,660,164					3,000	19,050
REG	REP GLASS CORPORATION "A"	104,357	240,021			104,357	240,021						
REN	RPM CORPORATION	12,500	59,375			12,500	59,375						
RLC	ROBINSONS LAND CORP	89,427	1,445,140			89,427	1,445,140						
RLT	PHIL. REALTY & HEDG	910,476	99,242			910,476	99,242						
ROCK	ROCKWELL LAND CORPORATION	454,706	841,206			454,706	841,206						
ROX	ROXAS HOLDINGS CORP	61,662	89,410			61,662	89,410						
RPC	REYNOLDS PHILIPPINE CORP	282,133	42,320			282,133	42,320						
RWMI	ROBINSONS RETAIL HOLDINGS, INC	14,890	478,895			14,890	478,895						
RWMI	TRAVELLERS INTERNATIONAL HOTEL	1,000	5,310			1,000	5,310						
SBS	SBS PHILIPPINES CORPORATION	105,265	409,481			105,265	409,481						
SBS	SEABARA MINING AND POWER CORP	402,140	11,360,455			402,140	11,360,455						
SEC	SECURITY BANK CORPORATION	86,332	5,667,696			86,332	5,667,696						
SEVN	PHIL. SEVEN CORP-COMMON	4,338	161,246			4,338	161,246						
SEVN	PHIL. SEVEN CORP-COMMON	4,338	161,246			4,338	161,246						
SFI	SWIFT FOOD, INC	131,155	6,164			131,155	6,164						
SFI	SWIFT FOODS CONV. PREF	11,000	18,590			11,000	18,590						
SETP	SOLID GROUP, INC	21,232,000	26,977,340			21,232,000	26,977,340						
SGI	SYNERGY GRID DEV CORP	8,540,460	141,430,018			8,540,460	141,430,018						
SGP	PILIPINAS SHELL PETROLEUM	273,480	1,895,216			273,480	1,895,216						
SHLPH	SHANG PROPERTIES, INC.	54,397	192,565			54,397	192,565						
SHNG	SHANG PROPERTIES, INC.	54,397	192,565			54,397	192,565						
SIF	SUNLIFE FINANCIAL	103	351,320			103	351,320						
SIL	STA. LUCIA LAND, INC	1,084,000	2,818,400			1,084,000	2,818,400						
SIN	SNI INVESTMENTS CORPORATION	6,155	4,305,423			6,155	4,305,423						
SIN	SAN MIGUEL CORP	142,561	11,690,002			142,561	11,690,002						
SIN	SAN MIGUEL CORP PRE. SERIES 2I	100,420	7,481,290			100,420	7,481,290						
SIN	SAN MIGUEL CORP PRE. SERIES 2I	30,000	2,430,000			30,000	2,430,000						
SIN	SANIC SERIES 2- PREF SHRS 20	131,000	10,241,000			131,000	10,241,000						
SIN	SANIC SERIES 2- PREF SHRS 20	200,000	15,560,000			200,000	15,560,000						
SIN	SANIC SERIES 2- PREF SHRS 20	90,000	6,885,000			90,000	6,885,000						
SIN	SANIC SERIES 2- PREF SHRS 20	60,000	4,560,000			60,000	4,560,000						
SIN	SANIC SERIES 2- PREF SHRS 20	229,546	5,222,172			229,546	5,222,172						
SIN	SANIC SERIES 2- PREF SHRS 20	229,546	5,222,172			229,546	5,222,172						
SIN	SANIC SERIES 2- PREF SHRS 20	444,000	80,808			444,000	80,808						
SIN	SANIC SERIES 2- PREF SHRS 20	119,802	119,802			119,802	119,802						
SIN	SANIC SERIES 2- PREF SHRS 20	24,943	24,943			24,943	24,943						
SIN	SANIC SERIES 2- PREF SHRS 20	1,962,688	2,296,345			1,962,688	2,296,345						
SIN	SANIC SERIES 2- PREF SHRS 20	283,800	746,394			283,800	746,394						
SIN	SANIC SERIES 2- PREF SHRS 20	90,000	126,000			90,000	126,000						
SIN	SANIC SERIES 2- PREF SHRS 20	381,632	831,958			381,632	831,958						
SIN	SANIC SERIES 2- PREF SHRS 20	138,700	173,375			138,700	173,375						
SIN	SANIC SERIES 2- PREF SHRS 20	2,238,000	1,700,880			2,238,000	1,700,880						
SIN	SANIC SERIES 2- PREF SHRS 20	2,791,050	1,228,062			2,791,050	1,228,062						
SIN	SANIC SERIES 2- PREF SHRS 20	5,495,130	730,852			5,495,130	730,852						
SIN	SANIC SERIES 2- PREF SHRS 20	5,220	3,289			5,220	3,289						
SIN	SANIC SERIES 2- PREF SHRS 20	26,570	33,478,200			26,570	33,478,200					45	58,700
SIN	SANIC SERIES 2- PREF SHRS 20	1,000	45,200			1,000	45,200						
SIN	SANIC SERIES 2- PREF SHRS 20	5,440	331,840			5,440	331,840						
SIN	SANIC SERIES 2- PREF SHRS 20	100,000	160,000			100,000	160,000						
SIN	SANIC SERIES 2- PREF SHRS 20	1,263,500	745,465			1,263,500	745,465						
SIN	SANIC SERIES 2- PREF SHRS 20	145,251	3,863,756			145,251	3,863,756						
SIN	SANIC SERIES 2- PREF SHRS 20	830	96,280			830	96,280						
SIN	SANIC SERIES 2- PREF SHRS 20	19,390,000	736,820			19,390,000	736,820						

EAGLE EQUITIES, INC.  
STOCK POSITION PER LOCATION REPORT  
As of December 31, 2025

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
UPM1	UNITED PARAGON MINING CORP	38,311,230	222,205			38,311,230	222,205						
URC	UNIVERSAL ROBINA CORPORATION	47,740	3,212,992			47,740	3,212,992						
DW	UNIWIDE HOLDINGS, INC	110,000	-			110,000	-						
V	VANTAGE EQUITIES, INC	868,000	772,520			868,000	772,520						
VTA	VITARICI CORPORATION	59,251,590	31,403,295			59,251,590	31,403,295						
VLL	VISTA LAND LIFESCAPES INC	138,225	143,754			138,225	143,754						
VNC	VICTORIAS MILLING COMPANY	8,058	13,940			8,058	13,940						
VREIT	VICTARIET, INC	1,419,000	1,944,030			1,419,000	1,944,030						
VVT	VIVANT CORPORATION	800	15,552			800	15,552						
WEB	WELLEX INDUSTRIAL INC	238,160	1,600,592			238,160	1,600,592						
WIN	WELLEX INDUSTRIAL INC	4,650,000	1,209,000			4,650,000	1,209,000						
WILCON	WILCON DEPOT, INC	39,600	275,616			39,600	275,616						
WPI	WATERFRONT PHILS INC	570,500	230,972			570,500	230,972						
X	XURPAS, INC	31,455,400	7,800,939			31,455,400	7,800,939					3,990	
XG	NEXGEN ENERGY CORP	283,881,000	902,770,200			283,881,000	902,770,200						9,540
ZHI	ZEUS HOLDINGS, INC.	2,740,000	183,580			2,740,000	183,580						
<b>Total</b>		<b>35,859,111,058</b>	<b>4,672,270,366</b>	<b>1,688,062</b>	<b>413,304</b>	<b>35,857,898,415</b>	<b>4,672,766,680</b>					<b>2,990,705</b>	<b>26,990</b>

Number of Shares in Vault: 2,990,705  
 Number of Shares in Clearing House: 35,857,898,415  
 Number of Shares in Transfer Office: 35,860,799,120  
 Total Number of Shares: 35,860,799,120



SCHEDULE VII

**EAGLE EQUITIES, INC.**  
**SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE**  
**REVISED SRC RULE 68**  
**FINANCIAL SOUNDNESS INDICATORS**  
 For The Years Ended December 31, 2025 and 2024

*Current Ratio*

	2025	2024
Total current assets	<b>P 67,528,765</b>	<b>P 70,301,714</b>
Total current liabilities	<b>33,166,088</b>	<b>35,922,945</b>
Current ratio	<b>2.036:1</b>	<b>1.957:1</b>

*Quick Ratio*

	2025	2024
Total liquid asset	<b>P 67,166,056</b>	<b>P 70,052,821</b>
Total current liabilities	<b>33,166,088</b>	<b>35,922,945</b>
Quick ratio	<b>2.025:1</b>	<b>1.95:1</b>

*Working Capital to Total Asset*

	2025	2024
Working capital	<b>P 34,362,677</b>	<b>P 34,378,771</b>
Total Asset	<b>72,994,096</b>	<b>75,901,389</b>
Working capital ratio	<b>0.471:1</b>	<b>0.453:1</b>

*Solvency Ratio*

	2025	2024
Net income (loss) after tax + Depreciation	<b>P 207,966</b>	<b>P (3,252,111)</b>
Total liabilities	<b>36,516,055</b>	<b>39,807,667</b>
Solvency ratio	<b>0.006:1</b>	<b>-0.082:1</b>

*Debt-to-equity Ratio*

	2025	2024
Total liabilities	<b>P 36,516,055</b>	<b>P 39,807,667</b>
Total equity	<b>36,478,041</b>	<b>36,093,720</b>
Debt-to-equity ratio	<b>1.001:1</b>	<b>1.103:1</b>

SCHEDULE VII

**EAGLE EQUITIES, INC.**  
**SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE**  
**REVISED SRC RULE 68**  
**FINANCIAL SOUNDNESS INDICATORS**  
For The Years Ended December 31, 2025 and 2024

*Asset-to-equity Ratio*

	<u>2025</u>	<u>2024</u>
Total assets	<b>P 72,994,096</b>	<b>P 75,901,389</b>
Total equity	<b>36,478,041</b>	<b>36,093,720</b>
Asset to equity ratio	<b><u>2.001:1</u></b>	<b><u>2.103:1</u></b>

*Interest Rate Coverage Ratio*

	<u>2025</u>	<u>2024</u>
Pre-tax profit (loss) before interest	<b>P 154,395</b>	<b>P (4,220,703)</b>
Interest expense	-	-
Interest rate ratio	<b><u>N/A</u></b>	<b><u>N/A</u></b>

*Profitability Ratios*

*a.) Return on asset ratio*

	<u>2025</u>	<u>2024</u>
Net income (loss) after tax	<b>P 116,632</b>	<b>P (3,372,795)</b>
Average assets	<b>74,447,743</b>	<b>74,463,925</b>
	<b><u>0.002:1</u></b>	<b><u>-0.045:1</u></b>

*b.) Return on equity ratio*

	<u>2025</u>	<u>2024</u>
Net income (loss) after tax	<b>P 116,632</b>	<b>P (3,372,795)</b>
Average equity	<b>36,285,881</b>	<b>36,862,940</b>
	<b><u>0.003:1</u></b>	<b><u>-0.091:1</u></b>

*c.) Net Profit Margin*

	<u>2025</u>	<u>2024</u>
Net profit (loss) after tax	<b>P 116,632</b>	<b>P (3,372,795)</b>
Revenue	<b>6,270,481</b>	<b>4,570,256</b>
	<b><u>0.019:1</u></b>	<b><u>-0.738:1</u></b>

## RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

As of December 31, 2025

## EAGLE EQUITIES, INC.

779 Harvard St., Wack-Wack Village, Mandaluyong City

Unappropriated Retained Earnings, beginning of reporting period		(P4,244,912)
<b>Add: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>		
• Reversal of Retained Earnings Appropriation/s	-	
• Effect of restatements or prior-period adjustments	-	
• Others	-	
		<hr/>
<b>Less: Category B: Items that are directly debited to Unappropriated Retained Earnings</b>		
• Dividends declaration during the reporting period	-	
• Retained Earnings appropriated during the reporting period	23,326	
• Effect of restatements or prior-period adjustments	-	
• Others	-	
		<hr/>
		23,326
<b>Unappropriated Retained Earnings, as adjusted</b>		<b>(4,268,238)</b>
<b>Add/Less: Net Income (Loss) for the current year</b>		<b>116,632</b>
<b>Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>		
•		
• 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)	(68,503)	
• 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		<hr/>
		(68,503)
<b>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)</b>		
• 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		<hr/>
		-

**RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION**  
As of December 31, 2025

**EAGLE EQUITIES, INC.**  
779 Harvard St., Wack-Wack Village, Mandaluyong City

<b>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)</b>		
• 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	-	-
<b>Adjusted Net Income (Loss)</b>		<b>185,135</b>
<b>Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</b>		
• Depreciation on revaluation increment (after tax)	-	
• Sub-total	-	-
<b>Add/Less: Category E: Adjustments related to relief granted by SEC and BSP</b>		
• Amortization of the effect of reporting relief	-	
• Total amount of reporting relief granted during the year	-	
• Others	-	
• Sub-total	-	-
<b>Add/Less: Category F: Other items that should be excluded from the determination of the amount available for dividends distribution</b>		
• 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	-	-
<b>TOTAL RETAINED EARNINGS, END OF THE REPORTING PERIOD AVAILABLE FOR DIVIDEND DECLARATION</b>		<b>(P4,083,103)</b>



May 12, 2026

**MR. JOSEPH Y. ROXAS**

President

**EAGLE EQUITIES, INC.**

779 Harvard St., Wack-Wack Village

**Subject:** Submission of Supplementary Schedule of External Auditors Fee-Related Information

Dear Mr. Roxas,

In compliance with SEC Memorandum Circular No. 18, which mandates the disclosure and submission of fee-related information of external auditors for public interest entities, please find attached Three (3) copies the Supplementary Schedule of External Auditors Fee-Related Information Form (Annex A).

This document is required to be submitted to the SEC along with your audited financial statements.

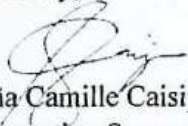
Please note that this information is solely for SEC purposes and should not be submitted to the BIR.

Non-compliance or failure to adhere to these requirements may result in penalties under SRC Rule 68 and the consolidated scale of fines and penalties established by the Commission.

If you have any questions or need assistance, please do not hesitate to contact the respective audit manager assigned to your company.

Thank you for your attention to these matter.

Sincerely,



Niña Camille Caisip  
Accounting Supervisor  
PEREZ, SESE, VILLA & CO.

**EAGLE EQUITIES, INC.**  
**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR**  
**FEE-RELATED INFORMATION**  
**December 31, 2024 and 2023**

		Current Year	Prior Year
<b>Total Audit Fees</b>	P	<b>75,000</b>	<b>70,000</b>
Non-audit services fees:			
Other assurance services		-	-
Tax services		-	-
All other services		-	-
<b>Total Non-audit Fees</b>		<b>-</b>	<b>-</b>
<b>Total Audit and Non-audit Fees</b>	P	<b>75,000</b>	<b>70,000</b>
<b>Audit and Non-audit fees of other related entities</b>			
		Current Year	Prior Year
Audit fees	P	-	-
Non-audit services fees:			
Other assurance services		-	-
Tax services		-	-
All other services		-	-
<b>Total Audit and Non-audit Fees of other related entities</b>	P	<b>-</b>	<b>-</b>

**EAGLE EQUITIES, INC.**  
**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR**  
**FEE-RELATED INFORMATION**  
**December 31, 2024 and 2023**

		Current Year	Prior Year
<b>Total Audit Fees</b>	P	<b>75,000</b>	<b>70,000</b>
Non-audit services fees:			
Other assurance services		-	-
Tax services		-	-
All other services		-	-
<b>Total Non-audit Fees</b>		<b>-</b>	<b>-</b>
<b>Total Audit and Non-audit Fees</b>	P	<b>75,000</b>	<b>70,000</b>
<b>Audit and Non-audit fees of other related entities</b>			
		Current Year	Prior Year
Audit fees	P	-	-
Non-audit services fees:			
Other assurance services		-	-
Tax services		-	-
All other services		-	-
<b>Total Audit and Non-audit Fees of other related entities</b>	P	<b>-</b>	<b>-</b>

**EAGLE EQUITIES, INC.**  
**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR**  
**FEE-RELATED INFORMATION**  
**December 31, 2024 and 2023**

		Current Year	Prior Year
<b>Total Audit Fees</b>	P	75,000	70,000
Non-audit services fees:			
Other assurance services		-	-
Tax services		-	-
All other services		-	-
<b>Total Non-audit Fees</b>		-	-
<b>Total Audit and Non-audit Fees</b>	P	75,000	70,000
<b>Audit and Non-audit fees of other related entities</b>			
		Current Year	Prior Year
Audit fees	P	-	-
Non-audit services fees:			
Other assurance services		-	-
Tax services		-	-
All other services		-	-
<b>Total Audit and Non-audit Fees of other related entities</b>	P	-	-



**REPORT OF INDEPENDENT CERTIFIED PUBLIC  
ACCOUNTANT TO ACCOMPANY FINANCIAL STATEMENT  
FOR FILING WITH THE BUREAU OF INTERNAL REVENUE**

**To The Board of Directors and Shareholders  
EAGLE EQUITIES, INC.**  
779 Harvard St., Wack-Wack Village  
Mandaluyong City

We have audited the financial statements of **EAGLE EQUITIES, INC.** (the Company) for the year ended December 31, 2025, on which we have rendered the attached report dated May 11, 2026.

In compliance with Revenue Regulations V-20, we are stating the following:

1. The taxes paid and accrued by the above Company for the year ended December 31, 2025 are shown in the Schedule of Taxes and Licenses.
2. No partner of our Firm is related by consanguinity or affinity to the president, manager or principal shareholders of the Company.

**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 11, 2026


**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR ANNUAL INCOME TAX RETURN**


The Management of **EAGLE EQUITIES, INC.** (the Company) is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2025. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

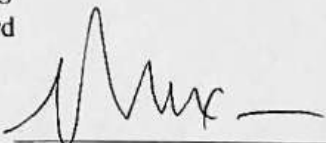
In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2025 and the accompanying Annual Income Tax Return are in accordance with the books and records of **EAGLE EQUITIES, INC.** complete and correct in all material respects. Management likewise affirms that:

- (a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) the **EAGLE EQUITIES, INC.** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

BY:  
**EAGLE EQUITIES, INC.**

  
\_\_\_\_\_  
**JOSEPH Y. ROXAS**  
Chairman of the Board

  
\_\_\_\_\_  
**JOSEPH Y. ROXAS**  
President

  
\_\_\_\_\_  
**ERIC Y. ROXAS**  
Treasurer



Republic of the Philippines  
Department of Finance  
Bureau of Internal Revenue

For BIR Use Only: BCS/Item:

<b>BIR Form No. 1702-RT</b> January 2016(ENCS) Page 1		<b>Annual Income Tax Return</b> For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate <i>Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". Two Copies MUST be filed with the BIR and one held by the taxpayer.</i>			 1702-RT 01/18ENCS P1
1 For <input checked="" type="radio"/> Calendar <input type="radio"/> Fiscal	3 Amended Return? <input type="radio"/> Yes <input checked="" type="radio"/> No	4 Short Period Return? <input type="radio"/> Yes <input checked="" type="radio"/> No	5 Alphanumeric Tax Code (ATC) <input type="text" value="IC055"/> <input type="checkbox"/> Minimum Corporate Income Tax (MCIT) <input type="checkbox"/> <input type="text" value=""/> <input type="checkbox"/>		
2 Year Ended (MM/20YY) <input type="text" value="12/2025"/>					
<b>Part I - Background Information</b>					
6 Taxpayer Identification Number (TIN)	<input type="text" value="004"/> - <input type="text" value="635"/> - <input type="text" value="621"/> - <input type="text" value="000"/>	7 RDO Code		<input type="text" value="041"/>	
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) EAGLE EQUITIES INC					
9A Registered Address (Indicate complete registered address) 779 HARVARD ST WACK WACK VILL MANDALUYONG CITY					
9B Zipcode <input type="text" value="1550"/>					
10 Date of Incorporation/Organization (MM/DD/YYYY)			<input type="text" value="10/18/1995"/>		
11 Contact Number <input type="text" value="n/a"/>		12 Email Address <input type="text" value="eagle.equities@yahoo.com"/>			
13 Method of Deductions <input checked="" type="radio"/> Itemized Deductions [Section 34 (A-J), NIRC] <input type="radio"/> Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended by RA No. 9504]					
<b>Part II - Total Tax Payable (Do NOT enter Centavos)</b>					
14 Total Income Tax Due (Overpayment) (From Part IV Item 43)			38,794		
15 Less: Total Tax Credits/Payments (From Part IV Item 55)			237,787		
16 Net Tax Payable (Overpayment) (Item 14 Less Item 15) (From Part IV Item 56)			(198,993)		
<b>Add Penalties</b>					
17 Surcharge			0		
18 Interest			0		
19 Compromise			0		
20 Total Penalties (Sum of Items 17 to 19)			0		
21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Item 16 and 20)			(198,993)		
If Overpayment, mark "X" one box only (Once the choice is made, the same is irrevocable)					
<input type="radio"/> To be refunded <input checked="" type="radio"/> To be issued a Tax Credit Certificate (TCC) <input type="radio"/> To be carried over as tax credit next year/quarter					
<small>We declare under the penalties of perjury that this annual return has been made in good faith, verified by us, and to the best of our knowledge and belief, is true and correct pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If Authorized Representative, attach authorization letter and indicate TIN)</small>					
Signature over printed name of President/Principal Officer/Authorized Representative			Signature over printed name of Treasurer/Assistant Treasurer		
<input type="text" value=""/> <input type="text" value="TIN"/> <input type="text" value=""/>			<input type="text" value=""/> <input type="text" value="TIN"/> <input type="text" value=""/>		
22 Number of Attachments			4		
<b>Part III - Details of Payment</b>					
Particulars	Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount	
23 Cash/Bank Debit Memo				0	
24 Check				0	
25 Tax Debit Memo				0	
26 Others (Specify Below)				0	
Machine Validation/Revenue Official Receipts Details (if not filed with an Authorized Agent Bank)				Stamp of receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)	

**Annual Income Tax Return**  
Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to  
REGULAR Income Tax Rate



1702-RT 01/18ENCS P2

<b>Taxpayer Identification Number (TIN)</b>			<b>Registered Name</b>		
004	-636	-621	000	EAGLE EQUITIES INC	

<b>Part IV - Computation of Tax</b>		(Do NOT enter Centavos)
27 Sales/Receipts/Revenues/Fees		6,355,878
28 Less: Sales Returns, Allowances and Discounts		0
29 Net Sales/Receipts/Revenues/Fees (Item 27 Less Item 28)		6,355,878
30 Less: Cost of Sales/Services		4,485,715
31 Gross Income from Operation (Item 29 Less Item 30)		1,870,163
32 Add: Other Taxable Income Not Subjected to Final Tax		60,550
33 Total Taxable Income (Sum of Items 31 and 32)		1,939,713

<b>Less: Deductions Allowable under Existing Law</b>		
34 Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)	3,119,162	
35 Special Allowable Itemized Deductions (From Part VI Schedule II Item 5)	0	
36 NOLCO (only for those taxable under Sec. 27(A to C); Sec. 28(A)(1) & (A)(6)(b) of the tax Code) (From Part VI Schedule III Item 8)	0	
37 Total Deductions (Sum of Items 34 to 36)	3,119,162	
OR (in case taxable under Sec 27(A) & 28(A)(1))		
38 Optional Standard Deduction (40% of Item 33)	0	
39 Net Taxable Income/(Loss) (If Itemized: Item 33 Less Item 37, if OSD: Item 33 Less Item 36)		(1,179,449)

40 Applicable Income Tax Rate		20 %
41 Income Tax Due other than Minimum Corporate Income Tax (MCIT) (Item 39 x Item 40)		0
42 MCIT Due (2% of Item 33)		38,794
43 Tax Due (Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher) (To Part II Item 14)		38,794

<b>Less: Tax Credits/Payments (attach proof)</b>		
44 Prior Year's Excess Credits Other Than MCIT		162,471
45 Income Tax Payment under MCIT from Previous Quarter/s		11,054
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s		0
47 Excess MCIT Applied this Current Taxable Year (From Part VI Schedule IV Item 4)		0
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307		6,914
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		57,308
50 Foreign Tax Credits, if applicable		0
51 Tax Paid in Return Previously Filed, if this is an Amended Return		0
52 Special Tax Credits (To Part V Item 58)		0
Other Credits/Payments (Specify)		
53		0
54		0
55 Total Tax Credits/Payments (Sum of Items 44 to 54) (To Part II Item 15)		
		237,787
56 Net Tax Payable / (Overpayment) (Item 43 Less Item 55) (To Part II Item 16)		
		(198,993)

<b>Part V - Tax Relief Availment</b>		
57 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)		0
58 Add: Special Tax Credits (From Part IV Item 52)		0
59 Total Tax Relief Availment (Sum of Items 57 and 58)		0



<b>Taxpayer Identification Number (TIN)</b>	<b>Registered Name</b>
004 - 636 - 621 - 000	EAGLE EQUITIES INC

**Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)**

1 Gross Income (From Part IV Item 33)	1,939,713
2 Less: Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)	3,119,162
3 Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)	(1,179,449)

**Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO)** (DO NOT enter Centavos; 49 Centavos or Less drop down, 50 or more round up)

Net Operating Loss		B) NOLCO Applied Previous Year
Year Incurred	A) Amount	
4 2025	1,179,449	0
5 2024	2,317,626	0
6	0	0
7	0	0

Continuation of Schedule IIIA (Item numbers continue from table above)

C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) [E = A Less (B + C + D)]
0	0	1,179,449
0	0	2,317,626
0	0	0
0	0	0
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV, Item 36)	0	0

**Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)**

Year	A) Normal Income Tax as adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1 2024	0	8,320	8,320
2	0	0	0
3	0	0	0

Continuation of Schedule IV (Item numbers continue from table above)

D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
0	0	0	8,320
0	0	0	0
0	0	0	0
Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV Item 47)		0	0

**Schedule V - Reconciliation of Net Income per Books Against Taxable Income** (attach additional sheet/s, if necessary)

1 Net Income/(Loss) per books	154,395
Add: Non-deductible Expenses/Taxable Other Income	
2 FINES AND PENALTIES	49,680
3 OTHERS	483,839
4 Total (Sum of Items 1 to 3)	687,914
Less: A) Non-Taxable Income and Income Subjected to Final Tax	
5 INTEREST INCOME	15,021
6 OTHERS	1,852,342
B) Special Deductions	
7	0
8	0
9 Total (Sum of Items 5 to 8)	1,867,363
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)	(1,179,449)



Republika ng Pilipinas  
Kagawaran ng Pananalapi  
Kawanihan ng Rentas Internas

### eFPS Payment Details

TIN : 004 - 636 - 621 - 000  
Name : EAGLE EQUITIES INC  
Tax Period : 12/31/2025  
Reference Number : 462600072050078  
Tax Type : IT - Annual Income Tax Return (REGULAR)

Total Payment: 0.00  
No Payment Details Found

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Hi EAGLE EQUITIES, INC.,

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- EAFS004636621AFSTY122025.pdf

### Invalid file

- <None>

Transaction Code: **AFS-0-CKCCLDLF0PVTTVYXVPV2YN2PP0LEG6LK9**  
Submission Date/Time: **May 14, 2026 05:17 PM**  
Company TIN: **004-636-621**

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