



SECURITIES AND EXCHANGE COMMISSION

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Company Type: Stock Corporation

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TIMSON SECURITIES, INC.

33rd Floor Robinson's Equitable Tower ADB Avenue Corner Poveda Street Ortigas, Pasig City
Contact No: 09257125094

Statement of Management's Responsibility for Financial Statements

The Management of Timson Securities, Inc. (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, as at and for the years ended December 31, 2025 and 2024, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards, and for such internal control as Management determines is necessary to enable the preparation of the 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.

A. M. Yu & Associates, the independent auditors appointed by the shareholders, has audited the financial statements of the Company in accordance with the Philippine Standards on Auditing, and in its reports to the shareholders, has expressed its opinions on the fairness of presentation upon completion of such audit.

Philip Tay Laude
Chairman of the Board

Philip Tay Laude
President/Chief Executive Officer

Marissa Eduardo Laude
Treasurer

Signed this MAR 31 day of 2026, 2026.

SUBSCRIBED AND SWORN to before me, a Notary Public for and in QUEZON CITY Philippines, this MAR 31 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.

<u>Name</u>	<u>Tax Identification Number</u>
Philip Tay Laude	100-803-744
Marissa Eduardo Laude	160-561-836

Doc. No. 304
Page No. 19
Book No. XI
Series of 2026.

ATTY. DIANE M. ABOLUCION
NOTARY PUBLIC
NOTARY PUBLIC FOR QUEZON CITY
UNTIL DECEMBER 2026
ADM MATTER NO. - 055 (2025-2026)
PTR NO. / 6871014 / 05 Jan 2026 / Quezon City
IBP NO. / INV 581798 / 01 Jan 2026 / Pasig City
Roll of Attorney's No. 75460 / 27 July 2020
MCLE Certificate of Exemption No. VIII-BEP002760
32 A Road 20, Project 8, Brgy. Bahay Toro, Quezon city



Independent Auditors' Report

The Board of Directors and Shareholders

Timson Securities, Inc.

33rd Floor Robinson's Equitable Tower

ADB corner Poveda Street

Ortigas, Pasig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Timson Securities, 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 a summary of material accounting policies.

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 of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *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 audits 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.

A.M. Yu & Associates

6F West Star Business Center Building,
No. 31 Shorthorn St., Brgy. Bahay Toro,
Proj. 8, Quezon City, Philippines 1106

Trunkline: +63 2 8236-4935 ; +63 2 8351-6288
Website: www.amyucpas.com

Firm Regulatory Registration & Accreditations:

PRC-BOA Reg. No. 4589, valid until Nov. 18, 2028
SEC Accred. No. 4589-SEC, Group A, valid for five years
covering the audits of 2020 to 2024 financial
statements of SEC Covered Institutions,
extended to cover 2025 financial statements
BIR Accred. No. 07-000157-002-2024,
valid until Jan. 29, 2027



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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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



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

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations No. 15-2010 in Note 31 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A.M. YU & ASSOCIATES



Anecito M. Yu
Partner

CPA License No. 40278, valid until May 15, 2026

Tax Identification No. 134-702-616

SEC Accreditation No. 40278-SEC, Group A,

issued January 05, 2021, valid for five (5) years covering the audits of
2020 to 2024 financial statements of SEC Covered Institutions,
extended to cover 2025 financial statements

BIR Accreditation No. 07-000169-002-2024,

issued February 20, 2024, valid until February 19, 2027

PTR No. 8428964, issued January 13, 2026, Quezon City

March 31, 2026

Quezon City

TIMSON SECURITIES, INC.

Statements of Financial Position

	Note/s	Money Balance		Security Valuation			
		As at December 31,		As at December 31,			
		2025	2024	2025		2024	
				Long	Short	Long	Short
A S S E T S							
Current assets:							
Cash & cash equivalents	6	₱ 71,225,601	₱ 91,345,839				
Financial assets at FVPL	7	11,890,680	13,831,350	₱ 11,890,680		₱ 13,831,350	
Trade & other receivables – net	8	146,017,011	134,034,112	199,618,142		340,547,782	
Other current assets	9	3,021,178	2,452,887				
Total current assets		₱ 232,154,470	₱ 241,664,188				
Non-current assets:							
Property & equipment – net	10	₱ 15,180,636	₱ 15,587,800				
Intangible assets – net	11	7,507,497	8,326,421				
Deferred tax assets – net	22	14,693,074	14,813,602				
Other non-current assets	12	16,295,057	14,569,342				
Total non-current assets		₱ 53,676,264	₱ 53,297,165				
TOTAL ASSETS		₱ 285,830,734	₱ 294,961,353				

Securities in Vault and in Philippine
 Depository & Trust Corporation
 (forward)

₱ 1,300,437,775

₱ 1,382,573,967

TIMSON SECURITIES, INC.

Statements of Financial Position (continued)

	Note/s	<u>Money Balance</u>		<u>Security Valuation</u>			
		As at December 31,		As at December 31,			
		2025	2024	2025		2024	
				Long	Short	Long	Short
LIABILITIES & EQUITY							
Current liabilities:							
Trade & other payables	13	₱ 120,413,827	₱ 120,429,787	₱ 1,088,928,953		₱ 1,028,194,835	
Interest-bearing loans & borrowings – current	14	1,793,399	1,689,213				
Current tax payable	22	13,324	92,029				
Advances from shareholders	24	77,554	77,554				
Other current liabilities	15	1,228,819	958,768				
Total current liabilities		₱ 123,526,923	₱ 123,247,351				
Non-current liabilities:							
Interest-bearing loans & borrowings – net of current portion	14	₱ 467,382	₱ 2,260,781				
Retirement benefit obligation	20	3,412,016	3,023,220				
Total non-current liabilities		₱ 3,879,398	₱ 5,284,001				
Total liabilities		₱ 127,406,321	₱ 128,531,352				

(Forward)

TIMSON SECURITIES, INC.

Statements of Financial Position (continued)

	Note/s	<u>Money Balance</u>		<u>Security Valuation</u>			
		As at December 31,		As at December 31,			
		2025	2024	2025		2024	
				Long	Short	Long	Short
Equity:							
Share capital	16	₱ 150,000,000	₱ 150,000,000				
Share premium	16	9,000,000	9,000,000				
Reserve for remeasurements of RBO	20	(3,691)	(3,691)				
Appropriation reserves	16	8,042,918	8,042,918				
Accumulated losses		(8,614,814)	(609,226)				
Total equity		₱ 158,424,413	₱ 166,430,001				
TOTAL LIABILITIES & EQUITY		₱ 285,830,734	₱ 294,961,353	₱ 1,300,437,775	₱ 1,300,437,775	₱ 1,382,573,967	₱ 1,382,573,967

See accompanying notes to the financial statements.

TIMSON SECURITIES, INC.

Statements of Comprehensive Income

	Note/s	For the years ended December 31,	
		2025	2024
Revenues	17	₱ 9,014,235	₱ 5,839,443
Cost of services	18	(16,448,370)	(17,257,104)
Gross loss		₱ (7,434,135)	₱ (11,417,661)
Other operating income	17	11,991,332	60,384,311
General & administrative costs	19	(12,816,167)	(18,490,626)
Operating profit (loss)		₱ (8,258,970)	₱ 30,476,024
Interest income	17	722,773	903,830
Finance costs	21	(190,984)	(275,401)
Other income - net	21	—	1,944,071
Profit (Loss) before tax		₱ (7,727,181)	₱ 33,048,524
Income tax expense	22	(278,407)	(8,048,745)
Profit (Loss) for the year		₱ (8,005,588)	₱ 24,999,779
Other comprehensive income:			
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Remeasurement gain on retirement benefit obligation – net of tax	20	₱ —	₱ 496,960
Other comprehensive income for the year		₱ —	₱ 496,960
Total comprehensive income (loss) for the year		₱ —	₱ 25,496,739
Basic earnings (loss) per share	23	₱ (5.34)	₱ 16.67

See accompanying notes to the financial statements.

TIMSON SECURITIES, INC.

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

Note/s	Share Capital 16	Share Premium 16	Reserve for Remeasurements of Retirement Benefit Obligation 20	Appropriation Reserves 16	Accumulated Losses	Total Equity
Balances at January 1, 2025	₱ 150,000,000	₱ 9,000,000	₱ (3,691)	₱ 8,042,918	₱ (609,226)	₱ 166,430,001
Loss for the year	–	–	–	–	(8,005,588)	(8,005,588)
Balances at December 31, 2025	₱ 150,000,000	₱ 9,000,000	₱ (3,691)	₱ 8,042,918	(8,614,814)	₱ 158,424,413
Balances at January 1, 2024	₱ 150,000,000	₱ 9,000,000	₱ (500,651)	₱ 8,042,918	₱ (25,609,005)	₱ 140,933,262
Profit for the year	–	–	–	–	24,999,779	24,999,779
Other comprehensive income	–	–	496,960	–	–	496,960
Balances at December 31, 2024	₱ 150,000,000	₱ 9,000,000	₱ (3,691)	₱ 8,042,918	(609,226)	₱ 166,430,001

See accompanying notes to the financial statements

TIMSON SECURITIES, INC.

Statements of Cash Flows

		For the years ended December 31,	
	Note/s	2025	2024
Cash flows from operating activities:			
Profit (Loss) for the year before tax		₱ (7,727,181)	₱ 33,048,524
Adjustments for:			
Unrealized market gain on FA at FVPL	7, 17	(2,025,633)	(44,838,933)
Dividend revenue	7, 17	(1,865,373)	(1,643,683)
Interest income	17	(722,773)	(903,830)
Interest expense	14, 21	190,984	275,401
Provision for ECLs	8, 19	1,644,147	7,472,519
Retirement benefit expense	20	388,796	519,003
Depreciation & amortization	10, 11, 19	1,001,623	993,763
Impairment losses	11, 19	270,000	—
Realized foreign exchange gains	6, 22	—	(346)
Operating loss before working capital adjustments		₱ (8,845,410)	₱ (5,077,582)
Working capital adjustments:			
Decrease (Increase) in:			
Financial assets at FVPL		3,966,303	78,847,685
Trade & other receivables		(13,627,046)	(78,388,289)
Other current assets		125,619	624,087
Other non-current assets		(1,725,715)	(1,109,706)
Increase (Decrease) in:			
Trade & other payables		(15,960)	(18,299,600)
Other current liabilities		270,051	(1,759,360)
Net cash used in operations		₱ (19,852,158)	₱ (25,162,765)
Interest received	17	722,773	903,830
Dividends received	17	1,865,373	1,643,683
Income taxes paid		(930,494)	(201,335)
<i>Net cash used in operating activities</i>		₱ (18,194,506)	₱ (22,816,587)
Cash flows from investing activities:			
Acquisition of property & equipment	10	₱ (45,535)	₱ (33,741)
<i>Net cash used in investing activities</i>		₱ (45,535)	₱ (33,741)
Cash flows from financing activities:			
Borrowing repayments	29	₱ (1,689,213)	₱ (1,590,223)
Interest paid	29	(190,984)	(289,973)
<i>Net cash used in financing activities</i>		₱ (1,880,197)	₱ (1,880,196)
<i>Effects of foreign exchange rate changes in cash</i>	6, 21	₱ —	₱ 346
Net decrease in cash		₱ (20,120,238)	₱ (24,730,178)
Cash at beginning of the year	6	91,345,839	116,076,017
Cash at end of the year	6	₱ 71,225,601	₱ 91,345,839

See accompanying notes to the financial statements.

TIMSON SECURITIES, INC.

Notes to the Financial Statements

As at December 31, 2025 and 2024, and
for the years ended December 31, 2025 and 2024

1. Reporting Entity

1.1 Formation and Operations

Timson Securities, Inc. (the Company) was incorporated under the laws of the Republic of the Philippines and duly registered with the Securities and Exchange Commission (SEC) on May 31, 2013. The Company is primarily engaged in the business of stock brokerage and dealing in securities and in all activities directly or indirectly connected therewith or incidental thereto, including among others, to receive, purchase or otherwise acquire, underwrite, obtain and interest in, own, hold, pledge, hypothecate, mortgage, assign, deposit, create trusts, with respect to, exchange, sell and otherwise dispose of, alone or syndicate, or otherwise in conjunction with others and generally deal in, stocks, bonds, obligations or securities of any corporation, partnership, syndicate, entity, person or governmental, municipal or public authority, domestic or foreign and evidences of any interest therein or in respect thereof; and while the holder of such, to exercise all the rights, powers and privileges of ownership or interest thereon, including the rights to vote and otherwise act with respect thereto.

The registered office address of the Company, which is also its principal place of business, is located at 33rd Floor Robinson's Equitable Tower, ADB corner Poveda Street, Ortigas, Pasig City.

1.2 Approval on the Release of the Financial Statements

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

2. Basis of Preparation

The accompanying financial statements of the Company have been prepared using the measurement bases specified by the Philippine Financial Reporting Standards (PFRS) Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in accounting policies that follow.

2.1 Statement of Compliance

The accompanying financial statements of the Company have been prepared in compliance with the PFRS Accounting Standards and are prepared for submission to the SEC and the Bureau of Internal Revenue (BIR).

The PFRS Accounting Standards include all applicable PFRS, Philippines Accounting Standards (PAS), interpretations of the Philippine Interpretations Committee (PIC), and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC). These standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board (IASB), and approved by the Philippine Board of Accountancy (BOA).

2.2 Going Concern Assumption

The preparation of the accompanying financial statements of the Company is based on the premise that the Company operates on a going concern basis, which contemplate the realization of assets and

settlement of liabilities in the normal course of business. The management does not intend to liquidate nor cease its operations.

2.3 Functional and Presentation Currency

The financial statements are presented in Philippine Peso (₱), the Company's functional and presentation currency, and all values are rounded to the nearest peso except when otherwise indicated.

3. Changes in Accounting Policies

The Company's accounting policies are consistent with those of the previous financial year, except for the adoption of the following new accounting pronouncements:

3.1 Amended Standards Effective in 2025

The following amendments to existing standards are mandatory for the first time for the financial year beginning January 1, 2025:

a.) PAS 21 (amendments), *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 also require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.

The adoption of these amendments has no significant impact on the Company's financial statements, as there were no foreign currency-related transactions for both reporting periods presented.

3.2 New and Amended Standards Effective Subsequent to 2025 but not Early Adopted

Pronouncements issued but not yet effective as at December 31, 2025 are listed below. The Company intends to adopt the following pronouncements when they become effective. Except as otherwise indicated, the Company does not expect the adoption of these new pronouncements to have a significant impact on the financial statements.

Effective beginning on or after January 1, 2026

a.) PFRS 9 and PFRS 7 (amendments), *Amendments to the Classification and Measurement of Financial Instruments*.

The amendments clarify that a financial liability is derecognized on the 'settlement date' and 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. Other clarifications include:

- 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.
- clarify the treatment of non-recourse assets and contractually linked instruments.
- introduce additional disclosure requirements in PFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. An entity is required to apply these amendments retrospectively. However, an entity is not required to restate prior periods to reflect the application of the amendments unless it can clearly demonstrate that hindsight has not been used to make those changes.

The Company is currently assessing the impact the amendments will have on current practice.

- b.) PFRS 9 and PFRS 7 (amendments), *Contracts Referencing Nature-dependent Electricity*.
The amendments clarify the accounting for contracts whose pricing or settlement terms depend on nature-dependent electricity factors. The amendments also specify when variability arising from such factors is considered closely related to the host contract and, therefore, does not require separation as an embedded derivative. Related disclosure requirements under PFRS 7 are also updated.

These amendments are effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted.

The Company does not expect the amendments to have a material impact on its financial statements as it does not enter into electricity contracts with weather-dependent pricing features.

Effective beginning on or after January 1, 2027

- a.) PFRS 17, *Insurance Contracts*.

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On February 14, 2025, the FSRSC approved the amendment to PFRS 17 Insurance Contracts that sets the new effectivity from January 1, 2025 to January 1, 2027. This is consistent with Circular Letter No. 2025-04 issued by the Insurance Commission, which further extends the initial application period by two (2) years. PFRS 17 is effective for reporting periods beginning on or after January 1, 2027, with comparative figures required. Early application is permitted beginning January 1, 2025.

The new standard is not applicable to the Company since it has no activities that are predominantly connected with insurance or issue insurance contracts.

- b.) PFRS 18, *Presentation and Disclosure in Financial Statements*.

PFRS 18 is a new accounting standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in PFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

PFRS 18 replaces PAS 1, *Presentation of Financial Statements*. Requirements in PAS 1 that are unchanged have been transferred to PFRS 18 and other Standards.

PFRS 18 will apply for reporting periods beginning on or after January 1, 2027, with comparative figures required. Early application is permitted.

The adoption of this standard will have an impact on the Company's presentation and disclosures of its 'operating profit or loss', but not on the recognition or measurement of any items in the financial statements.

c.) PFRS 19, *Subsidiaries without Public Accountability: Disclosures*.

PFRS 19 is a disclosure-only standard that allows eligible subsidiaries to apply reduced disclosure requirements while still adhering to the recognition, measurement, and presentation requirements of other PFRS Accounting Standards.

A subsidiary may choose to apply PFRS 19 provided that it meets the following criteria:

- it does not have public accountability; and
- its parent produces consolidated financial statements that are available for public use under PFRS Accounting Standards.

PFRS 19 will apply for reporting periods beginning on or after January 1, 2027, with earlier application permitted. During the first period in which an entity applies the standard, it is required to disclose comparative information for current year amounts as required by PFRS 19, unless another PFRS accounting standard permits or requires otherwise.

The Company is currently assessing the impact this new standard will have on its current practices.

Deferred

a.) PFRS 10 (amendments), *Consolidated Financial Statements*, and PAS 28 (amendments), *Investments in Associates and Joint Ventures – 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, 2020, the FSRSC deferred the original effective date of January 1, 2020 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.

The amendments are not expected to have a material impact on the financial statements.

3.3 Annual Improvements to PFRS Accounting Standards

The annual improvements to PFRS Accounting Standards contain non-urgent but necessary amendments to PFRS Accounting Standards. The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted.

a.) PFRS 1, *First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter*.

The amendments include cross-references to the qualifying criteria for hedge accounting in 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.

- b.) PFRS 7, *Financial Instruments: Disclosures – Gain or Loss on Derecognition*.
The amendments replace the phrase ‘inputs that were not based on observable market data’ with ‘unobservable inputs’ to make the wording consistent with the wording in PFRS 13, *Fair Value Measurements*.
- c.) Guidance on Implementing PFRS 7 *Financial Instruments: Disclosures – Disclosure of Deferred Difference Between Fair Value and Transaction Price and Introduction and Credit Risk Disclosures*.
The amendments to the Guidance on implementing PFRS 7 are as follows:
- clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7, nor does it create additional requirements;
 - made the wording consistent with the requirements in paragraph 28 of PFRS 7 and with the concepts and terminology in PFRS 9 and PFRS 13; and
 - simplify the explanation of which aspects of the PFRS Accounting Standards requirements are not illustrated in the example.
- d.) PFRS 9, *Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price*.
The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.
- The amendments also replace 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.
- e.) PFRS 10, *Consolidated Financial Statements – Determination of a ‘De Facto Agent’*.
The amendments clarify that the relationship described in the paragraph B74 of PFRS 10 is just one of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.
- f.) PAS 7, *Statements of Cash Flows– Cost Method*.
The amendments replace the term ‘cost method’ with ‘at cost’, following the prior deletion of the definition of ‘cost method’.

4. Summary of Material Accounting Policies

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

4.1 Current versus Non-current Classification

The Company presents assets and liabilities in the statements of financial position based on current or non-current classification. An asset is classified as current when it is:

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

A liability is classified as current when it is:

- Expected to be settled in its normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be settled within twelve months after the reporting period; or,
- There is no right to defer settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other assets and liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

4.2 Cash & Cash Equivalents

Cash includes cash in banks and petty cash fund. It is unrestricted in use and is measured at face value. Face value represents amortized cost. Cash in banks earns interest at the prevailing bank deposit rates.

Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash with original maturity of three months or less from date of acquisition and are subject to an insignificant risk of change in value.

4.3 Fair Value Measurement

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

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

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using 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 non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Fair Value Hierarchy

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

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

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

The Company's management determines the policies and procedures for both recurring and non-recurring fair value measurements.

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

4.4 Financial Instruments

A financial instrument is a contract that gives rise to both 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, and only when, it becomes a party to the contractual provisions of the instrument. Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date on which the Company commits to purchase or sell the assets.

“Day 1” Difference

When the transaction price 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 unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is only recognized 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 amount.

Initial Recognition

The Company initially measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at FVPL, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at transaction price determined under PFRS 15.

Classification and Subsequent Measurement of Financial Assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI or FVPL.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Company’s business model for managing them. The Company’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are SPPI on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are reclassified to profit or loss (debt instruments);
- Financial assets designated at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss (equity instruments); or,
- Financial assets at FVPL

Financial Assets at Amortized Cost. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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 SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method, less any impairment in value. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at amortized cost includes cash, trade & other receivables and CTGF refundable contributions.

Trade & Other Receivables. Trade receivables refer to claims on customers for the securities purchased on their behalf that are unsettled at the end of reporting period. Other receivables consist of advances to officers and advances to employees.

CTGF Refundable Contributions. CTGF refundable contributions pertain to contributions made by clearing members of the SCCP. These are refundable to clearing members upon cessation of their business and/or termination of their membership with SCCP, under certain conditions.

Financial Assets at FVOCI – Debt Instruments. The Company measures debt instruments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

These financial assets are subsequently measured at fair value. Gains and losses arising from changes in fair value are included in OCI within a separate component of equity. Impairment losses or reversals, interest income and foreign exchange gains and losses are recognized in profit or loss until the financial asset is derecognized. Upon derecognition, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. This reflects the gain or loss that would have been recognized in profit or loss upon derecognition if the financial asset had been measured at amortized cost.

Financial Assets at FVOCI – Equity Instruments. The Company may also make an irrevocable election to measure at FVOCI on initial recognition investments in equity instruments that are neither held for trading nor contingent consideration recognized in a business combination in accordance with PFRS 3. The classification is determined on an instrument-by-instrument basis.

Gains or losses on these financial assets are never recycled to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment. Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial Assets at FVPL. Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statements of financial position at fair value with net changes in fair value recognized in the statements of comprehensive income.

As of reporting date, the Company does not have any debt or equity instruments at FVOCI.

Classification and Subsequent Measurement of Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL or financial liabilities at amortized cost.

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

After initial recognition, financial liabilities at amortized cost are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the statements of comprehensive income.

Financial liabilities at amortized cost include trade & other payables, loans & borrowings, and advances from shareholders.

Trade & Other Payables. Trade & other payables refer to amount payable to customers for the securities sold on their behalf that are unsettled at the end of reporting period. It also includes payable to clearing houses and dividends payable to customers.

Loans & Borrowings. Loans and other similar borrowings are raised for funding support of operations or projects.

Advances from Shareholders. Advances from shareholders represent advances made by shareholders used for funding support of operations. These are usually non-interest bearing, unsecured, and payable on demand.

Financial Liabilities at FVPL. Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statements of comprehensive income.

A financial liability may be designated at FVPL if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (an accounting mismatch);
- a host contract contains one or more embedded derivatives; or,
- a group of financial liabilities or financial assets and liabilities is managed and its performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at FVPL, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in OCI.

The Company has not designated any financial liability at FVPL. As of reporting date, the Company has no financial liability at FVPL.

Reclassification of Financial Instruments

The Company reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Company and any previously recognized gains, losses or interest shall not be restated. The Company does not reclassify its financial liabilities.

Classification of Financial Instruments between Debt and Equity

Financial instruments are classified as debt or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity, net of any related income tax benefits.

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

- deliver cash or another financial asset to another entity; or
- 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.

The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

Derecognition

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

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the 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 rights to receive cash flows from the 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 rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations of that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

A financial liability is derecognized when the obligation under the financial liability is discharged or cancelled or has expired. Where 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 financial liability, and the difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Offsetting Financial Instruments

Financial assets and 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 an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Company assesses that it has a currently enforceable right to offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Company and all of the counterparties.

4.5 Property and Equipment

These are tangible assets that are held for use in 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.

Initial Recognition

The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent Expenditures

Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged against operations in the period which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

Subsequent Measurement

Property and equipment accounted for under the cost model and are stated at cost less accumulated depreciation and any impairment in value.

Depreciation Method

Depreciation of property and equipment commences once the property and equipment are available for use and computed using the straight-line method to allocate their cost over their EUL, as follows:

<u>Asset</u>	<u>Estimated Useful Life</u>
Condominium	50 years
Condominium improvements	3-5 years
Office furniture & equipment	2-10 years

The EUL and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Derecognition

Fully depreciated property and equipment are retained in the accounts until they are no longer in use and no further depreciation is charged against current operations. When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation and accumulated impairment loss, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

4.6 Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substances which are controlled by the Company as a result of past events and from which economic benefits are expected to flow to the Company.

Initial Recognition

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Internally-generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statements of comprehensive income in the year in which the expenditure is incurred.

Subsequent Measurement

Intangible assets are accounted for under the cost model. Following initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortization and any accumulated impairment losses, while intangible assets with indefinite useful lives are not amortized and are stated at cost less any accumulated impairment losses.

Amortization Method

The EULs of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite useful lives are amortized over the useful economic life on a straight-line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and method for an intangible asset with a finite useful life is reviewed at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at cash-generating unit (CGU) level. The EUL of an intangible asset is reviewed annually to determine whether indefinite useful life assessment continues to be supportable. If not, the change in useful life assessment from indefinite to finite is made on a prospective basis.

Trading Right. This allows the Company to trade in the Philippine Stock Exchange and are deemed to have indefinite useful life because it is expected to generate net cash inflows indefinitely.

Computer Software. This account refers to purchased software package that is not used in operating a particular hardware and is not an integral part of a related hardware. These are amortized over 5 years. Costs associated with maintaining the computer software programs are recognized as expense when incurred.

Derecognition

A gain or loss arising from retirement or disposal of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statements of comprehensive income when the asset is derecognized.

4.7 Other Assets

Other assets consist of prior year excess credits, advances to suppliers and prepayments. Other assets are carried at cost less any impairment losses. Other assets that are expected to be realized within

12 months after reporting date are classified as current assets. Otherwise, these are classified as non-current assets.

4.8 Impairment of Assets

If an asset's carrying amount is higher than its recoverable amount, the asset is judged to have suffered an impairment loss. The asset shall therefore be written-down to its recoverable amount and the difference shall be reported as impairment loss chargeable against operations during the period the loss was recognized.

Financial Assets

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

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are also recognized and interest revenue is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset.

The Company applies a simplified approach in calculating ECLs for trade receivables. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

Non-financial Assets

The Company assesses at each reporting date whether there is an indication that its non-financial assets (e.g., property and equipment, investment properties, and intangible assets) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is calculated as the higher of the asset's or CGU's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In determining fair value less costs to sell, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are

corroborated by valuation multiples and other available fair value indicators. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Impairment losses are recognized in the expense categories of statement of comprehensive income consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of accumulated depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

4.9 Other Liabilities

Other liabilities consist of central depository fees payable, statutory contributions payable, withholding taxes payable, and stock transaction tax payable. Other liabilities that are expected to be earned or settled within 12 months after reporting date are classified as current liabilities. Otherwise, these are classified as non-current liabilities.

4.10 Value-Added Tax (VAT)

Revenues, expenses, assets and liabilities are recognized net of the amount of VAT, except:

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

Output tax pertains to the 12% VAT received or receivable on the brokerage and dealer services rendered by the Company. Input tax pertains to the 12% VAT paid or payable by the Company in the course of its trade or business on purchase of goods or services. At the end of each taxable period, if output tax exceeds input tax, the outstanding balance is paid to the taxation authority. If input tax exceeds output tax, the excess shall be carried over to the succeeding months.

The input and output taxes are presented at gross amounts and are included under 'Other current assets' and 'Other current liabilities,' respectively, in the statements of financial position.

4.11 Equity

Equity is the residual interest in the assets of the Company after deducting all of its liabilities. It is increased by profitable operations and contribution by owners but is decreased by unprofitable operations and distribution to owners.

Share Capital

Share capital is measured at par value for all shares issued. Incremental costs directly attributable to the issue of new shares are shown in equity as a reduction from proceeds, net of tax. Proceeds and/or fair value of consideration received in excess of par value are recognized as share premium.

Share Premium

Share premium represents the additional amount that shareholders paid for their subscribed shares in excess of the par value of their shares.

Accumulated Losses

Accumulated losses represent the cumulative balance of net profit or loss, dividend distributions, effect of changes in accounting policy and other capital adjustments. These represent unrestricted earnings which can be declared as dividends to shareholders.

Appropriation Reserves

Appropriation reserves represent restricted earnings which cannot be declared as dividends due to legal, contractual or voluntary purposes.

4.12 Revenue Recognition

Revenue from Contracts with Customers

The Company is in the business of stock brokerage and as a dealer of securities, bonds, debentures, commodities, obligations and investment of all kinds and all activities, which are directly or indirectly related.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company assesses its revenue arrangement against specific criteria in order to determine if it is acting as a principal or an agent.

Revenue is recognized only when (or as) the Company satisfies a performance obligation by transferring control of the promised goods or services to a customer. The transfer of control can occur over time or at a point in time.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

- i. the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- ii. the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,
- iii. the Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Commission Income. Commission income is recognized upon confirmation by the customer of the buying and selling of securities executed on their behalf. These are computed for every trade transaction based on a rate agreed upon by the clients and the Company. A commission rate of 0.25% (0.0025) is applied for online accounts. For traditional accounts, the commission is 0.25% (0.0025) or ₱150.00, whichever is higher.

Realized Trading Gains. Trading gains are recognized upon sale of financial assets at FVPL. It is the difference between an instrument's initial carrying amount and disposal amount.

Unrealized Gain on FAFVPL. Unrealized gains are recognized when the market value at cut-off date is higher than the assets carrying amount.

Dividend Income. Dividend income is recognized when the right to receive payment is established, which is the date of declaration.

Interest Income. Interest income is recognized as the interest accrues using the EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount.

Other Income. Other income consist of unrealized forex gain, recovery on provision of ECL and cancellation fees from customers and processing fees charged for dormant accounts. These are

recognized when the related services have been rendered and the right to receive payment is established.

Cost to Obtain a Contract

In obtaining customer contracts, the Company incurs incremental costs. As the expected amortization period of these costs, if Capitalized, would be less than one year, the Company uses the practical expedient in PFRS 15 and expenses such costs as incurred. The Company also incurs costs in fulfilling contracts with customers. However, as those costs are within the scope of other financial reporting standards, the Company accounts for those costs in accordance with accounting policy related to those financial reporting standards.

4.13 Cost and Expense Recognition

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Costs and expenses are recognized in profit or loss in the statements of comprehensive income:

- on the basis of a direct association between the costs incurred and the earning of specific items of income;
- on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or,
- immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, cease to qualify, for recognition in the statements of financial position as an asset.

Cost of Services

The cost of services recognized in profit or loss is determined with reference to the specific costs incurred such as personnel costs, commission expenses, stock exchange dues & fees, and central depository expenses. It is recognized as expense when services are actually rendered.

General, Administrative, and Other Operating Expenses

Administrative expenses normally include costs of administering the business as incurred by administrative departments. Other operating expenses are costs incurred other than administrative purposes.

4.14 Employee Benefits

Employee benefits are all forms of consideration given by the Company in exchange for services rendered by employees or for the termination of employment.

Short-term Benefits

These benefits are recognized as expense in the period when the economic benefit is given or as an asset when such costs may be capitalized and is measured at an undiscounted basis. These include salaries, wages and social security contributions, leave entitlement, profit-sharing, bonuses, and other non-monetary benefits.

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

Termination Benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either the Company's decision to terminate an employee's

employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

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

Retirement Benefits

The Company does not have a defined contribution plan or any formal retirement plan that covers the retirement benefits of its employees. However, under the existing regulatory framework, Republic Act No. 7641, otherwise known as the *Philippine Retirement Pay Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining agreement and other agreements shall not be less than those provided under law. The law does not require minimum funding of the plan.

Republic Act No. 7641 relates to a defined benefit plan. A defined benefit plan is a post-employment plan that defines an amount of post-employment benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service, and salary. The legal obligation for any benefits from this kind of post-employment plan remains with the Company. The Company's defined benefit post-employment plan covers all regular full-time employees.

The liability recognized in the statements of financial position for defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using a discount rate derived from interest rates of zero-coupon government bonds, as published by the Philippine Dealing and Exchange Corporation, that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of related post-employment liability.

Service costs are recognized in profit or loss which include current service costs, past service costs, and gains or losses on non-routine settlements. Past service costs are recognized when plan amendment or curtailment occurs.

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

Re-measurement, comprising of actuarial gains and losses from experience adjustments and changes in actuarial assumptions, is recognized in Other Comprehensive Income (OCI) in the period which they arise. Re-measurements are not classified to profit or loss in subsequent periods.

4.15 Income Tax

Income tax expense is composed of current and deferred tax. Income tax expense is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or in OCI, in which case it is recognized in equity or OCI.

Current Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to

compute the amount are those that have been enacted or substantively enacted as of the reporting date.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The current tax assets included in other current assets (presented as prepayments) and current tax liabilities presented as current tax payable are presented at gross amounts in the statements of financial position.

Deferred Tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except;

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and,
- in respect of taxable temporary differences associated with investments in subsidiaries and associates and interest in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and by the parent, venture or investor, respectively, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences the carry-forward benefits of unused tax credits and any unused tax losses from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and net operating loss carryover (NOLCO) to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carry forward benefits of unused tax credits and unused tax losses can be utilized except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and,
- in respect of deductible temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

Deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in 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 as at the reporting date.

Deferred tax relating to items recognized in Other Comprehensive Income (OCI) account are included in OCI account in the statements of comprehensive income and not in profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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 the deferred taxes relate to the same taxable entity and levied by the same taxation authority.

4.16 Earnings/Loss per Share (EPS/LPS) Attributable to Equity Holders

Basic EPS(LPS) is computed by dividing net profit or loss for the year attributable to common equity holders of the parent, after recognition of the dividend requirement of preferred shares, as applicable, by the weighted average number of issued and outstanding common shares during the year, after giving retroactive effect to any stock dividends declared during the year.

Diluted EPS(LPS) is computed by dividing net profit or loss for the year attributable to common equity holders of the parent by the weighted average number of issued and outstanding common shares during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive potential common shares into common shares. The calculation of diluted EPS(LPS) does not assume conversion, exercise, or other issue of potential common shares that would have an anti-dilutive effect on EPS(LPS).

As the Company has no dilutive potential common shares outstanding, basic and diluted EPS(LPS) are stated at the same amount.

4.17 Provisions and Contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and, a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented as part of profit or loss in the statements of comprehensive income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes to the 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 financial statements when an inflow of economic benefits is probable.

4.18 Foreign Currency Transactions and Translation

Transactions denominated in foreign currency are recorded in functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of transaction. Monetary assets and monetary liabilities denominated in foreign currencies are translated using the closing exchange rate at the reporting date. All differences arising from settlement or translation are recognized in profit or loss in the statements of comprehensive income. Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4.19 Related Party Transactions and Relationships

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless whether a price is charged.

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 parties 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 Company that gives them significant influence over the Company and close members of the family of any such individual; and,
- d.) the Company's retirement plan.

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

4.20 Events after the Reporting Period

Post year-end events that provide additional information about the Company's financial position at the reporting period (adjusting events), if any, are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

5. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements in accordance with PFRS Accounting Standards requires the Company to make judgments and estimates that affect the amounts reported in the financial statements and accompanying notes. The judgments, estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Judgments

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

a.) *Classification of Financial Instruments*

Management exercises certain judgments in determining the cash flow characteristics of its financial assets and the Company's business model for managing them. The Company's business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company determines its business model at the level that best reflects how it manages groups of financial assets and contract assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets and contract assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets and contract assets held within that business model) and, in particular, the way those risks are managed; and,

- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking "worst case" or "stress case" scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets and contract assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

b.) *Provisions and Contingencies*

The Company, in the ordinary course of business, sets up appropriate provisions for its present obligations (legal or constructive) in accordance with its policies on provisions and contingencies. The estimate of probable costs for the resolution of possible claims has been developed in consultation with its legal counsel and is based upon an analysis of potential results.

The Company is not currently involved in any legal proceedings, but is involved in tax audits and assessments that are normal to its business. Tax audits and assessments may arise from the uncertainty that exists with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Estimated provisions are established for possible consequences of audits by the tax authorities which are based on factors such as experience of previous tax audits, and differing interpretations by the taxable entity and the responsible tax authority.

Management does not believe that the outcome of this matter will significantly affect the results of operations. It is probable, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to this proceeding.

c.) *Recognition of Deferred Tax Assets*

The Company's assessment on the recognition of deferred tax assets as deductible temporary differences is based on projected taxable income in the following periods. Based on the Company's projection and assessment, the deferred tax assets recognized from deductible temporary differences are expected to be realized in the following periods.

d.) *Recognition of Deferred Tax Liabilities*

The Company's assessment on the recognition of deferred tax liabilities as taxable temporary differences is based on projected taxable income in the following periods. Based on the Company's projection and assessment, the deferred tax liabilities recognized from taxable temporary differences are expected to be realized in the following periods.

5.2 Estimates and Assumptions

The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a.) *Fair Values of Financial Instruments*

PFRS Accounting Standards requires that financial assets and financial liabilities be carried or disclosed at fair value, which requires the use of accounting estimates and judgment. While significant components of fair value measurement were determined using verifiable objective evidence (i.e., foreign exchange rates, interest rates, and volatility rates), the amount of changes in fair value would differ if the Company utilized different valuation methodologies. Any change in the fair values of financial assets and financial liabilities directly affects profit or loss, equity, and the required disclosures.

Where the fair values of financial assets and financial liabilities recorded in the statements of financial position cannot be derived from active markets, their fair values are determined using valuation techniques that are generally-accepted market valuations including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values.

The fair values of financial assets and financial liabilities by category and their fair value hierarchy are set out in Note 26 to the financial statements.

b.) *Incorporation of Forward-looking Information*

The Company incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

To do this, the Company has considered a range of relevant forward-looking macroeconomic assumptions for the determination of unbiased general industry adjustments and any related specific industry adjustments that support the calculation of ECLs. Based on the Company's evaluation and assessment and after taking into consideration external actual and forecast information, the Company considers a representative range of possible forecast scenarios. This process involves gathering two or more economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies, monetary authorities and selected private-sector and academic institutions.

The Company has identified and documented key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macroeconomic variables and credit risk and credit losses.

Predicted relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

The Company has not identified any uncertain event that it has assessed to be relevant to the risk of default occurring but where it is not able to estimate the impact of ECL due to lack of reasonable and supportable information.

c.) *Definition of Default and Credit-impaired Financial Assets*

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- Quantitative Criteria. The customer is more than 90 days past due on its contractual payments, i.e. principal and/or interest, which is consistent with the regulatory definition of default.
- Qualitative Criteria. The customer meets unlikelihood to pay criteria, which indicates the customer is in significant financial difficulty. These are instances where:
 - a. The customer is experiencing financial difficulty or is insolvent
 - b. The customer is in breach of financial covenant(s)
 - c. An active market for that financial assets has disappeared because of financial difficulties
 - d. Concessions have been granted by the Company, for economic or contractual reasons relating to the customer's financial difficulty
 - e. It is becoming probable that the customer will enter bankruptcy or other financial reorganization

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) throughout the Company's ECL calculation.

An instrument is considered to be no longer in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months as it has exhibited a satisfactory track record. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

d.) *Determination of ECL on Trade & Other Receivables*

The Company uses a provision matrix to calculate ECLs for trade & other receivables. The provision rates are based on days past due for groupings of various patron segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every financial reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogenous.

The amount of ECLs is sensitive to changes in circumstances including future economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future.

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

Provision for ECLS recognized in 2025 and 2024 amounted to ₱1,644,147 and ₱7,472,519, respectively. The carrying amounts of the Company's trade & other receivables amounted to ₱146,017,011 and ₱134,034,112 as of December 31, 2025 and 2024 respectively (see Note 8).

e.) *Estimating Useful Lives of Depreciable and Amortizable Assets*

The Company estimates the useful lives of depreciable and amortizable assets based on the period over which the assets are expected to be available for use and on the collective assessment of industry practice, internal technical evaluation and experience with similar assets. The EUL of depreciable and amortizable assets are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned above. The amounts and timing of recording of depreciation and amortization expense for any period would be affected by changes in these factors and circumstances. There were no changes in the EUL of depreciable and amortizable assets in 2025 and 2024.

The carrying amounts and the related depreciation and amortization charges of depreciable and amortizable assets are as follows:

		2025		2024
Carrying amounts:				
Property & equipment – net (Note 10)	₱	15,180,636	₱	15,587,800
Intangible assets – net (Note 11)		7,507,497		8,326,421
Depreciation and amortization charges:				
Property & equipment	₱	452,699	₱	444,839
Intangible assets		548,924		548,924

f.) *Impairment of Non-financial Assets*

The Company assesses impairment on its non-financial assets and considers factors such as obsolescence, physical damage, significant changes to the manner in which the asset is used, worse than expected economic performance, a drop in revenues or other external indicators.

If such indicators are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the asset's fair value less cost to sell or value in use whichever is higher. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to be generated from the continued use of the asset.

Determining the recoverable amounts of the non-financial assets, which involve determination of future cash flows expected to be generated from continued use and ultimate disposition of such assets, require the use of estimates and assumptions that can materially affect the financial statements. Future events could indicate that these non-financial assets are impaired. Any resulting impairment loss could have a material adverse impact on the financial condition and performance of the Company.

g.) *Determining and Computation of Retirement Benefits*

The pension cost as well as the present value of the retirement benefits obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Details on the assumption and an analysis in the movements in the estimated retirement benefits are presented in Note 20.

h.) *Realizability of Deferred Tax Assets*

The Company reviews the carrying amounts at the end of each reporting period and reduced the deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. The Company's assessment on the recognition of deferred tax assets on NOLCO, MCIT and deductible temporary differences is based on the level and timing of forecasted taxable income of the subsequent reporting periods. The forecast is based on past results and future expectations on revenues and expenses as well as future tax planning strategies. However, there is no assurance that the Company will generate sufficient taxable income to allow all or part of its deferred income tax assets to be utilized. Details of deferred tax assets are provided in Note 22.

6. Cash & Cash Equivalents

Cash & cash equivalents includes:

	2025	2024
Cash in banks - Peso	₱ 10,879,279	₱ 12,976,418
Cash in banks - Reserve	37,821,399	56,384,658
Cash equivalents - Reserve	22,504,923	21,964,763
Petty cash fund	20,000	20,000
Total	₱ 71,225,601	₱ 91,345,839

Cash in banks represent savings and demand deposit accounts in various universal banks that generally earn interest at their respective daily bank deposit rates. Petty cash fund is used for payment of minor disbursements and is maintained under an imprest fund system.

Realized forex gain amounts to nil and ₱346 for 2025 and 2024 (see Note 21).

Interest income earned from cash in banks amounted to ₱722,773 in 2025 and ₱903,830 in 2024 (see Note 17).

In compliance with the SRC Rule 49.2 covering customer protection and custody of securities, every broker dealer shall maintain with a bank/s at all times when deposits are required or hereinafter specified as “Special Reserve Bank Account for the Exclusive Benefit of Customers” and it shall be separate from any other bank account of the Broker-Dealer. The reserve requirement is determined based on the SEC’s prescribed computations. The Company maintains special reserve bank accounts for its customers amounting to ₱60,326,322 and ₱78,349,421 as at December 31, 2025 and 2024, respectively.

7. Financial Assets at FVPL

This account represents equity securities that are acquired principally for the purpose of selling or repurchasing them in the near term, or part of a portfolio of identified securities that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Details of this account is as follows:

		2025		2024
Equities in the PSEi	₱	11,664,000	₱	–
Other equities outside the PSEi		226,680		13,831,350
Total	₱	11,890,680	₱	13,831,350

The Company’s net trading gains are as follows:

	Note/s	2025		2024
Realized trading gains		₱ 7,885,137	₱	13,683,619
Unrealized trading gains		2,025,633		44,838,933
Net trading gains	17	₱ 9,910,770	₱	58,522,552

Dividend income earned on these investments amount to ₱1,865,373 and ₱1,643,683 in 2025 and 2024, respectively (see Note 17).

The cost of these shares amounted to ₱13,165,828 and ₱16,425,630 as at December 31, 2025 and 2024, respectively. The balance of unrealized loss relating to these shares amounted to ₱568,648 and ₱2,594,280 as at December 31, 2025 and 2024, respectively.

8. Trade & Other Receivables – net

This account consists of:

		2025		2024
Trade receivables – net	₱	129,831,283	₱	118,295,082
Other receivables – net		16,185,728		15,739,030
Total	₱	146,017,011	₱	134,034,112

Trade Receivables – net

The details of this account are shown below:

		2025		2024
Receivable from customers	₱	146,524,652	₱	139,982,789
Receivable from clearing house		6,638,485		–
Allowance for credit losses		(23,331,854)		(21,687,707)
Net realizable value	₱	129,831,283	₱	118,295,082

The Company's trade receivables from customers and their security valuation follows:

	2025		2024	
	Money Balance	Security Long Valuation	Money Balance	Security Long Valuation
Fully secured:				
More than 250%	₱ 128,014	₱ 36,037,607	₱ 118,000,153	₱ 337,391,258
Between 200% to 250%	—	—	—	—
Between 150% to 200%	—	—	—	—
Between 100% to 150%	124,760,198	161,111,714	353,023	425,700
Partially secured:				
Less than 100%	21,635,951	2,468,821	21,629,124	2,730,824
Unsecured accounts	489	—	489	—
Total	₱ 146,524,652	₱ 199,618,142	₱ 139,982,789	₱ 340,547,782
Less: Allowance for credit losses	(23,331,855)	—	(21,687,707)	—
Net realizable value	₱ 123,192,797	₱ 199,618,142	₱ 118,295,082	₱ 340,547,782

Receivable from customers comprise of amount due from customers from brokerage services rendered, including value of securities bought in behalf of customers, commissions, and other charges thereon. These securities will serve as collateral for the receivables.

The Company granted margin lines amounting to ₱1,994,988 and ₱2,002,008 to one customer as at December 31, 2025 and 2024, which bear interest rates of 12% per annum. Interest on margin accounts amounted to ₱215,189 and ₱218,076 in 2025 and 2024, respectively (see Note 17).

Trade receivables from margin customers have no specific credit terms but customers are required to maintain the value of their collateral within a specific level. Once the value of the collateral falls below this level, customers may either deposit additional collateral or sell stock to cover the deficiency in their account balance. Meanwhile, receivables from post-paid customers are required to be settled on three (3) trading days' term. The receivable balances become demandable upon failure of the customer to duly comply with these requirements. As at December 31, 2025 and 2024, ₱124,888,212 and ₱118,353,176, respectively, of the trade receivables from customers are fully covered by collateral.

Other Receivables – net

The details of this account are shown below:

	2025		2024	
Advances to officers	₱	15,683,143	₱	15,683,143
Other receivables		5,280,429		4,833,731
Total	₱	20,963,572	₱	20,516,874
Allowance for credit losses		(4,777,844)		(4,777,844)
Net realizable value	₱	16,185,728	₱	15,739,030

Other receivables consist of advances to employees and officers which are deductible from salaries.

All of the Company's trade & other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired due to defaults by customers and provisions have been recorded accordingly. Allowance for impairment on receivables from customers is computed using the formula provided by the PSE in the Analysis of Receivables which forms part of the Risk-Based Capital Adequacy (RBCA) Report (see Note 28).

A reconciliation of the allowance for ECLs is shown below:

	Note/s	2025		2024	
Balance at the beginning of year		₱	26,465,551	₱	18,993,032
Provisions during the year	19		1,644,147		7,472,519
Balance at the end of year		₱	28,109,698	₱	26,465,551

None of the receivables were pledged as collateral to secure the Company's liabilities.

9. Other Current Assets

This account consists of:

	2025		2024	
Prior year's excess credits	₱	1,000,455	₱	1,071,915
Advances to suppliers		905,091		905,091
Prepayments		785,939		20,569
Input taxes		329,693		455,312
Total	₱	3,021,178	₱	2,452,887

Prepayments consist of quarterly income tax payments, creditable withholding taxes (CWT) and prior year's excess credits. CWTs are amounts withheld by the Company's customers from income payments subject to expanded withholding taxes (EWT).

Prepayments are credited against income tax liability at the end of the taxable year. Any excess of prepayments, if any, are either refunded, carried over to the next taxable year, or converted to tax credit certificates. Excess credits carried over from the immediately preceding to the current taxable year are classified separately as "prior year's excess credits."

Advances to suppliers refer to amounts paid for web app design and development.

Input taxes are the 12% VAT on the purchase of goods or services in the course of its trade or business. At the end of the year, input tax can be applied against output tax.

10. Property & Equipment

The roll-forward analyses of this account are as follows:

	Condominium		Condominium improvements		Office furniture & equipment		Total	
Cost:								
As at December 31, 2023	₱	17,509,736	₱	522,792	₱	12,329,826	₱	30,362,354
Additions		–		–		33,741		33,741
As at December 31, 2024	₱	17,509,736	₱	522,792	₱	12,363,567	₱	30,396,095
Additions		–		–		45,535		45,535
As at December 31, 2025	₱	17,509,736	₱	522,792	₱	12,409,102	₱	30,441,630
Accumulated depreciation:								
As at December 31, 2023	₱	1,628,813	₱	522,792	₱	12,211,851	₱	14,363,456
Depreciation		407,203		–		37,636		444,839
As at December 31, 2024	₱	2,036,016	₱	522,792	₱	12,249,487	₱	14,808,295
Depreciation		407,203		–		45,496		452,699
As at December 31, 2025	₱	2,443,219	₱	522,792	₱	12,294,983	₱	15,260,994
Carrying amount:								
As at December 31, 2024	₱	15,473,720	₱	–	₱	114,080	₱	15,587,800
As at December 31, 2025	₱	15,066,517	₱	–	₱	114,119	₱	15,180,636

As at December 31, 2025 and 2024, there were no indication of any impairment loss on the carrying amount of property & equipment since its recoverable amounts approximates its carrying amount.

There were no temporarily idle property & equipment and all fully-depreciated assets are still actively in use. The Company did not enter into any contractual commitments of acquiring any property & equipment.

Depreciation expense amounted to ₱452,699 in 2025 and ₱444,839 in 2024 were charged to general & administrative costs (see Note 19).

Condominium with a carrying amount of ₱15,066,517 in 2025 and ₱15,473,720 in 2024 were pledged as collateral to secure the Company's loans & borrowings (see Note 14).

11. Intangible Assets

The roll-forward analyses of this account are as follows:

	Trading right	Computer software	Total
Cost:			
As at December 31, 2023	₱ 8,500,000	₱ 4,308,983	₱ 12,808,983
Additions	–	–	–
As at December 31, 2024	₱ 8,500,000	₱ 4,308,983	₱ 12,808,983
Additions	–	–	–
As at December 31, 2025	₱ 8,500,000	₱ 4,308,983	₱ 12,808,983
Accumulated amortization & impairment:			
As at December 31, 2023	₱ 1,300,000	₱ 2,633,638	₱ 3,933,638
Amortization	–	548,924	548,924
As at December 31, 2024	₱ 1,300,000	₱ 3,182,562	₱ 4,482,562
Amortization	–	548,924	548,924
Impairment	270,000	–	270,000
As at December 31, 2025	₱ 1,570,000	₱ 3,731,486	₱ 5,301,486
Carrying amount:			
As at December 31, 2024	₱ 7,200,000	₱ 1,126,421	₱ 8,326,421
As at December 31, 2025	₱ 6,930,000	₱ 577,497	₱ 7,507,497

Stock Exchange Trading Rights

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

The recoverable amount of trading right amounted to ₱6,930,000 and ₱7,200,000 as at December 31, 2025 and 2024. The recoverable amounts were based on the recent sales approved by the PSE Board of Directors on November 16, 2022.

As at December 31, 2025 and 2024, the impairment loss amounted to ₱270,000 and nil, respectively. This was charged to general & administrative costs (see Note 19).

Amortization expense amounted to ₱548,924 in 2025 and ₱548,924 in 2024 were charged to general & administrative costs (see Note 19).

None of the intangible assets were pledged as collateral to secure the Company's liabilities.

12. Other Non-current Assets

Other non-current assets represent:

	2025		2024	
CTGF refundable contributions	₱	15,588,557	₱	14,569,342
Investment in Securities with No Ready Market		706,500		–
Balance at the end of year	₱	16,295,057	₱	14,569,342

The Company, as a clearing member, is required to pay monthly contributions to the Clearing and Trade Guaranteed Fund (CTGF) maintained by the SCCP for an amount of 1/500 of 1% applied to the Clearing Member's total monthly turnover value less block sales and cross transactions of the same flag. On March 13, 2018, the SEC resolved to approve SCCP's proposed amendments to SCCP Rule 5.2, making the Clearing Members' contribution to the CTGF refundable upon cessation of their business and/or termination of their membership with SCCP, provided that all liabilities owing to SCCP at the time of termination, whether actual or contingent, shall have been satisfied or paid in full. The share of the Company in the seed money contributed by the Philippines Stock Exchange amounted to ₱493,084.

Investment in securities with no ready market represents equity securities previously classified as Financial Assets at Fair Value Through Profit or Loss (FVTPL) but have been suspended for trading for over one year. In compliance with CMIC's RBCA requirements, these suspended shares have been reclassified to Other Non-Current Assets to reflect their actual liquidity and marketability.

13. Trade & Other Payables

This account consists of:

	2025		2024	
Trade payables	₱	119,906,311	₱	119,157,375
Payable to clearing house		–		378,703
Other payables		507,516		893,709
Total	₱	120,413,827	₱	120,429,787

Trade Payables

The details of this account are shown below:

	2025		2024	
Payable to customers	₱	119,906,311	₱	119,533,368
Dividends payable – customers		–		2,710
Total	₱	119,906,311	₱	119,157,375

The Company's payable to customers and their security valuation follows:

	2025		2024	
	Money Balance	Security Long Valuation	Money Balance	Security Long Valuation
With money balances	₱ 119,906,311	₱ 724,639,124	₱ 119,154,665	₱ 659,038,998
Without money balances	–	364,289,829	–	369,155,837
Total	₱ 119,906,311	₱ 1,088,928,953	₱ 119,154,665	₱ 1,028,194,835

Payable to customers are claims for the purchase of securities and other trade-related transactions. These are non-interest bearing and have no specific credit terms.

Dividends payable represents the amount of cash dividend declared by separate public entities payable to the customers of the Company.

Payable to clearing house represents settlement obligations due to the clearing house for securities transactions executed on behalf of customers.

Other Payables

The details of this account are shown below:

	2025		2024	
Accrued expenses	₱	428,133	₱	736,550
Payable to non-customers		65,782		74,975
Accounts payable		13,600		82,184
Total	₱	507,515	₱	893,709

Accrued expenses consist of accruals of SCCP and PCD fees still unpaid as of the end of the reporting period.

Payable to non-customers pertains to payables to third parties to be paid within 12 months.

Accounts payable are unsecured, non-interest bearing obligations to suppliers for purchase of goods and services, expected to be settled within 12 months.

14. Interest-bearing Loans & Borrowings

The composition of the Company's outstanding loans as at December 31, 2025 and 2024 is shown below:

	Principal	Interest Rate	Maturity	2025		2024	
Loans payable of ₱18.6-million, monthly payments of ₱156,653, secured	₱18.6-million	fixed at 6%	120 months	₱	2,260,781	₱	3,949,994
Total				₱	2,260,781	₱	3,949,994

Loan from BDO Unibank, Inc.

The Company obtained a long term loan from a BDO Unibank, Inc. to finance the Company's acquisition of a Condominium Unit in the new PSE at Bonifacio Global City, Taguig, all of which are secured by a real estate mortgage covering the Company's condominium with carrying amounts of ₱15,066,517 and ₱15,473,720 as at December 31, 2025 and 2024, respectively (see Note 10).

The interest-bearing loans & borrowings are classified in the statements of financial position as follows:

	2025		2024	
Current portion	₱	1,793,399	₱	1,689,213
Non-current portion		467,382		2,260,781
Total	₱	2,260,781	₱	3,949,994

Total borrowing costs attributable to these loans amounted to ₱190,984 and ₱275,401 in 2025 and 2024, respectively, and were charged as interest expense in the statements of comprehensive income (see Note 21).

15. Other Current Liabilities

Other current liabilities consist of:

	2025		2024	
Central depository fees payable	₱	796,004	₱	52,132
Output taxes		347,201		795,052
Statutory contributions payable		43,831		36,692
Withholding taxes payable		33,714		59,860
Stock transaction tax payable		8,069		15,032
Total	₱	1,228,819	₱	958,768

Central depository fees payable pertain to transaction costs and clearing fees on the purchase and sale of stocks that are payable to the regulatory bodies.

Output taxes are the 12% VAT derived from rendering of services which are reduced by input taxes, the excess of which will be payable to the taxation authorities as net VAT payable. Otherwise, the excess of input taxes over output taxes are carried-forward to be refunded or applied to future amounts of output taxes.

Statutory contributions payable pertains to the employees and employer's share of SSS, HDMF & PHIC for December to be paid on the following month.

Withholding taxes payable refers to expanded and compensation withholding taxes for December and are likewise to be paid on the following month.

Stock transaction tax payable arise from sales of stock transactions to be paid on the following month.

16. Equity

Share capital consists of:

	No. of Shares		Amount	
	2025	2024	2025	2024
Authorized – ₱100.00 par value	2,000,000	2,000,000	₱ 200,000,000	₱ 200,000,000
Subscribed, issued, paid-up & outstanding:				
Balance at beginning of year	1,500,000	1,500,000	₱ 150,000,000	₱ 150,000,000
Balance at end of year	1,500,000	1,500,000	₱ 150,000,000	₱ 150,000,000
Ordinary share capital	1,500,000	1,500,000	₱ 150,000,000	₱ 150,000,000
Share premium			₱ 9,000,000	₱ 9,000,000

As at December 31, 2025 and 2024, the Company has two (2) shareholders, each owning 100 or more shares of the Company's shares of stock.

Appropriation for Reserve Fund

Based on SEC Memorandum Circular No. 16 dated November 11, 2004, starting December 1, 2005, every broker dealer is expected to comply with all the requirements of the Risk-Based Capital Adequacy (RBCA) rules.

As of December 31, 2005, The RBCA report is prepared based on the guidelines which cover the following risks: (a) position or market risk, (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks, and (c) operational risk. Rule 49.1 (B), Reserve Fund of the Memorandum Circular, requires that every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to appropriated retained earnings. Appropriation shall be 30%, 20% and 10% of profit after tax for broker dealers with unimpaired paid up capital of ₱10-million to ₱30-million, ₱30-million to ₱50-million, and above ₱50 million, respectively.

The Company did not make appropriations in 2025 and 2024 since the Company incurred net loss during the year. Total appropriation reserves amounted to ₱8,042,918 for both years ended December 31, 2025 and 2024.

17. Revenues

Revenues are principally derived from brokerage and dealer services, to wit:

	2025	2024
Brokerage and dealers services	₱ 9,014,235	₱ 5,839,443
Total	₱ 9,014,235	₱ 5,839,443

Other Operating Income

This account comprises of:

	Note/s	2025	2024
Realized trading gains	7	₱ 7,885,137	₱ 13,683,619
Unrealized trading gains	7	2,025,633	44,838,933
Dividend income	7	1,865,373	1,643,683
Interest income from margin accounts	8	215,189	218,076
Total		₱ 11,991,332	₱ 60,384,311

Finance Income

Finance income consists of interest earned from local bank deposits which are subject to 20% final tax (see Note 22), to wit:

	Note/s	2025	2024
Interest income from banks	6	₱ 722,773	₱ 903,830
Total		₱ 722,773	₱ 903,830

18. Cost of Services

The details of cost of services are shown below:

	Note/s	2025	2024
Stock exchange dues & fees		₱ 10,977,142	₱ 11,750,219
Salaries & employee benefits	20	5,314,806	5,371,456
Central depository expenses		20	132,889
Commission expenses		156,402	2,540
Total		₱ 16,448,370	₱ 17,257,104

19. General & Administrative Costs

The following shows the breakdown of general & administrative costs:

	Note/s	2025	2024
Subscriptions & periodicals	25	₱ 3,998,281	₱ 3,555,127
Salaries & employee benefits	20	2,940,796	2,772,580
Provision for ECL	8	1,644,147	7,472,519
Postage, telephone & communication		1,096,735	1,139,196
Condominium dues & fees		690,530	443,804
Taxes & licenses	31	398,676	600,277
Power, light & water		256,459	147,967
Professional fees		122,000	264,000
Insurance		99,282	98,306
Repairs & maintenance		88,263	313,201
Entertainment, amusement & recreation		60,000	60,000
Office supplies		14,873	75,208
Gas & oil		8,038	11,547
Trainings & seminars		6,250	6,250
<i>(forward)</i>			

Transportation & travel		6,027	15,484
Fines & penalties	22	5,036	136,724
Impairment loss	11	270,000	–
Depreciation	10	452,699	444,839
Amortization	11	548,924	548,924
Miscellaneous		109,151	384,673
Total		₱ 12,816,167	₱ 18,490,626

20. Employee Benefits

Expenses recognized for salaries & employee benefits are presented below:

		2025	2024
Short-term employee benefits	₱	7,866,806	₱ 7,625,033
Post-employment benefits		388,796	519,003
Total	₱	8,255,602	₱ 8,144,036

The amount of salaries & employee benefits is allocated as follows:

	Note/s	2025	2024
Cost of services	18	₱ 5,314,806	₱ 5,371,456
General & administrative costs	19	2,940,796	2,772,580
Total		₱ 8,255,602	₱ 8,144,036

Short-term Employee Benefits

The amounts of short-term employee benefits is broken down as follows:

		2025	2024
Salaries & wages	₱	6,620,294	₱ 6,429,587
Statutory contributions		595,353	561,533
13th month and other benefits		651,159	633,913
Total	₱	7,866,806	₱ 7,625,033

Post-employment Defined Benefits

The Company has not established a formal retirement plan. However, it is required to pay qualified employees retirement benefits under Republic Act No. 7641. The benefits considered in the valuation is the minimum retirement benefit provided under Republic Act No. 7641. Based on DOLE Circular relative to R.A. 7641 issued on January 7, 1993, given the Company's formula for converting monthly salary to daily salary, the minimum benefit is approximately eighty-five percent (85%) of final monthly salary per year of service.

Actuarial valuations are made every year to update the retirement benefit costs. All amounts presented below are based on the actuarial valuation report obtained from an independent actuary in February 18, 2025.

Explanation of Amounts Presented in the Statements of Financial Position

The movements in the retirement benefit obligation account as presented in the statements of financial position follows:

		2025	2024
Balance at beginning of year	₱	3,023,220	₱ 3,166,830
Current service costs		204,380	393,597
Interest cost		184,416	125,406
<i>(forward)</i>			

Actuarial loss (gain) arising from:			
financial assumptions	—		(1,005,129)
demographic assumption	—		(219,512)
experience adjustments	—		562,028
Balance at end of year		₱ 3,412,016	₱ 3,023,220

Explanation of Amounts Presented in the Statements of Comprehensive Income

The components of amounts recognized in profit or loss and other comprehensive income in respect of the retirement benefit obligation follows:

	Profit or Loss		Other Comprehensive Income	
	2025	2024	2025	2024
Current service costs	₱ 204,380	₱ 393,597	₱ —	₱ —
Interest cost	184,416	125,406	—	—
Actuarial loss (gain) arising from:				
financial assumptions	—	—	—	(753,847)
demographic assumptions	—	—	—	(164,634)
experience adjustments	—	—	—	421,521
Total	₱ 388,796	₱ 519,003	₱ —	₱ (496,960)

Explanation of Amounts Presented in the Statements of Changes in Equity

The reconciliation of the cumulative actuarial gains (losses) recognized under other comprehensive income in the statements of changes in equity are as follows:

	Re-measurement losses on defined benefit liability	Related deferred taxes	Net reserves
Balance as at December 31, 2024	₱ (4,921)	₱ 1,230	₱ (3,691)
Actuarial gain (loss) arising from:			
financial assumptions	—	—	—
demographic assumption	—	—	—
experience adjustments	—	—	—
Balance as at December 31, 2025	₱ (4,921)	₱ 1,230	₱ (3,691)
Balance as at December 31, 2023	₱ (667,534)	₱ 166,883	₱ (500,651)
Actuarial gain (loss) arising from:			
financial assumptions	1,005,129	(251,282)	753,847
demographic assumption	219,512	(54,878)	164,634
experience adjustments	(562,028)	140,507	(421,521)
Balance as at December 31, 2024	₱ (4,921)	₱ 1,230	₱ (3,691)

Principal Actuarial Assumptions

Principal actuarial assumptions at the reporting date:

	2025	2024
Discount rate	6.10%	5.03 %
Future salary increases	4.00%	4.50 %

Discount rates are derived from interest rates of a zero-coupon government bonds, as published by the Philippine Dealing and Exchange Corporation that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of related post-employment liability. Assumptions regarding future mortality and disability have been based on published statistics and mortality rates of the 1994 Group Annuity Table and disability rates of the 1952 Disability Table.

Sensitivity Analysis and Discussion on Associated Risks

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the post-employment defined benefit obligation as of December 31, 2025 and 2024:

	2025	2024
Discount Rate:		
Increase in assumption by 1%	(242,253)	(157,462)
Decrease in assumption by 1%	174,013	198,590
Salary Rate:		
Increase in assumption by 1%	170,601	204,698
Decrease in assumption by 1%	(102,360)	(172,720)
Employee turnover:		
Improvement by 10%	341,202	34,989
Increase by 10%	(341,202)	(34,989)

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants and to their future salaries, and uses a discount rate determined by reference to market yields of government bonds. Generally, a decrease in interest rate of a reference government bond will increase the retirement liability. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

The sensitivity is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Benefit Payments Projection

The Company is not required to pre-fund the future defined benefits payable before they become due. However, in the event a benefit claim arises, the Company will be liable to pay its employees. The maturity profile of undiscounted expected benefit payments follow:

	2025	2024
Within one year	₱ 1,118,887	₱ 1,099,209
More than one year to five years	385,881	1,504,768
More than five years to ten years	12,629,294	12,629,294
Total	₱ 14,134,062	₱ 15,233,271

The weighted average duration of the defined benefit obligation at the end of the reporting date is 19 years for both 2025 and 2024.

21. Finance Costs and Other Income

Interest expense arising from loans are charged against income in the year when it is incurred. The breakdown of this account is as follows:

	Note/s	2025	2024
Interest expense on loan	14	₱ 190,984	₱ 275,401
Total		₱ 190,984	₱ 275,401

Other Income (loss)

This account comprises of:

	Note/s	2025	2024
Realized foreign exchange gains	6	₱ —	₱ 346
Other income		—	2,117,073
Other loss		—	(173,348)
Total		₱ —	₱ 1,944,071

22. Income Tax

The computation of tax expense as reported in the statements of comprehensive income:

	2025	2024
<i>Reported in profit or loss</i>		
Current tax expense:		
Final tax at 20%	₱ 144,555	₱ 180,766
MCIT	13,324	92,029
Total current tax expense	₱ 157,879	₱ 272,795
Deferred tax expense:		
Origination and reversal of temporary differences	₱ 120,528	₱ 7,775,950
Total deferred tax expense	₱ 120,528	₱ 7,775,950
Income tax expense	₱ 278,407	₱ 8,048,745
<i>Reported in other comprehensive income</i>		
Deferred tax benefit:		
Origination and reversal of temporary differences	₱ —	₱ 165,653
Income tax expense	₱ —	₱ 165,653

The computation of tax benefit from NOLCO is as follows:

	Note/s	2025	2024
Profit (Loss) before tax (tax benefit)		₱ (7,727,181)	₱ 33,048,524
Add (Less): Adjustments			
Permanent differences:			
Interest income	17	(722,773)	(903,830)
Non-deductible interest expense		144,555	180,766
Non-taxable dividend income	7, 17	(1,865,373)	(1,643,683)
Non-deductible entertainment, amusement and recreation		—	1,606
Non-deductible miscellaneous expense		14,173	207,915
Fines & penalties	19	5,036	136,724
Deficiency taxes	25, 31	62,508	271,061
Non-deductible losses	21	—	173,348
Temporary differences:			
Retirement benefits expense	20	388,796	519,003
Provision for of ECL	8, 19	1,644,147	7,472,519
Allowance for impairment	11, 19	270,000	—
Unrealized trading losses (gain)	7, 17	(2,025,633)	(44,838,933)
NOLCO		₱ (9,811,745)	₱ (5,374,980)
Statutory income tax rate		25%	25%
Tax benefit from NOLCO		₱ (2,452,936)	₱ (1,343,745)

The Company is also subject to MCIT, which is computed at 2% of gross income, as under the tax regulations.

The computation of MCIT is as follows:

	2025		2024	
Gross loss	₱	(7,434,135)	₱	(11,417,661)
Add: Adjustments				
Realized trading gains		7,16	7,885,137	13,683,619
Interest income from margin accounts		8,16	215,189	218,076
Realized foreign exchange gains		20	—	346
Other Income		20	—	2,117,073
Gross profit subject to MCIT	₱	666,191	₱	4,601,453
MCIT rate		2%		2%
MCIT	₱	13,324	₱	92,029

The excess of MCIT over RCIT is creditable to future tax payments and are reported as deferred tax assets. However, excess MCIT can be applied only when RCIT exceeds MCIT within the next three years. MCIT was reported in 2025 and 2024, as MCIT was higher than RCIT.

In 2025 and 2024, the Company opted to continue claiming itemized deductions instead of optional standard deductions (OSD), which is equivalent to 40% of gross income.

The schedule of deferred tax assets and liabilities is as follows:

	Statements of Financial Position		Statements of Comprehensive Income			
			Profit or Loss		Other Comprehensive Income	
	2025	2024	2025	2024	2025	2024
Deferred tax assets:						
NOLCO	₱ 6,139,055	₱ 6,317,122	₱ (178,067)	₱ 1,343,745	₱ —	₱ —
Excess MCIT	138,928	150,717	(11,789)	92,029	—	—
Unrealized market loss	142,162	648,570	(506,408)	(11,209,733)	—	—
Retirement benefit obligation	853,004	755,805	97,199	129,750	—	(165,653)
Allowance for ECL	7,027,425	6,616,388	411,037	1,868,130	—	—
Allowance for impairment	392,500	325,000	67,500	—	—	—
Total	₱ 14,693,074	₱ 14,813,602	₱ (120,528)	₱ (7,776,079)	₱ —	₱ (165,653)
Deferred tax liabilities:						
Unrealized forex gains	₱ —	₱ —	₱ —	₱ 129	₱ —	₱ —
Deferred tax expense			₱ —	₱ (7,775,950)	₱ —	₱ (165,653)

The amount of NOLCO and the applicable years these are valid and deductible from the taxable income are shown below:

Taxable Years	Valid Until	Original Amount	Used/Expired		Balance	Tax Effect
			2025	2024		
2025	2028	₱ 9,811,745	—	—	₱ 9,811,745	₱ 2,452,936
2024	2027	5,374,980	—	—	5,374,980	1,343,745
2023	2026	9,369,497	—	—	9,369,497	2,342,374
2022	2025	10,524,012	(10,524,012)	—	—	—
Total		₱ 35,080,234	₱ (10,524,012)	₱ —	₱ 24,556,222	₱ 6,139,055

*Pursuant to Section 4 (bbbb) of Bayanihan II and as implemented under RR No. 25-2020, the net operating loss of the Company incurred for the taxable years 2020 and 2021 can be carried over as a deduction from gross income for the next five (5) consecutive taxable years following the year of such loss. Ordinarily, NOLCO can be carried over as deduction from gross income for the next three (3) consecutive years only.

The amounts of MCIT and the applicable years these are valid and deductible from the taxable income are shown below:

Taxable Years	Valid Until	Original Amount	Used/Expired		Balance
			2025	2024	
2025	2028	₱ 13,324	₱ –	₱ –	₱ 13,324
2024	2027	92,029	–	–	92,029
2023	2026	33,575	–	–	33,575
2022	2025	25,113	(25,113)	–	–
Total		₱ 164,041	₱ (25,113)	₱ –	₱ 138,928

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

	2025	2024
Income tax (tax benefit) computed at statutory tax rate of 25%	₱ (1,931,795)	₱ 8,262,131
Additions (Reductions) resulting from:		
Income subject to lower tax rates:		
at 20% final tax	(36,139)	(45,192)
Non-deductible expenses:		
Interest expense	36,139	45,192
Entertainment, amusement & recreation	–	40,402
Fines & penalties	1,259	34,181
Deficiency taxes	15,627	67,765
Miscellaneous expense	3,543	51,979
Other losses	–	43,337
Non-taxable income:		
Dividend income	(466,343)	(410,921)
Expired MCIT	25,113	–
Expired DTA from NOLCO	2,631,003	–
Adjustments on DTL	–	(129)
Income tax expense	₱ 278,407	₱ 8,048,745

23. Basic Earnings (Loss) Per Share

Basic earnings (loss) per share is computed as follows:

	2025	2024
Profit (Loss) attributable to ordinary shares	₱ (8,005,588)	₱ 24,999,779
Divide by: Weighted average number of ordinary shares outstanding	1,500,000	1,500,000
Basic earnings (loss) per share	₱ (5.34)	₱ 16.67

There are no potential dilutive ordinary shares outstanding as at December 31, 2025 and 2024.

24. Related Party Transactions

The Company, in the normal course of business, has entered transactions with its directors, officers, stockholders, and related interest, principally consisting of:

Related Party	Nature	Terms & Conditions	Note/s	2025		2024	
				Amount of Transaction	Outstanding Receivable (Payable)	Amount of Transaction	Outstanding Receivable (Payable)
Directors, officers & related interest	Buying transactions	N/A	₱	7,084,484	₱ 124,881,270	₱ 78,432,248	₱ 117,796,786

	Selling transactions	N/A	(6,516,586)	(38,299,128)	(3,290,612)	(31,782,542)
Shareholders	Advances from shareholders	Unsecured, non-interest bearing, payable in cash on demand.	-	(77,554)	-	(77,554)
Officers & employees	Advances to officers & employees	Unsecured, non-interest bearing, subject for liquidation within 12 months.	-	15,683,143	-	15,683,143
Key management personnel	Compensation – Short-term employee benefits	N/A	2,080,000	-	2,080,000	-

Buying and Selling Transactions

Buying and selling transactions of the Directors, Officers, Stockholders and Related Interest are made in the same manner as with regular customers.

Key Management Personnel Compensation

The compensation of key management personnel, in the form of short-term employee benefits, is broken down as follows:

	2025	2024
Salaries & wages	₱ 1,900,000	₱ 1,900,000
Other short-term benefits	180,000	180,000
Total	₱ 2,080,000	₱ 2,080,000

The Company does not provide post-employment benefit plans and equity-based compensation benefits to any of its directors and executive officers.

Usufruct of Affiliate’s Property

The Company and family of its officer, agreed to use the latter unit as office space of the Company for its business purpose. The Company is authorize to use and enjoy the property with no rentals to be paid to the owner.

25. Commitments

Contract with Redsuns Technologies, Inc.

The Company entered into a Service Agreement with Redsuns Technologies, Inc. on January 20, 2015 to subscribe, use and access the latter’s service to provide trading terminals to the former’s licensed salesmen and online stock market trading to the clients. The agreement is valid for one (1) year and shall be automatically be renewed every year thereafter unless terminated. The Company paid for the license fee (Redsuns Equities Dealing System and iTransfer) and monthly service and User Apps fee.

Subscription fee incurred amounted to ₱3,998,281 in 2025 and ₱3,555,127 in 2024 and recorded as part of general & administrative costs (see Note 19).

Deficiency Taxes

Payments for deficiency taxes to the BIR for all internal revenue taxes of the taxable 2021 and 2020, to wit:

2025	Coverage	Period	Basic Tax	Interest	Surcharge	Compromise	Total
ELA202200016182	All internal revenue taxes	Taxable year 2021	₱ 62,508	₱ 23,099	₱ -	₱ -	₱ 85,606
Total			₱ 62,508	₱ 23,099	₱ -	₱ -	₱ 85,606
2024	Coverage	Period	Basic Tax	Interest	Surcharge	Compromise	Total
ELA202000011240	All internal revenue taxes	Taxable year 2020	₱ 165,985	₱ 64,335	₱ 38,076	₱ 67,000	₱ 335,396
Total			₱ 165,985	₱ 64,335	₱ 38,076	₱ 67,000	₱ 335,396

Interest on deficiency taxes amounting to ₱23,099 and ₱64,335 in 2025 and 2024 was charged to miscellaneous under general & administrative costs (See Note 19).

26. Fair Value Measurements

Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the statements of financial position are as follows:

	Note/s	2025		2024	
		Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets					
<u>At fair value:</u>					
Financial assets at FVPL	7	₱ 11,890,680	₱ 11,890,680	₱ 13,831,350	₱ 13,831,350
Investment in securities with no ready market	12	706,500	706,500	–	–
<u>At amortized cost:</u>					
Cash & cash equivalents	6	71,225,601	71,225,601	91,345,839	91,345,839
Trade & other receivables	8	146,017,011	146,017,011	134,034,112	134,034,112
CTGF refundable contributions	12	15,588,557	15,588,557	14,569,342	14,569,342
Total		₱ 245,428,349	₱ 245,428,349	₱ 253,780,643	₱ 253,780,643
Financial liabilities					
<u>At amortized cost:</u>					
Loans & borrowings	14	₱ 2,260,781	₱ 2,260,781	₱ 3,949,994	₱ 3,949,994
Trade & other payables	13	120,413,827	120,413,827	120,429,787	120,429,787
Advances from shareholders	24	77,554	77,554	77,554	77,554
Total		₱ 122,752,162	₱ 122,752,162	₱ 124,457,335	₱ 124,457,335

Fair Value Hierarchy

In accordance with PFRS 13, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those financial assets and financial liabilities not measured at fair value but for which fair value is disclosed with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure fair value.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in 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: inputs for asset or liability that are not based on observable market data (unobservable inputs)

The following table summarizes the fair value hierarchy of the Company's assets and liabilities, which are measured at fair value or requires disclosure as prescribed by other PFRS Accounting Standards, as at December 31, 2025 and 2024:

	Note/s	2025			Total
		Level 1	Level 2	Level 3	
Financial assets					
<u>At fair value:</u>					
Financial assets at FVPL	7	₱ 11,890,680	–	–	₱ 11,890,680
Investment in securities with no ready market	12	–	–	706,500	706,500
<u>At amortized cost:</u>					
Cash & cash equivalents	6	71,225,601	–	–	71,225,601
Trade & other receivable	8	–	–	146,017,011	146,017,011
CTGF refundable contributions	12	–	–	15,588,557	15,588,557
Total		₱ 83,116,281	–	₱ 162,312,068	₱ 245,428,349
Financial liabilities					
<u>At amortized cost:</u>					
Loans & borrowings	14	–	–	2,260,781	2,260,781
Trade & other payables	13	–	–	120,413,827	120,413,827
Advances from shareholders	24	–	–	77,554	77,554
Total		–	–	₱ 122,752,162	₱ 122,752,162

		2024				
	Note/s	Level 1	Level 2	Level 3	Total	
Financial assets						
<u>At fair value:</u>						
	7	₱ 13,831,350	₱ –	₱ –	₱ 13,831,350	
<u>At amortized cost:</u>						
	6	91,345,839	–	–	91,345,839	
	8	–	–	134,034,112	134,034,112	
	12	–	–	14,569,342	14,569,342	
Total		₱ 105,177,189	₱ –	₱ 148,603,454	₱ 253,780,643	
Financial liabilities						
<u>At amortized cost:</u>						
	14	₱ –	₱ –	₱ 3,949,994	₱ 3,949,994	
	13	–	–	120,429,787	120,429,787	
	24	–	–	77,554	77,554	
Total		₱ –	₱ –	₱ 124,457,335	₱ 124,457,335	

As at December 31, 2025 and 2024, there are no financial liabilities measured at fair value. There were no transfers between levels in December 31, 2025 and 2024.

Financial Instruments Not Measured at Fair Value for Which Fair Value is Disclosed

For financial assets with fair values included in Level 1, management considers that the carrying amounts of these financial instruments approximate their fair values due to their short-term duration.

The fair values of financial assets and financial liabilities included in Level 3, which are not traded in an active market, are determined based on the expected cash flows of the underlying net asset or liability base of the instrument where the significant inputs required to determine fair value of such instruments are not based on observable market data.

27. Financial Risk Management Policies and Objectives

Introduction

The Company's principal financial instruments comprise of cash, receivables and payables. The main purpose of these financial instruments is to raise finances for the Company's operations. The risks arising from the use of financial instruments are managed through a process of on-going identification, measurement, and monitoring. This process of risk management is critical to the Company's continuing profitability.

The BOD is ultimately responsible for overall risk management approach, monitoring risk exposures, and approving risk mitigation strategies and policies. The main risks arising from the Company's financial instruments are foreign currency risk, credit risk, liquidity risk, and market price risk.

Foreign Currency Risk

Foreign currency exchange risk is the risk of incurring losses resulting from an adverse change in foreign currency exchange rates.

The Company is exposed to foreign exchange risk arising from currency exposures primarily with respect to the U.S. dollar (US\$). Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. Significant fluctuation in the exchange rates could significantly affect the Company's financial position.

The policy of the Company is to maintain foreign currency exposure within acceptable limits and existing regulatory guidelines. The Company believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits for a financial institution engaged in the type of business in which the Company is engaged.

The Company's exposure to foreign currency exchange risk arises from its US\$-denominated cash in banks amounting to nil and US\$103 as at December 31, 2025 and 2024, respectively.

Since the amount of US\$-denominated cash in banks subject to foreign currency risk is immaterial relative to the financial statements, management believes that disclosure of foreign currency risk analysis for 2025 and 2024 is not significant.

Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counter parties failed to discharge their contractual obligations. The Company trades only with recognized and creditworthy third parties. It is the Company's policy that customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis and appropriate credit treatments are executed for overdue accounts. Likewise, other receivable balances are also being monitored and subjected to appropriate actions to manage credit risk.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the statements of financial position (or in the detailed analysis provided in the notes to the financial statements).

Credit Risk Exposure

The table below shows the gross maximum exposure to credit risk of the Company as at December 31, 2025 and 2024, without considering the effects of collaterals and other credit risk mitigation techniques:

	Note/s	2025	2024
Cash in banks & cash equivalents	6	₱ 71,205,601	₱ 91,325,839
Financial assets at FVPL	7	11,890,680	13,831,350
Trade & other receivables	8	174,126,709	160,499,663
Investment in securities with no ready market	12	706,500	—
CTGF refundable contributions	12	15,588,557	14,569,342
Total		₱ 273,518,047	₱ 280,226,194

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

Risk Concentration of the Maximum Exposure to Credit Risk

Concentrations arise when several counterparties are engaged in similar business activities in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. Such credit risk concentrations, if not properly managed, may cause significant losses that could threaten the Company's financial strength and undermine public confidence.

In order to avoid excessive concentrations of risk, identified concentrations of credit risks are controlled and managed accordingly. As of December 31, 2025 and 2024, there were no significant credit risk concentrations, given the Company's diverse customer base.

Credit Quality per Class of Financial Assets

The tables below show a comparison of the credit quality of the Company's financial assets as at December 31:

2025	Neither Past Due nor Impaired				Total
	High Grade	Standard Grade	Substandard Grade	Past Due and Impaired	
Cash in banks & cash equivalents	₱ 71,205,601	₱ —	₱ —	₱ —	₱ 71,205,601
Financial assets at FVPL	11,890,680	—	—	—	11,890,680
Trade & other receivables	5,401,502	—	—	168,725,207	174,126,709
Investment in securities with no ready market	—	—	—	706,500	706,500
CTGF refundable contributions	15,588,557	—	—	—	15,588,557
Total	₱ 104,086,340	₱ —	₱ —	₱ 169,431,707	₱ 273,518,047

2024	Neither Past Due nor Impaired				Total
	High Grade	Standard Grade	Substandard Grade	Past Due and Impaired	
Cash in banks & cash equivalents	₱ 91,325,839	₱ —	₱ —	₱ —	₱ 91,325,839
Financial assets at FVPL	13,831,350	—	—	—	13,831,350
Trade & other receivables	5,265,821	—	—	155,233,842	160,499,663
CTGF refundable contributions	14,569,342	—	—	—	14,569,342
Total	₱ 124,992,352	₱ —	₱ —	₱ 155,233,842	₱ 280,226,194

High grade cash are operating cash fund deposited in local banks belonging to the top ten (10) banks in the Philippines in terms of resources and profitability. The Company's basis in grading its loans & receivables follows:

<u>High Grade</u>	These accounts have a high probability of collection and the counterparty has consistently exhibited good paying habits. The securities on these receivables are readily enforceable.
<u>Standard Grade</u>	These accounts are active accounts with minimal to regular instances of payment default due to common collection issues. Typically, these accounts are not impaired as the counterparties generally respond to credit actions and update their payment accordingly.
<u>Substandard Grade</u>	These accounts are accounts which have probability of impairment based on historical trend, and show propensity to default in payment despite regular follow-up actions and extend payment terms.

An impairment analysis is performed at each reporting date on an individual basis for major customers, in addition, a large number of minor receivable are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. As of December 31, 2025 and 2024, the total of impaired trade & other receivables amounted to ₱28,109,698 and ₱26,465,551, respectively.

Aging Analysis

An aging analysis of the Company's financial assets as of December 31, 2025 and 2024 are as follows:

2025	Neither Past Due nor Impaired	Past Due but not Impaired				Impaired	Total
		Less than 30 days	30 to 60 days	60 to 90 days	Over 90 days		
Cash in banks & cash equivalents	₱ 71,205,601	₱ -	₱ -	₱ -	₱ -	₱ -	₱ 71,205,601
Financial assets at FVPL	11,890,680	-	-	-	-	-	11,890,680
Trade & other receivables	5,401,502	5,229,471	-	-	135,386,038	28,109,698	174,126,709
Investment in securities with no ready market	-	-	-	-	706,500	-	706,500
CTGF refundable contributions	15,588,557	-	-	-	-	-	15,588,557
Total	₱ 104,086,340	₱ 5,229,471	₱ -	₱ -	₱ 136,092,538	₱ 28,109,698	₱ 273,518,047

2024	Neither Past Due nor Impaired	Past Due but not Impaired				Impaired	Total
		Less than 30 days	30 to 60 days	60 to 90 days	Over 90 days		
Cash in banks & cash equivalents	₱ 91,325,839	₱ -	₱ -	₱ -	₱ -	₱ -	₱ 91,325,839
Financial assets at FVPL	13,831,350	-	-	-	-	-	13,831,350
Trade & other receivables	5,265,821	93,203,649	-	-	35,564,642	26,465,551	160,499,663
CTGF refundable contributions	14,569,342	-	-	-	-	-	14,569,342
Total	₱ 124,992,352	₱ 93,203,649	₱ -	₱ -	₱ 35,564,642	₱ 26,465,551	₱ 280,226,194

An aging analysis of the Company's receivables from customers as of December 31, 2025 and 2024 are as follows:

2025	Aging Period	Balance	Collateral (Net of Haircut)	Counterparty	Allowance for ECL	Net Exposure
				Exposure after Collateral		
	Less than 1 day	₱ 121,072	₱ 5,189,580	₱ (5,068,508)	₱ -	₱ -
	2 to 12 days	4,063,647	7,604,606	(3,540,959)	81,273	3,976,791
	Beyond 12 days	142,339,933	129,152,369	13,187,564	23,250,582	1,247,097
	Total	₱ 146,524,652	₱ 141,946,555	₱ 4,578,097	₱ 23,331,855	₱ 5,223,888

Aging Period	Balance	Collateral (Net of Haircut)	Counterparty Exposure after		Allowance for ECL	Net Exposure
			Collateral			
Less than 1 day	₱ 432,090	₱ 3,581,078	₱ (3,148,987)	₱	₱ –	₱ 76,318
2 to 12 days	93,182,193	175,749,805	(82,567,612)		1,863,644	19,620
Beyond 12 days	46,368,506	42,333,895	4,034,610		19,824,063	10,344
Total	₱ 139,982,789	₱ 221,664,778	₱ (81,681,989)	₱	₱ 21,687,707	₱ 106,282

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.

Liquidity Risk

Liquidity risk is the risk the Company will be unable to meet its payment obligations when they fall under normal and stress circumstances. The Company seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements. The Company maintains a level of cash in banks that is deemed to be sufficient to finance its operations. As part of its liquidity risk management, the Company regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund-raising activities. Fund-raising activities may include bank loans and advances from related parties.

Maturity Profile of Financial Assets and Liabilities

The tables below summarize the maturity profile of the Company's financial assets and liabilities as at December 31, 2025 and 2024 based on the remaining undiscounted contractual cash flows:

	2025				Total
	Within 1 year	1 – 2 years	2 – 3 years	More than 3 years	
Financial assets:					
<i>At fair value:</i>					
Financial assets at FVPL	₱ 11,890,680	₱ –	₱ –	₱ –	₱ 11,890,680
Investment in securities with no ready market	–	–	–	706,500	706,500
<i>At amortized cost:</i>					
Cash & cash equivalents	71,225,601	–	–	–	71,225,601
Trade & other receivables	174,126,709	–	–	–	174,126,709
CTGF refundable contributions	–	–	–	15,588,557	15,588,557
Total	₱ 257,242,990	₱ –	₱ –	₱ 16,295,057	₱ 273,538,047

Financial liabilities:					
<i>At amortized cost:</i>					
Loans & borrowings	₱ 1,880,196	₱ 472,087	₱ –	₱ –	₱ 2,352,283
Trade & other payables	120,413,827	–	–	–	120,413,827
Advances from shareholders	77,554	–	–	–	77,554
Total	₱ 122,371,577	₱ 472,087	₱ –	₱ –	₱ 122,843,664

	2024				Total
	Within 1 year	1 – 2 years	2 – 3 years	More than 3 years	
Financial assets:					
<i>At fair value:</i>					
Financial assets at FVPL	₱ 13,831,350	₱ –	₱ –	₱ –	₱ 13,831,350
<i>At amortized cost:</i>					
Cash & cash equivalents	91,345,839	–	–	–	91,345,839
Trade & other receivables	160,499,663	–	–	–	160,499,663
CTGF refundable contributions	–	–	–	14,569,342	14,569,342
Total	₱ 265,676,852	₱ –	₱ –	₱ 14,569,342	₱ 280,246,194

Financial liabilities:					
<i>At amortized cost:</i>					
Loans & borrowings	₱ 1,880,196	₱ 1,880,196	₱ 472,087	₱ –	₱ 4,232,479
Trade & other payables	120,429,787	–	–	–	120,429,787
Advances from shareholders	77,554	–	–	–	77,554
Total	₱ 122,387,537	₱ 1,880,196	₱ 472,087	₱ –	₱ 124,739,820

Market Price Risk

Market price risk is the risk that movements in the level or volatility of market prices will adversely affect the Company's financial position. The sensitivity analysis is based on the assumption the PSEi have increased/decreased using the interpretations on the five year historical movement of the PSEi with all other variables held constant.

	2025		2024	
	Change in +/- 300 basis points		Change in +/- 300 basis points	
	Effects on net results		Effects on net results	
Equity inside the PSEi	₱ 262,440	₱ (262,440)	₱ -	₱ -
Equity outside the PSEi	5,100	(5,100)	311,205	(311,205)
Total	₱ 267,540	₱ (267,540)	₱ 311,205	₱ (311,205)

28. Capital Management Objectives, Policies, & Procedures

The Company's capital management objectives are:

- To ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.
- To invest the capital in investments that meet the expected return with the commensurate level of risk exposure.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to shareholders or issue new shares.

The Company monitors its financial leverage using the debt-to-equity which is computed as total liabilities divided by total equity as shown in the table below:

	2025	2024
Total Liabilities	₱ 127,406,321	₱ 128,531,352
Total Equity	158,424,413	166,430,001
Debt-to-equity ratio	0.80 : 1	0.77 : 1

There were no changes in the Company's approach to capital management during the year.

Minimum Capital Requirement

The Amended IRR of the SRC effective March 6, 2004 includes, among others, revisions in the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows:

- To allow a net capital of ₱2.5 million or 2.5% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities
- To allow the SEC to set a different net capital requirement for those authorized to use the Risk-Based Capital Adequacy (RBCA) model, and
- To require unimpaired paid-up capital of ₱100.0 million for broker dealers, which are either first time registrants or those acquiring existing broker dealer firms and will participate in a registered clearing agency; ₱10.0 million plus a surety bond for existing broker dealers not engaged in market making transactions; and ₱2.5 million for broker dealers dealing only in proprietary shares and not holding securities.

As at December 31, 2025 and 2024, the Company's unimpaired paid-up capital amounted to ₱150,385,186 and ₱158,390,774, respectively.

RBCA Requirement

On November 11, 2004, the SEC approved Memorandum Circular No. 16 which provides the guidelines on the adoption in the Philippines of the RBCA Framework for all registered brokers dealers in accordance with SRC. The RBCA ratio is computed by dividing Net Liquid Capital (NLC) to its Total Risk Capital Requirement

(TRCR) which compose 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.

The Company being a registered broker in securities is subject to the stringent rules of the SEC and other regulatory agencies with respect to the maintenance of RBCA ratios. RBCA is a ratio that compares the brokers or dealer's total measured risk to its liquid capital. As a rule, the Company must maintain an RBCA ratio of at least one hundred ten percent (110%) and a NLC of at least ₱5.0-million or five percent (5%) of its Aggregate Indebtedness (AI), whichever is higher. Also the AI of every stockbroker should not exceed two thousand percent (2,000%) of its NLC. In the event any of these criteria are breached, the Company shall immediately cease doing business as a broker and shall notify the PSE and SEC.

As at December 31, 2025 and 2024, the Company is compliant with the foregoing requirements.

The *RBCA Ratio* of the Company is as follows:

	2025		2024	
Net Liquid Capital	₱	102,433,471	₱	110,679,949
Divide: Total Risk Capital Requirements				
Operational Risk Requirements ^(a)	₱	5,035,153	₱	11,081,812
Position Risk Requirements ^(b)		3,701,838		4,840,973
Counterparty Risk Requirements ^(c)		941,692		6,741
Large Exposure Risk Requirements ^(d)		—		—
Total Risk Capital Requirements	₱	9,678,683	₱	15,929,526
RBCA Ratio		1058%		695%

Net Liquid Capital

The Company is required, at all times, to have and maintain a Net Liquid Capital (NLC) of P5 million or 5% of its Aggregate Indebtedness (AI), whichever is higher.

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

	2025		2024	
Net liquid capital:				
Equity eligible for NLC	₱	158,424,413	₱	166,430,001
Less: Ineligible assets		(55,990,942)		(55,750,052)
Net liquid capital	₱	102,433,471	₱	110,679,949

Ineligible assets pertain to fixed assets and assets which cannot be readily converted to cash.

Total Risk Capital Requirement

a) *Operational Risk Requirements (ORR)*

Operational risk requirement 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 or failed internal processes, people and system which include, among others, risk or fraud, operational or settlement failure and shortage of liquid resources, or from external events.

2025 ORR	2024		2023		2022		Average
Commission income	₱	5,839,443	₱	7,348,239	₱	16,429,586	₱ 9,872,423
Interest income		1,061,621		1,036,929		360,608	819,719
Net recovery from market decline of marketable securities		—		—		—	—
Dividend income		1,643,683		680,071		1,226,865	1,183,540
Gain on sale of FVPL financial assets		13,683,619		11,734,655		12,517,889	12,645,388

(forward)

Other income	1,943,725	19,819	540	654,695
Total revenue	₱ 24,172,091	₱ 20,819,713	₱ 30,535,488	₱ 25,175,764
Average of the last three years gross income				₱ 25,175,764
Operational risk factor				20%
Total ORR for 2025				₱ 5,035,153

2024 ORR	2023	2022	2021	Average
Commission income	₱ 7,348,239	₱ 16,429,586	₱ 60,777,726	₱ 28,185,184
Interest income	1,036,929	360,608	500,047	632,528
Net recovery from market decline of marketable securities	—	—	—	—
Dividend income	680,071	1,226,865	35,173	647,370
Gain on sale of FVPL financial assets	11,734,655	12,517,889	53,559,027	25,937,190
Other income	19,819	540	—	6,786
Total revenue	₱ 20,819,713	₱ 30,535,488	₱ 114,871,973	₱ 55,409,058
Average of the last three years gross income				₱ 55,409,058
Operational risk factor				20%
Total ORR for 2024				₱ 11,081,812

The Company's Core Equity should, at all times, be greater than its Operational Risk Requirement. Core Equity is 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 excludes treasury shares and un-booked valuation reserves and other capital adjustments and be always greater than its Operational Risk Requirement.

As at December 31, 2025 and 2024, there is no indication of any operational risk exposure since its core equity is greater than its operation risk requirement.

b) *Position/Price Risk Requirements (PRR)*

Position/price risk is the risk that the Company is exposed by having investments held as a principal or in its proprietary or dealer account.

The computation of position risk requirement is as follows:

2025	Total Market Value of Instrument	Position Risk Factors	2025 PRR
Equity in PSEi	₱ 11,664,000	25%	₱ 2,916,000
Other equities outside PSEi	226,680	35%	79,338
Equities not traded in Exchange but proven to be marketable	706,500	100%	706,500
FX position	—	8%	—
Total	₱ 12,597,180		₱ 3,701,838

2024	Total Market Value of Instrument	Position Risk Factors	2024 PRR
Equity in PSEi	₱ —	25%	₱ —
Other equities outside PSEi	13,831,350	35%	4,840,973
FX position	—	8%	—
Total	₱ 13,831,350		₱ 4,840,973

c) *Counterparty Risk Requirements*

Counterparty risk arising from unsettled customer trades amounted to ₱941,692 in 2025 and ₱6,741 in 2024. A counterparty exposure of this kind occurs when: (a) the customer poses the possible risk of failing to deliver securities on sell contract; or, (b) the customer poses the possible risk of failing to pay cash on a buy contract.

There were no unsettled principal trades which arise from broker to broker or broker to Exchange/Clearing Agency relationships. A counterparty exposure risk of this kind occurs when: a) the Broker Dealer poses the possible risk of failing to receive cash from its counterparty on a sell contract or b) the Broker Dealer poses the possible risk of failing to receive the securities from its counterparty on a buy contract.

There were also no counterparty risk exposure arising from debt/loans, contra losses and other amounts due resulting from amount unpaid on its agreed due date.

d) *Large Exposure Risk Requirements*

Large exposure risk is the 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 has a large exposure risk amounting to nil in 2025 and 2024 relative to its particular issuer company.

Ratio of AI to NLC

The Company monitors its Aggregate indebtedness to NLC ratio which is computed as shown in the table below:

		2025		2024
Aggregate indebtedness	₱	125,145,540	₱	124,581,358
Net liquid capital		102,433,471		110,679,949
AI to NLC ratio		122%		113%

Net Risk-Based Capital Excess

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

		2025		2024
Net liquid capital	₱	102,433,471	₱	110,679,949
Required net liquid capital (higher of):				
5% of AI	₱	6,257,277	₱	6,229,068
Minimum amount		5,000,000		5,000,000
	₱	6,257,277	₱	6,229,068
Net risk-based capital excess	₱	96,176,194	₱	104,450,881

29. Supplemental Disclosure of Cash Flow Information and Non-cash Transactions

Changes in Liabilities Arising from Financing Activities:

The disclosure requirements enable users of financial statements to evaluate changes in liabilities arising from financing activities of the Company.

The movement of the accounts are as follows:

2025	January 1, 2025	Availment	Cash Flows	Interest Expense	December 31, 2025
Loans & borrowings	₱ 3,949,994	₱ –	₱ (1,689,213)	₱ –	₱ 2,260,781
Advances from shareholders	77,554	–	–	–	77,554
Interest payable	–	–	(190,984)	190,984	–
Total liabilities from financing activities	₱ 4,027,548	₱ –	₱ (1,880,197)	₱ 190,984	₱ 2,338,335

2024	January 1, 2024	Availment	Cash Flows	Interest Expense	December 31, 2024
Loans & borrowings	₱ 5,540,217	₱ –	₱ (1,590,223)	₱ –	₱ 3,949,994
Advances from shareholders	77,554	–	–	–	77,554
Interest payable	14,572	–	(289,973)	275,401	–
Total liabilities from financing activities	₱ 5,632,343	₱ –	₱ (1,880,196)	₱ 275,401	₱ 4,027,548

Non-cash Transactions

The Company had no non-cash investing or financing activity-related transactions for the years ended December 31, 2025 and 2024.

30. Events After the End of the Reporting Period

There were no events that require adjustments or disclosures between the date of statements of financial position and the date of issuance of the audited financial statements.

31. Supplemental Information Required by the BIR

Revenue Regulations No. 15-2010

Pursuant to Revenue Regulations No. 15-2010 issued by the BIR on November 25, 2010, the following information were mandated to be included in the notes to financial statements as additional disclosure on taxes, duties and license fees paid or accrued during the taxable year:

Output Taxes

	Tax Base		Output Taxes	
	2025	2024	2025	2024
VAT sales/receipts – private	₱ 26,459,947	₱ 22,219,174	₱ 3,175,194	₱ 2,666,301
Total	₱ 26,459,947	₱ 22,219,174	₱ 3,175,194	₱ 2,666,301

The Company does not have any sales or receipts from the government, or any sales or receipts which are exempt from VAT or subject to zero-rated VAT.

Input Taxes

	2025	2024
Service lodged under other accounts	₱ 1,670,990	₱ 1,696,965
Goods other than for resale or manufacture	–	2,336
Total	₱ 1,670,990	₱ 1,699,301

Withholding Taxes

	2025	2024
Tax on compensation and benefits	₱ 888,151	₱ 376,457
Creditable withholding tax	281,104	286,404
Total	₱ 1,169,255	₱ 662,861

Taxes & Licenses

	2025	2024
National taxes:		
BIR annual registration fee	₱ –	₱ 500
SEC licenses	107,595	110,655
Real property taxes	38,314	
Deficiency taxes	62,508	271,061
Local taxes:		
Business permit & other licenses	188,928	216,730
Barangay clearance	1,331	1,331
Total	₱ 398,676	₱ 600,277

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

ANNUAL AUDITED FINANCIAL REPORT

Information Required of Brokers and Dealers Pursuant to Section 52.1-5 of the SRC

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

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker/Dealer:	Timson Securities, Inc.
Address of Principal Place of Business:	33 rd Floor Robinson's Equitable Tower ADB corner Poveda Street Ortigas, Pasig City
Name and Phone Number of Person to Contact in Regard to this Report:	Carmelyn S. Ramos (02)8633-0081

IDENTIFICATION OF ACCOUNTANT	
Name of Firm:	A.M. Yu & Associates
Address:	6F West Star Business Center Building No. 31 Shorthorn St., Brgy. Bahay Toro Proj. 8, Quezon City, Philippines 1106
Trunkline:	+63 2 8236-4935; +63 2 8351-6288
Facsimile:	+63 2 8351-5723 loc. 412
Website:	www.amyucpas.com
PRC/BOA Reg.	4589 (valid until Nov. 18, 2028)
SEC Accred. No.	(Group A) 4589-SEC (valid for five years covering the audits of 2020 to 2024 financial statements, extended to cover 2025 financial statements)
BIR Accred. No.	07-000157-002-2024 (valid until Jan. 29, 2027)
Signing Partner:	Anecito M. Yu CPA License No. 40278, valid until May 15, 2026 Tax Identification No. 134-702-616 SEC Accreditation No. 40278-SEC, Group A, issued January 05, 2021, valid for five (5) years covering the audits of 2020 to 2024 financial statements of SEC Covered Institutions extended to cover 2025 financial statements BIR Accreditation No. 07-000169-002-2024, issued February 20, 2024, valid until February 19, 2027 PTR No. 8428964, issued January 13, 2026, Quezon City



Supplemental Written Statement of Independent Auditor

The Board of Directors and Shareholders

Timson Securities, Inc.

33rd Floor Robinson's Equitable Tower
ADB corner Poveda Street
Ortigas, Pasig City

We have audited the financial statements of **Timson Securities, Inc.** (the Company) as at and for the year ended December 31, 2025, on which we have rendered the attached report dated March 31, 2026.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the said Company has a total number of two (2) shareholders owning one hundred (100) or more shares each.

A.M. YU & ASSOCIATES



Anecito M. Yu
Partner

CPA License No. 40278, valid until May 15, 2026

Tax Identification No. 134-702-616

SEC Accreditation No. 40278-SEC, Group A,

issued January 05, 2021, valid for five (5) years covering the audits of
2020 to 2024 financial statements of SEC Covered Institutions,
extended to cover 2025 financial statements

BIR Accreditation No. 07-000169-002-2024,

issued February 20, 2024, valid until February 19, 2027

PTR No. 8428964, issued January 13, 2026, Quezon City

March 31, 2026

Quezon City

A.M. Yu & Associates

6F West Star Business Center Building,
No. 31 Shorthorn St., Brgy. Bahay Toro,
Proj. 8, Quezon City, Philippines 1106

Trunkline: +63 2 8236-4935 ; +63 2 8351-6288
Website: www.amyucpas.com

Firm Regulatory Registration & Accreditations:

PRC-BOA Reg. No. 4589, valid until Nov. 18, 2028
SEC Accred. No. 4589-SEC, Group A, valid for five years
covering the audits of 2020 to 2024 financial
statements of SEC Covered Institutions,
extended to cover 2025 financial statements
BIR Accred. No. 07-000157-002-2024,
valid until Jan. 29, 2027



Independent Auditors' Report

The Board of Directors and Shareholders

Timson Securities, Inc.

33rd Floor Robinson's Equitable Tower
ADB corner Poveda Street
Ortigas, Pasig City

Report on the Supplementary Schedules in Compliance with the Revised Securities Regulation Code

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of **Timson Securities, Inc.** (the Company) as at and for the years ended December 31, 2025 and 2024, and have issued our report thereon dated March 31, 2026.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules included in the following accompanying additional components are the responsibility of the Company's management. Such additional components include:

Supplementary Schedules under Securities Regulation Code 52.1.5.3

- Statement of Changes in Liabilities Subordinated to Claims of General Creditors
- Computation of Risk Based Capital Adequacy Requirement
- Information Relating to Possession or Control Requirements of SRC Rule 49.2.1
- Computation for Determination of Reserve Requirements under Annex 49.2-B
- Report Describing Material Inadequacies Found to Exist or Found to Have Existed Since the Previous Audit
- Results of Monthly Securities Count Conducted Pursuant to SRC Rule 52.1-10, As Amended

Supplementary Schedule under Revised Securities Regulation Code 68

- Schedule of Financial Soundness Indicators

A.M. Yu & Associates

6F West Star Business Center Building,
No. 31 Shorthorn St., Brgy. Bahay Toro,
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covering the audits of 2020 to 2024 financial
statements of SEC Covered Institutions,
extended to cover 2025 financial statements
BIR Accred. No. 07-000157-002-2024,
valid until Jan. 29, 2027

The supplementary schedules are presented in compliance with the Securities Regulation Code 52.1.5.3 and Revised Securities Regulation Code Rule 68 of the Securities and Exchange Commission and are not required parts of the basic financial statements. The supplementary schedules have been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A.M. YU & ASSOCIATES



Anecito M. Yu
Partner

CPA License No. 40278, valid until May 15, 2026

Tax Identification No. 134-702-616

SEC Accreditation No. 40278-SEC, Group A,

issued January 05, 2021, valid for five (5) years covering the audits of
2020 to 2024 financial statements of SEC Covered Institutions,
extended to cover 2025 financial statements

BIR Accreditation No. 07-000169-002-2024,

issued February 20, 2024, valid until February 19, 2027

PTR No. 8428964, issued January 13, 2026, Quezon City

March 31, 2026

Quezon City

TIMSON SECURITIES, 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 and 2024.

TIMSON SECURITIES, INC.

Computation of Risk Based Capital Adequacy Requirement

For the year ended December 31, 2025

Assets	₱	285,830,734
Liabilities		127,406,321
Equity per books	₱	158,424,413
Adjustments to Equity per books		
Add (Less):		
Allowance for market decline	₱	-
Subordinated liabilities		-
Unrealized gain (loss) in proprietary accounts		-
Deferred income tax		-
Revaluation reserves		-
Deposit for future stock subscription (No application with SEC)		-
Minority interest		-
Total Adjustments to Equity per books	₱	-
Equity Eligible for Net Liquid Capital	₱	158,424,413
Contingencies and Guarantees		
Deduct: Contingent liability	₱	-
Guarantees or indemnities		-
Ineligible Assets		
a. Trading right and all other intangible assets – net	₱	7,507,497
b. Intercompany receivables		-
c. Fixed assets – net (excluding those used as collateral)		15,180,636
d. All other current assets		3,021,178
e. Securities not readily marketable		-
f. Negative exposure (SCCP)		-
g. Notes receivable (non-trade related)		-
h. Interest and dividend receivables outstanding for more than 30 days		-
i. Ineligible insurance claims		-
j. Ineligible deposits		-
k. Short security differences		-
l. Long security differences not resolved prior to sale		-
m. Other assets including equity investment in PSE		30,281,631
Total Ineligible Assets	₱	55,990,942
Net Liquid Capital (NLC)	₱	102,433,471
Less: Total Risk Capital Requirement		
Operational Risk Requirement (Schedule ORR-1)	₱	5,035,153
Position Risk Requirement (Schedule PRR-1)		3,701,838
Counterparty Risk (Schedule CRR-1 and detailed schedules)		941,692
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)		
LERR to a single client (LERR-1)		-
LERR to a single debt (LERR-2)		-
LERR to a single issuer and group of companies (LERR-3)		-
Total Risk Capital Requirement (TRCR)	₱	9,678,683
Net RBCA Margin (NLC-TRCR)	₱	92,754,788
Liabilities		
Add: Deposit for future stock subscription (No application with SEC)	₱	-
Less: Exclusions from aggregate indebtedness		
Subordinated liabilities		-
Loans secured by securities		-
Loans secured by fixed assets		2,260,781
Others		-
Total adjustments to aggregate indebtedness	₱	2,260,781
Aggregate Indebtedness (AI)	₱	125,145,540
5% of AI	₱	6,257,277
Required NLC (> of 5% of AI or ₱5M)	₱	6,257,277
Net Risk Based Capital Excess (NLC-Required NLC)	₱	96,176,194
Ratio of AI to NLC		122%
RBCA Ratio (NLC/TRCR)		1058%

TIMSON SECURITIES, INC.

Information Relating to Possession or Control Requirements of SRC Rule 49.2-Annex 49.2-A

For the year ended December 31, 2025

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

Market Valuation	_____	₱	_____	N/A
Number of items	_____		_____	N/A

2. Customers' fully paid securities and excess margin securities for which instructions to reduce the 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	_____	₱	_____	N/A
Number of items	_____		_____	N/A

TIMSON SECURITIES, INC.

Computation for Determination of Reserve Requirements under SRC Rule 49.2-Annex 49.2-B

December 31, 2025

Particulars	Credit	Debit
1. Free credit balance and other credit balance in customers' security accounts	₱ 82,114,699	
2. Monies borrowed collateralized by the securities carried for the account of customers	—	
3. Monies payable against customers' securities loaned.	—	
4. Customers' securities failed to receive	2,158,327	
5. Customer 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.		₱ 2,451,006
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.		6,638,485
13. Others		—
Total	₱ 84,273,026	₱ 9,089,491

TIMSON SECURITIES, INC.

Computation for Determination of Reserve Requirements under SRC Rule 49.2-Annex 49.2-B

December 31, 2025

1. Free Credit Balances and Other Credit Balances in Customer Securities Accounts

Unadjusted trial balance amount	₱	119,906,312
A. Additions:		
1. Bank account overdraft ¹	₱	—
2. Credit balances in customer omnibus accounts		—
3. Any other customer credit balance not accounted for elsewhere (explain nature)		
Dividends payable – customers		507,515
Subtotal	₱	507,515
B. Deductions:		
1. Credit balances in the accounts of non-customers such as general partners and principal officers	₱	38,299,128
2. Credit balances in customers' cash accounts arising from the sale of a security not delivered if the securities are purchased by the broker- dealer for its own account and have not been resold		—
Subtotal	₱	38,299,128
Adjusted total line item #1	₱	82,114,699

2. Monies Borrowed Collateralized by Securities Carried for the Accounts of Customers

Unadjusted trial balance amount customer loan	₱	—
Unadjusted trial balance amount commingled loan ²		—
Adjusted total line item #2	₱	—

3. Moneys Payable Against Securities Loaned

Unadjusted trial balance amount	₱	—
A. Additions ³		
1. The amount by which the market value of customers' securities loaned exceed the collateral value received from lending of such securities		—
Adjusted total line item #3	₱	—

4. Customer Securities Failed to Receive (as Determined by Allocation or Specific Identification)

Unadjusted trial balance amount	₱	—
A. Additions:		
1. The amount by which the market value by which fails to receive outstanding for more than 34 calendar days exceed their contract value ³	₱	—
2. Clearing accounts with net credit balances attributable to customers' transactions. (Clearing Corporations)		2,158,327
3. Unsecured customer short positions which allocate to customer long positions ⁴		—

SCHEDULE IV

4. Any other credit not accounted for elsewhere in the formula		-
Subtotal	₱	2,158,327
Adjusted total line item #4	₱	2,158,327
5. Credit Balances in Firm Accounts which are Attributable to Principal Sales to Customers⁵	₱	-
6. Market Value of Stock Dividends and Splits Outstanding over 30 Calendar Days^{5/6}	₱	-
7. Market Value of Short Security Count Differences over 30 Calendar Days Old (not to be Offset by Long Count Differences)	₱	-
8. Market Value of Short Securities and Credits (not to be Offset by Loans or Debits) in all Suspense Accounts over 30 Calendar Days Old		
1. Credit Balances Only	₱	-
2. Security Positions Only ⁵		-
3. Security Positions with Related Balances ^{5/7}		-
Adjusted total line item #8	₱	-
9. Market Value of Securities in Transfer in Excess of 40 Calendar Days which have not been Confirmed to be in Transfer by the Transfer Agent of the Issuer during 40 Days	₱	-
Aggregate Credit Items	₱	84,273,026
10. Debit Balances in Customers' Cash and Margin Accounts Excluding Unsecured Accounts and Accounts Doubtful of Collection		
Unadjusted trial balance amount	₱	146,524,652
A. Additions:		
1. Debit balance in customer omnibus accounts	₱	-
2. Any other customer debit balance not accounted for elsewhere (explain nature)		-
Subtotal	₱	-
B. Deductions:		
1. Unsecured balances and accounts doubtful of collection	₱	489
2. Debit balances in the accounts of non-customers such as general partners and principal officers		124,881,270
3. Reduction of margin debts for undue concentration of collateral ⁸		-
4. Deficits in customer-related omnibus accounts ⁹		-
5. Debit balances in accounts of household members and affiliated members ¹⁰		-
6. Reduction of unduly concentrated margin account balances ¹¹		-
7. Reduction of debit balances of accounts jointly-owned by customers and non-customers ¹²		-
8. Reduction for partly-secured cash accounts		19,167,130
Subtotal	₱	144,048,889
Subtotal of Adjusted Total Debits	₱	2,475,763
Reduce Subtotal by 1%		1%
Adjusted total line item #10	₱	2,451,006

SCHEDULE IV

11. Securities Borrowed to Effectuate Short Sales by Customers and Securities Borrowed to Make Delivery on Customers' Securities Failed to Deliver	₱	—
12. Fails to Deliver of Customer Securities not Older than 30 Calendar Days (as Determined by Allocation or Specific Identification)		
Unadjusted balance	₱	—
A. Additions:		
1. Clearing accounts with net debit balances attributable to customer transactions (Clearing Corporations)	₱	6,638,485
2. Drafts receivable outstanding less than 30 calendar days related to customer transactions ¹³		—
Subtotal	₱	6,638,485
B. Deductions:		
1. Securities which are in the firm's physical possession and control and in excess of the broker-dealer's possession and control requirements for three business days past settlement	₱	—
2. Others (explain nature)		—
Subtotal	₱	—
Adjusted total line item #12	₱	6,638,485
Aggregate Debit Items	₱	9,089,491

B. Determination of Requirements

Aggregate Credit Items	₱	84,273,026
Aggregate Debit Items		9,089,491
Net Credit (Debit)	₱	75,183,535
Required Reserve (100% of Net Credit if making a weekly computation or 105% if monthly)	₱	75,183,535

C. Frequency of Computation Weekly Monthly

Monthly, if:

<input checked="" type="checkbox"/> Aggregate Indebtedness : Net Capital Ratio < 800%	122%
AND	
<input type="checkbox"/> Aggregate Customer Funds < ₱25 million	₱82,114,699

D. Special Reserve Bank Account Balance

Special Reserve Account Balance Prior to Computation	₱	60,326,322
Less: Deposit Required		75,183,535
Additional Deposit Required	₱	14,857,213

Note: Deposit should be made no later than 10 a.m. on the second banking day following computation date.

TIMSON SECURITIES, 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 the previous report.

TIMSON SECURITIES, INC.

Results 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.

TIMSON SECURITIES, INC.

Schedule of Financial Soundness Indicators

Pursuant to the Revised Securities Regulation Code (SRC) Rule 68

	2025		2024
Liquidity Ratios:			
<u>Current Ratio</u>			
Current Assets	₱ 232,154,470	₱	241,664,188
Current Liabilities	₱ 123,526,923	₱	123,247,351
	1.88 : 1		1.96 : 1
<u>Quick Ratio</u>			
Quick Assets	₱ 229,133,292	₱	239,211,301
Current Liabilities	₱ 123,526,923	₱	123,247,351
	1.85 : 1		1.94 : 1
Solvency Ratios:			
<u>Debt-to-Equity Ratio</u>			
Total Liabilities	₱ 127,406,321	₱	128,531,352
Total Equity	₱ 158,424,413	₱	166,430,001
	0.80 : 1		0.77 : 1
<u>Asset-to-Equity Ratio</u>			
Total Assets	₱ 285,830,734	₱	294,961,353
Total Equity	₱ 158,424,413	₱	166,430,001
	1.80 : 1		1.77 : 1
Profitability Ratios:			
<u>Return on Assets</u>			
Net Profit (Loss)	₱ (8,005,588)	₱	24,999,779
Total Assets	₱ 285,830,734	₱	294,961,353
	(2.80%)		8.48%
<u>Return on Equity</u>			
Net Profit (Loss)	₱ (8,005,588)	₱	24,999,779
Total Equity	₱ 158,424,413	₱	166,430,001
	(5.05%)		15.02%
<u>Net Profit Margin</u>			
Net Profit (Loss)	₱ (8,005,588)	₱	24,999,779
Revenues	₱ 9,014,235	₱	5,839,443
	(88.81%)		428.12%
Interest Rate Coverage Ratio			
Profit (Loss) Before Interest and Taxes	₱ (7,536,197)	₱	33,323,925
Interest Expense	₱ 190,984	₱	275,401
	(39.46) : 1		121.00 : 1

TIMSON SECURITIES, INC.

Supplementary Schedule of External Auditor Fee Related Information

December 31, 2025

	2025		2024	
Total Audit Fees	₱	148,120	₱	141,680
Non-audit services fees:				
Other assurance services	₱	—	₱	—
Tax services		—		—
All other services		—		—
Total Non-audit Fees	₱	—	₱	—
Total Audit and Non-audit Fees	₱	148,120	₱	141,680

Audit and Non-audit fees of other related entities

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

TIMSON SECURITIES, INC.

Schedule of Inventory Report by Location – Summarized

As of December 31, 2025

Customer : ABCAP(11200000) - ZS001905(ZS001905)

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
2GO	2GO GROUP, INC	1,900	–	–	1,900	1,900	–	–	–
AB	ATOK BIG WEDGE	–	–	–	3,589,800	3,589,800	2.06	7,394,988	7,394,988
ABA	ABACORE CAPITAL HOLDINGS	–	–	–	15,087,000	15,087,000	0.26	3,922,620	3,922,620
ABG	ASIABEST GROUP	–	–	–	1,700	1,700	18.78	31,926	31,926
ABS	ABS-CBN CORPORATION	–	–	–	324,300	324,300	4.21	1,365,303	1,365,303
AC	AYALA CORP.	–	–	–	43,512	43,512	468.00	20,363,616	20,363,616
ACEN	ACEN CORPORATION	–	–	–	9,565,280	9,565,280	2.72	26,017,562	26,017,562
ACENA	ACEN CORPORATION SERIES A PREFERRE	–	–	–	100	100	1,010.00	101,000	101,000
ACENB	ACEN CORPORATION SERIES B PREFERRE	–	–	–	10,300	10,300	1,070.00	11,021,000	11,021,000
ACPAR	AYALA CORPORATION CLASS A PREFERRED	–	–	–	410	410	2,540.00	1,041,400	1,041,400
ACPB3	AYALA CORPORATION CLASS "B" PREFE	–	–	–	1,150	1,150	1,988.00	2,286,200	2,286,200
ACPB4	AYALA CORPORATION PREFERRED B4	–	–	–	5,500	5,500	1,989.00	10,939,500	10,939,500
ACR	ALSON CONSOLIDATED RESOURCES	–	–	–	166,000	166,000	0.47	78,020	78,020
AEV	ABOITIZ EQUITY VENTURES, INC.	–	–	–	111,700	111,700	28.00	3,127,600	3,127,600
AGI	ALLIANCE GLOBAL GROUP, INC.	–	–	–	117,000	117,000	8.19	958,230	958,230
AGIW	ALLIANCE GLOBAL CORP, INC.- WARRANTS	–	–	–	394,000	394,000	1.17	460,980	460,980
ALCO	ARTHALAND CORPORATION	–	–	–	2,807,000	2,807,000	0.42	1,178,940	1,178,940
ALCPD	ARTHALAND CORPORATION SERIES D	–	–	–	4,000	4,000	485.00	1,940,000	1,940,000
ALCPF	ARTHALAND CORPORATION SERIES F	–	–	–	4,610	4,610	500.00	2,305,000	2,305,000
ALHI	ANCHOR LAND HOLDINGS, INC.	–	–	–	300	300	3.87	1,161	1,161
ALI	AYALA LAND INC.	–	–	–	576,100	576,100	22.45	12,933,445	12,933,445
ALLDY	ALLDAY MARTS, INC.	–	–	–	72,687,001	72,687,001	0.03	2,253,297	2,253,297
ALLHC	AYALALAND LOGISTIC HOLDINGS CORP	–	–	–	247,500	247,500	1.30	321,750	321,750
ALTER	ALTERNERGY HOLDINGS CORPORATION	–	–	–	201,000	201,000	0.84	168,840	168,840
ANI	AGRINURTURE, INC.	–	–	–	3,651,000	3,651,000	0.54	1,971,540	1,971,540
ANS	A. SORIANO CORPORATION	–	–	–	981	981	14.40	14,126	14,126
AP	ABOITIZ POWER CORPORATION	–	–	–	239,100	239,100	44.00	10,520,400	10,520,400
APC	ASIAN PETROLEUM CORP.	–	–	–	460,000	460,000	0.11	48,760	48,760
APL	APOLLO GLOBAL CAPITAL INC.	–	–	–	520,941,000	520,941,000	0.01	2,604,705	2,604,705
APO	ANGLO-PHIL. OIL	–	–	–	20,000	20,000	0.70	14,000	14,000
APVI	ALTUS PROPERTY VENTURES	–	–	–	8,932	8,932	8.40	75,029	75,029
APX	APEX MINING CO., INC.	–	–	–	1,373,800	1,373,800	12.44	17,090,072	17,090,072
AR	ABRA MNG. INDUSTRIAL CORP.	–	–	–	1,078,200,000	1,078,200,000	–	–	–
ARA	ARANETA PROPERTIES, INC.	–	–	–	1,023,000	1,023,000	0.40	409,200	409,200
AREIT	AREIT, INC.	–	–	–	176,500	176,500	43.50	7,677,750	7,677,750
ASLAG	RASLAG CORP	–	–	–	702,000	702,000	0.82	575,640	575,640
AT	ATLAS CONS. MINING & DEV.	–	–	–	73,210	73,210	6.03	441,456	441,456
ATI	ASIAN TERMINALS, INC.	–	–	–	25,985	25,985	34.50	896,483	896,483
ATN	ATN HOLDINGS	–	–	–	104,909,107	104,909,107	0.50	51,930,008	51,930,008
ATNB	ATN HOLDINGS-B	–	–	–	26,872,800	26,872,800	0.50	13,302,036	13,302,036
AUB	ASIA UNITED BANK CORP.	–	–	–	30	30	39.20	1,176	1,176
AXLM	AXELUM RESOURCE CORP.	–	–	–	285,000	285,000	2.36	672,600	672,600
BALAI	BALAI NI FRUITAS INC.	–	–	–	2,047,000	2,047,000	0.35	716,450	716,450
BC	BENGUET CORP.	–	–	–	262,300	262,300	5.00	1,311,500	1,311,500
BCB	BENGUET CORP. - B	–	–	–	1,500	1,500	4.83	7,245	7,245
BCOR	BERJAYA PHILIPPINES, INC.	–	–	–	11,000	11,000	9.00	99,000	99,000
BDO	BDO UNIBANK, INC.	–	–	–	172,564	172,564	134.60	23,227,114	23,227,114
BEL	BELLE RESOURCES	–	–	–	18,404,124	18,404,124	1.32	24,293,444	24,293,444
BH	BHI HOLDINGS, INC	–	–	–	10	10	477.00	4,770	4,770
BHI	BOULEVARD HOLDINGS, INC.	–	–	–	5,874,564	5,874,564	0.04	229,108	229,108
BKR	BRIGHT KINDLE RESOURCES & INVESTMEN	–	–	–	34,000	34,000	0.65	22,100	22,100
BLOOM	BLOOMBERRY RESORTS CORPORATION	–	–	–	2,521,800	2,521,800	2.54	6,405,372	6,405,372
BNCOM	BANK OF COMMERCE	–	–	–	4,400	4,400	9.20	40,480	40,480
BPI	BANK OF PHIL. ISLANDS	–	–	–	4,348	4,348	116.10	504,803	504,803
BRN	A. BROWN CO., INC.	–	–	–	2,347,000	2,347,000	0.93	2,182,710	2,182,710
BRNP	A BROWN SERIES "A" PREFERRED	–	–	–	8,000	8,000	97.00	776,000	776,000
BRNPB	A BROWN COMPANY, INC SERIES B	–	–	–	4,000	4,000	100.40	401,600	401,600
BSC	BASIC ENERGY CORPORATION	–	–	–	13,540,001	13,540,001	0.12	1,584,180	1,584,180
C	CHELSEA LOGISTICS AND INF. HLDG COR	–	–	–	1,234,200	1,234,200	0.95	1,172,490	1,172,490
CA	CONCRETE AGGREGATES CORP. "A"	–	–	–	6,820	6,820	48.35	329,747	329,747
CAL	CALATA CORPORATION	–	–	–	743,000	743,000	–	–	–
CBC	CHINA BANKING CORPORATION	–	–	–	35,319	35,319	57.00	2,013,183	2,013,183
CDC	CITYLAND DEV. CORP.	–	–	–	113,831	113,831	0.59	67,160	67,160
CEB	CEBU AIR, INC.	–	–	–	138,506	138,506	32.00	4,432,192	4,432,192
CEBCP	CEBU AIR INC	–	–	–	52,339	52,339	35.00	1,831,865	1,831,865
CEI	CROWN EQUITIES, INC.	–	–	–	540,000	540,000	0.07	38,880	38,880
CHP	CONCREAT HOLDINGS PHILIPPINES, INC.	–	–	–	748,366	748,366	1.09	815,719	815,719
CIC	CONCEPCION INDUSTRIAL CORPORATION	–	–	–	1,000	1,000	13.60	13,600	13,600

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
CLI	CEBU LANDMASTERS, INC.	-	-	-	915,085	915,085	2.35	2,150,450	2,150,450
CLIA2	CEBU LANDMASTERS, INC. SERIES A-2	-	-	-	2,320	2,320	1,073.00	2,489,360	2,489,360
CNPF	CENTURY PACIFIC FOOD, INC.	-	-	-	113,300	113,300	39.00	4,418,700	4,418,700
CNVRG	CONVERGE INFORMATION AND COMMUNICAT	-	-	-	442,300	442,300	15.32	6,776,036	6,776,036
COAL	COAL ASIA HOLDINGS INC.	-	-	-	22,300,000	22,300,000	0.03	624,400	624,400
COSCO	COSCO CAPITAL, INC.	-	-	-	995,000	995,000	6.99	6,955,050	6,955,050
CPG	CENTURY PROPERTIES GROUP INC.	-	-	-	11,346,322	11,346,322	0.69	7,828,962	7,828,962
CPGPB	CENTURY PROP. GROUP, INC. SERIES B	-	-	-	1,500	1,500	102.00	153,000	153,000
CPM	CENTURY PEAK HOLDINGS CORP.	-	-	-	194,000	194,000	2.39	463,660	463,660
CREC	CITICORE RENEWABLE ENERGY CORPORATI	-	-	-	25,000	25,000	4.28	107,000	107,000
CREIT	CITICORE ENERGY REIT CORP.	-	-	-	1,264,000	1,264,000	3.57	4,512,480	4,512,480
CROWN	CROWN ASIA CHEMICALS CORPORATION	-	-	-	720,000	720,000	1.68	1,209,600	1,209,600
CSB	CITYSTATE SAVINGS BANK, INC.	-	-	-	1,100	1,100	17.06	18,766	18,766
CTS	CTS GLOBAL EQUITY GROUP, INC	-	-	-	1,106,000	1,106,000	0.36	398,160	398,160
CYBR	CYBER BAY CORPORATION	-	-	-	1,150,000	1,150,000	0.33	379,500	379,500
DD	DOUBLE DRAGON CORPORATION	-	-	-	225,070	225,070	9.28	2,088,650	2,088,650
DDMPR	DDMP REIT, INC.	-	-	-	2,387,175	2,387,175	1.02	2,434,919	2,434,919
DDPR	DOUBLE DRAGON PROP. CORP.PREFERRED	-	-	-	42,910	42,910	97.00	4,162,270	4,162,270
DELM	DEL MONTE PACIFIC LIMITED	-	-	-	45,400	45,400	4.70	213,380	213,380
DFNN	DFNN INC.	-	-	-	176,700	176,700	0.80	141,360	141,360
DHI	DOMINION HOLDINGS, INC.	-	-	-	328,000	328,000	1.39	455,920	455,920
DITO	DITO CME HOLDINGS CORPORATION	-	-	-	7,297,412	7,297,412	0.68	4,962,240	4,962,240
DIZ	DIZON COPPER-SILVER MINES	-	-	-	2,150,093	2,150,093	5.00	10,750,465	10,750,465
DMC	DMCI HOLDINGS INC.	-	-	-	355,150	355,150	10.54	3,743,281	3,743,281
DMW	D.M. WENCESLAO ASSOCIATES, INC.	-	-	-	304,000	304,000	5.00	1,520,000	1,520,000
DNA	PHILAB HOLDINGS, CORP.	-	-	-	80,460	80,460	2.86	230,116	230,116
DNL	D & L INDUSTRIES, INC.	-	-	-	2,340,200	2,340,200	3.85	9,009,770	9,009,770
DWC	DISCOVERY WORLD CORPORATION	-	-	-	790,100	790,100	1.08	853,308	853,308
ECP	EASYCALL COMMUNICATIONS, INC.	-	-	-	10,400	10,400	2.60	27,040	27,040
ECVC	EAST COAST VULCAN MINING CORPORATIO	-	-	-	4,149,000	4,149,000	0.27	1,120,230	1,120,230
EEI	ENGINEERING EQUIPMENT INC.	-	-	-	438,000	438,000	2.84	1,243,920	1,243,920
EEIPB	EEI CORPORATION:SERIES B PREFERRED	-	-	-	33,250	33,250	98.40	3,271,800	3,271,800
EG	IP E-GAME VENTURES, INC.	-	-	-	6,000,000	6,000,000	0.01	56,400	56,400
EGRN	EVERWOODS GREEN RES.AND HLDNGS INC	-	-	-	455,000	455,000			
ELI	EMPIRE EAST LAND HOLDINGS, INC.	-	-	-	71,662	71,662	0.10	7,453	7,453
EMI	EMPERADOR INC.	-	-	-	15,500	15,500	16.00	248,000	248,000
ENEX	ENEX ENERGY CORP	-	-	-	3,161,400	3,161,400	3.34	10,559,076	10,559,076
EURO	EURO-MED LAB. PHIL., INC.	-	-	-	14,000	14,000	1.00	14,000	14,000
EW	EAST WEST BANKING CORP.	-	-	-	1,995,200	1,995,200	11.60	23,144,320	23,144,320
FB	SAN MIGUEL FOOD AND BEVERAGE INC	-	-	-	3,580	3,580	55.00	196,900	196,900
FCG	FIGARO CULINARY GROUP, INC.	-	-	-	4,709,000	4,709,000	0.58	2,731,220	2,731,220
FDCPA	FILINVEST DEVELOPMENT CORP.SERIES A	-	-	-	4,470	4,470	1,010.00	4,514,700	4,514,700
FDCPB	FILINVEST DEVELOPMENT CORP. SERIESB	-	-	-	5,785	5,785	1,004.00	5,808,140	5,808,140
FERRO	FERRONOUX HOLDINGS, INC.	-	-	-	110,000	110,000	5.00	550,000	550,000
FFI	FILIPINO FUND, INC.	-	-	-	631	631	7.50	4,733	4,733
FGEN	FIRST GEN CORPORATION	-	-	-	28,139	28,139	17.74	499,186	499,186
FILRT	FILLINVEST REIT CORP	-	-	-	1,005,056	1,005,056	3.10	3,115,674	3,115,674
FLI	FIL-INVEST LAND, INC.	-	-	-	958,823	958,823	0.77	738,294	738,294
FMETF	FIRST METRO PHILIPPINE EQUITY EXCHA	-	-	-	1,370	1,370	101.00	138,370	138,370
FNI	GLOBAL FERRONICKEL HOLDINGS,INC.	-	-	-	1,660,030	1,660,030	1.35	2,241,041	2,241,041
FOOD	ALLIANCE SELECT FOODS INTL., INC.	-	-	-	7,804,000	7,804,000	0.37	2,887,480	2,887,480
FPH	FIRST PHIL. HOLDINGS CORP.	-	-	-	3,000	3,000	77.00	231,000	231,000
FRUIT	FRUITAS HOLDINGS. INC.	-	-	-	1,388,000	1,388,000	0.64	888,320	888,320
GEO	GEOGRACE RESOURCES PHILS., INC.	-	-	-	2,955,000	2,955,000	0.09	257,085	257,085
GERI	GLOBAL-ESTATE RESORTS, INC.	-	-	-	27,000	27,000	0.69	18,630	18,630
GLO	GLOBE TELECOM, INC.	-	-	-	8,740	8,740	1,584.00	13,844,160	13,844,160
GMA7	GMA NETWORK, INC.	-	-	-	131,100	131,100	5.41	709,251	709,251
GMAP	GMA HOLDINGS, INC. - PDR	-	-	-	31,000	31,000	5.29	163,990	163,990
GPH	GRAND PLAZA HOTEL CORPORATION	-	-	-	3,200	3,200	5.79	18,528	18,528
GREEN	GREENERGY HOLDINGS INC.	-	-	-	9,412,282	9,412,282	0.18	1,694,211	1,694,211
GSMI	GINEBRA SAN MIGUEL INC.	-	-	-	3,810	3,810	295.00	1,123,950	1,123,950
GTCAP	GT CAPITAL HOLDINGS, INC.	-	-	-	2,638	2,638	595.00	1,569,610	1,569,610
HLCM	HOLCIM PHILIPPINES, INC.	-	-	-	200	200	3.87	774	774
HOME	ALLHOME CORP.	-	-	-	884,601	884,601	0.24	209,650	209,650
HVN	GOLDEN MV HOLDINGS, INC.	-	-	-	645	645	1,000.00	645,000	645,000
I	I-REMIT, INC.	-	-	-	238,077	238,077	0.20	47,377	47,377
ICT	INTL. CONT. TERMINAL SERV INC	-	-	-	10,300	10,300	567.00	5,840,100	5,840,100
IDC	ITALPINAS DEVELOPMENT CORPORATION	-	-	-	755,820	755,820	0.87	657,563	657,563
IMI	INTEGRATED MICRO-ELECTRONICS, INC.	-	-	-	2,459,395	2,459,395	3.47	8,534,101	8,534,101
IMP	IMPERIAL RES., INC.	-	-	-	5,500	5,500	0.70	3,850	3,850

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
INFRA	PHILIPPINE INFRADEV HOLDINGS	-	-	-	14,985,001	14,985,001	0.32	4,720,275	4,720,275
ION	IONICS, INC.	-	-	-	4,008,500	4,008,500	1.02	4,088,670	4,088,670
IPO	IPEOPLE, INC.	-	-	-	3,250	3,250	6.00	19,500	19,500
IS	ISLAND INFORMATION & TECHNOLOGY, INC.	-	-	-	2,530,000	2,530,000	0.12	311,190	311,190
JFC	JOLIBEE FOODS CORP.	-	-	-	18,278	18,278	180.00	3,290,040	3,290,040
JGS	JG SUMMIT HOLDINGS, INC.	-	-	-	274,275	274,275	23.65	6,486,604	6,486,604
JOH	JOLLIVILLE HOLDINGS CORPORATION	-	-	-	7,000	7,000	3.08	21,560	21,560
KEEPR	THE KEEPERS HOLDINGS, INC	-	-	-	1,349,927	1,349,927	2.48	3,347,819	3,347,819
KPPI	KEPWEALTH PROPERTY PHILS., INC.	-	-	-	302,200	302,200	1.19	359,618	359,618
LAND	CITY & LAND DEVELOPERS	-	-	-	91,347	91,347	0.53	48,414	48,414
LBC	LBC EXPRESS HOLDINGS, INC.	-	-	-	24,400	24,400	8.80	214,720	214,720
LC	LEPANTO CONS. MNG.	-	-	-	25,473,774	25,473,774	0.19	4,712,648	4,712,648
LCB	LEPANTO CONS. MNG. - B	-	-	-	1,024,076	1,024,076	0.19	191,502	191,502
LFM	LIBERTY FLOUR MILLS, INC.	-	-	-	100	100	33.80	3,380	3,380
LIB	LIBERTY TELECOMMUNICATIONS	-	-	-	3,000	3,000	-	-	-
LMG	LMG CORPORATION	-	-	-	183,869,000	183,869,000	0.25	45,967,250	45,967,250
LODE	LODESTAR INVESTMENT HOLDINGS CORP.	-	-	-	2,111,000	2,111,000	0.35	738,850	738,850
LOTO	PACIFIC ONLINE SYSTEMS CORPORATION	-	-	-	219,000	219,000	1.70	372,300	372,300
LPC	LFM PROPERTIES CORPORATION ("LPC")	-	-	-	6,490,000	6,490,000	0.04	266,090	266,090
LPZ	LOPEZ HOLDINGS CORPORATION	-	-	-	50,000	50,000	3.72	186,000	186,000
LRW	LEISURE RESORTS WORLD CORPORATION-	-	-	-	68,000	68,000	-	-	-
LSC	LORENZO SHIPPING CORPORATION	-	-	-	94,000	94,000	0.61	57,340	57,340
LTG	LT GROUP, INC.	-	-	-	2,363,600	2,363,600	14.78	34,934,008	34,934,008
MA	MANILA MINING CORP.	-	-	-	52,776,966	52,776,966	0.01	385,272	385,272
MAB	MANILA MINING CORP. - B	-	-	-	6,483,146	6,483,146	0.01	46,679	46,679
MAC	MACROASIA CORPORATION	-	-	-	484,128	484,128	4.34	2,101,116	2,101,116
MACAY	MACAY HOLDINGS INC	-	-	-	4,500	4,500	6.99	31,455	31,455
MAH	METRO ALLIANCE HDGS EQUITIES COR	-	-	-	318,000	318,000	0.37	117,660	117,660
MARC	MARCVENTURES HOLDINGS, INC.	-	-	-	18,602,401	18,602,401	0.70	13,021,681	13,021,681
MAXS	MAXS GROUP, INC.	-	-	-	258,330	258,330	2.45	632,909	632,909
MB	MANILA BULLETIN PUBLISHING	-	-	-	817,471	817,471	0.16	134,065	134,065
MBT	METROPOLITAN BANK TRUST COMPANY.	-	-	-	327,047	327,047	68.50	22,402,720	22,402,720
MED	MEDCO HOLDINGS	-	-	-	762,526	762,526	0.09	68,627	68,627
MEDIC	MEDIILNES DISTRIBUTORS INCORPORATED	-	-	-	846,974	846,974	0.26	220,213	220,213
MEG	MEGAWORLD PROP. HOLDINGS, INC	-	-	-	8,036,624	8,036,624	2.08	16,716,178	16,716,178
MER	MANILA ELECTRIC CO.	-	-	-	10,513	10,513	574.00	6,034,462	6,034,462
MFC	MANULIFE FINANCIAL CORP.	-	-	-	1,030	1,030	1,880.00	1,936,400	1,936,400
MG	MILLENIUM GLOBAL HOLDINGS, INC.	-	-	-	5,620,000	5,620,000	0.06	337,200	337,200
MGH	METRO GLOBAL HOLDINGS CORPORATION	-	-	-	27,000	27,000	-	-	-
MM	MERRY MART CONSUMER CORP.	-	-	-	3,391,300	3,391,300	0.40	1,356,520	1,356,520
MONDE	MONDE NISSIN CORPORATION	-	-	-	1,223,400	1,223,400	5.80	7,095,720	7,095,720
MPI	METRO PACIFIC INVESTMENTS CORP	4,000	-	-	-	4,000	-	-	-
MRC	MRC ALLIED, INC.	-	-	-	3,452,570	3,452,570	0.87	3,003,736	3,003,736
MREIT	MREIT, INC.	-	-	-	462,400	462,400	14.00	6,473,600	6,473,600
MRSGI	METRO RETAIL STORES GROUP, INC	-	-	-	641,500	641,500	1.15	737,725	737,725
MWC	MANILA WATER CO., INC.	-	-	-	30,500	30,500	40.30	1,229,150	1,229,150
MWIDE	MEGAWIDE CONSTRUCTION CORP.	-	-	-	805,500	805,500	2.99	2,408,445	2,408,445
MWP6A	MEGAWIDE CONST. CORP. PSERIES 6A	-	-	-	6,580	6,580	100.00	658,000	658,000
MWP6C	MEGAWIDE CONST. CORP. SERIES 6C	-	-	-	42,600	42,600	103.80	4,421,880	4,421,880
MYNLD	MAYNILAD WATER SERVICES, INC.	-	-	-	138,300	138,300	16.90	2,337,270	2,337,270
NI	NIHAO MINERAL RESOURCES INTL., INC	-	-	-	181,000	181,000	0.32	57,015	57,015
NIKL	NICKEL ASIA CORPORATION	-	-	-	1,196,950	1,196,950	3.89	4,656,136	4,656,136
NOW	NOW CORPORATION	-	-	-	3,662,481	3,662,481	0.68	2,490,487	2,490,487
NRCP	NATIONAL REINSURANCE CORP OF THE PH	-	-	-	3,000	3,000	0.77	2,310	2,310
NXGEN	NEXTGENESIS CORPORATION	-	-	-	450	450	-	-	-
OGP	OCEANAGOLD (PHILIPPINES), INC.	-	-	-	106,700	106,700	32.20	3,435,740	3,435,740
OM	OMICO MNG.	-	-	-	22,000	22,000	0.10	2,222	2,222
OPM	ORIENTAL PETROLEUM	-	-	-	77,600,000	77,600,000	0.01	931,200	931,200
OPMB	ORIENTAL PETROLEUM - B	-	-	-	13,032,661	13,032,661	0.01	156,392	156,392
ORE	ORIENTAL PENINSULA RES. GROUP, INC.	-	-	-	479,001	479,001	0.37	177,230	177,230
OV	PHIL. OVERSEAS	-	-	-	47,585,600	47,585,600	0.01	423,512	423,512
PA	PACIFICA HOLDINGS, INC.	-	-	-	9,375	9,375	0.95	8,906	8,906
PAX	PAXYS, INC.	-	-	-	1	1	2.61	3	3
PBB	PHILIPPINE BUSINESS BANK	-	-	-	10,566,747	10,566,747	7.70	81,363,952	81,363,952
PCOR	PETRON CORP.	-	-	-	1,257,100	1,257,100	2.48	3,117,608	3,117,608
PCP	PAPER INDS. CORP.	-	-	-	110,000	110,000	-	-	-
PERC	PETROENERGY RESOURCES CORP.	-	-	-	3,952	3,952	3.50	13,832	13,832
PGOLD	PUREGOLD PRICE CLUB, INC.	-	-	-	41,380	41,380	38.00	1,572,440	1,572,440
PHA	PREMIERE HORIZON ALLIANCE CORP.	-	-	-	57,735,000	57,735,000	0.24	13,683,195	13,683,195
PHC	PHILCOMSAT HOLDINGS, CORP.	-	-	-	35,000	35,000	-	-	-
PHES	PHIL. ESTATES CORP.	-	-	-	1,183,000	1,183,000	0.28	331,240	331,240

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
PHR	PH RESORTS GROUP HOLDINGS, INC.	-	-	-	1,805,700	1,805,700	0.13	240,158	240,158
PIZZA	SHAKEYS PIZZA ASIA VENTURES,INC	-	-	-	24,600	24,600	6.80	167,280	167,280
PLUS	DIGIPLUS INTERACTIVE CORP	-	-	-	11,856,666	11,856,666	16.20	192,077,989	192,077,989
PMPC	PANASONIC MANUFACTURING PHILS.CORP.	-	-	-	1,000	1,000	10.80	10,800	10,800
PNB	PHIL. NATIONAL BANK	-	-	-	83,336	83,336	54.40	4,533,478	4,533,478
PNC	PHIL. NATIONAL CONSTRUCTION	-	-	-	3,000	3,000	-	-	-
PNX	P-H-O-E-N-I-X PETROLEUM PHILS., INC	-	-	-	89,100	89,100	4.17	371,547	371,547
PNX4	PHOENIX PETROLEUM PHIL. SERIES 4	-	-	-	1,220	1,220	177.90	217,038	217,038
PPC	PRYCE CORPORATION-A	-	-	-	23,200	23,200	13.20	306,240	306,240
PREIT	PREMIERE ISLAND POWER REIT CORPORAT	-	-	-	253,000	253,000	1.02	258,060	258,060
PRF3B	PERPETUAL PREFERRED SHARES SERIES3B	-	-	-	175	175	1,005.00	175,875	175,875
PRF4B	PETRON CORP.PREFERRED SHARES "PRF4B	-	-	-	3,500	3,500	995.00	3,482,500	3,482,500
PRF4C	PETRON CORP.PREFERRED SHARES "PRF4C	-	-	-	6,990	6,990	1,009.00	7,052,910	7,052,910
PRF4D	PETRON CORP 4D PREFERRED	-	-	-	500	500	990.00	495,000	495,000
PRF4E	PETRON CORP. SERIES 4E PREFERRED	-	-	-	50	50	1,000.00	50,000	50,000
PRIM	PRIME MEDIA HOLDINGS, INC.	-	-	-	6,561,000	6,561,000	1.30	8,529,300	8,529,300
PRMX	PRIMEX CORPRATION	-	-	-	351,700	351,700	1.28	450,176	450,176
PSB	PHIL. SAVINGS BANK	-	-	-	354	354	54.00	19,116	19,116
PSE	THE PHILIPPINE STOCK EXCHANGE, INC.	-	-	-	110	110	205.40	22,594	22,594
PX	PHILEX MNG. CORP. "A"	-	-	-	7,619,438	7,619,438	9.90	75,432,436	75,432,436
PXP	PXP ENERGY CORPORATION	-	-	-	5,050,142	5,050,142	2.38	12,019,338	12,019,338
RCB	RIZAL COMMERCIAL BANKING CORP.	-	-	-	141,300	141,300	25.95	3,666,735	3,666,735
RCI	ROXAS AND COMPANY, INC.	-	-	-	197,000	197,000	2.68	527,960	527,960
RCR	RL COMMERCIAL REIT,INC.	-	-	-	637,100	637,100	8.02	5,109,542	5,109,542
RFM	RFM CORPORATION	-	-	-	46,000	46,000	4.75	218,500	218,500
RLC	ROBINSONS LAND CORP.	-	-	-	172,110	172,110	16.16	2,781,298	2,781,298
RLT	PHIL. REALTY HOLDINGS CORP.	-	-	-	1,023,919	1,023,919	0.11	111,607	111,607
ROCK	ROCKWELL LAND CORPORATION	-	-	-	186,554	186,554	1.85	345,125	345,125
ROX	ROXAS HOLDINGS, INC.	-	-	-	310,000	310,000	-	-	-
RRHI	ROBINSONS RETAIL HOLDINGS, INC.	-	-	-	20,120	20,120	33.05	664,966	664,966
SBS	SBS PHILIPPINES CORPORATION	-	-	-	12,827,604	12,827,604	3.89	49,899,380	49,899,380
SCC	SEMIRARA MINING CORPORATION	-	-	-	86,400	86,400	28.25	2,440,800	2,440,800
SECB	SECURITY BANK CORP.	-	-	-	171,150	171,150	65.65	11,235,998	11,235,998
SEVN	PHILIPPINE SEVEN CORP.	-	-	-	498	498	37.00	18,426	18,426
SFI	SWIFT FOODS, INC.	-	-	-	3,350,500	3,350,500	0.05	157,474	157,474
SGI	SOLID GROUP, INC.	-	-	-	42,000	42,000	1.27	53,340	53,340
SGP	SYNERGY GRID DEV., PHIL., INC.	-	-	-	389,600	389,600	16.56	6,451,776	6,451,776
SHLPH	SHELL PILIPINAS CORPORATION	-	-	-	184,330	184,330	6.93	1,277,407	1,277,407
SLF	SUN LIFE FINANCIAL, INC.	-	-	-	4,101	4,101	3,440.00	14,107,440	14,107,440
SLI	STA. LUCIA LAND, INC.	-	-	-	14,286	14,286	2.60	37,144	37,144
SM	SM INVESTMENTS CORPORATION	-	-	-	10,375	10,375	699.50	7,257,313	7,257,313
SMC	SAN MIGUEL CORP. "A"	-	-	-	23,524	23,524	82.00	1,928,968	1,928,968
SMC2I	SERIES "2-I" PREFERRED SHARES	-	-	-	700	700	74.50	52,150	52,150
SMC2L	SAN MIGUEL CORPORATION SERIES 2-L P	-	-	-	1,500	1,500	77.65	116,475	116,475
SMC2N	SAN MIGUEL CORPORATION SERIES 2-N P	-	-	-	1,500	1,500	80.50	120,750	120,750
SMC2O	SAN MIGUEL CORPORATION SERIES 2-O P	-	-	-	86,390	86,390	81.00	6,997,590	6,997,590
SMC2S	SAN MIGUEL CORPORATION SERIES 2-S P	-	-	-	2,500	2,500	77.80	194,500	194,500
SMC2T	SAN MIGUEL CORPORATION SERIES 2-T P	-	-	-	1,500	1,500	76.50	114,750	114,750
SMC2U	SAN MIGUEL CORPORATION SERIES 2-U P	-	-	-	67,500	67,500	76.00	5,130,000	5,130,000
SMPH	SM PRIME HOLDINGS, INC.	-	-	-	283,710	283,710	22.75	6,454,403	6,454,403
SOC	SOCRESOURCES, INC.	-	-	-	1,000	1,000	0.18	182	182
SPC	SPC POWER CORPORATION	-	-	-	181,300	181,300	9.74	1,765,862	1,765,862
SPNEC	SP NEW ENERGY CORPORATION	-	-	-	3,751,873	3,751,873	1.17	4,389,691	4,389,691
SRDC	SUPERCITY REALTY DEVELOPMENT CORP.	-	-	-	6,000	6,000	9.10	54,600	54,600
SSI	SSI GROUP, INC.	-	-	-	335,900	335,900	2.63	883,417	883,417
SSP	SFA SEMICON PHILIPPINES CORP	-	-	-	122,000	122,000	1.57	191,540	191,540
STI	STI EDUCATION SYSTEMS HOLDINGS, INC	-	-	-	594,001	594,001	1.41	837,541	837,541
STN	STENIEL MANUFACTURING CORP.	-	-	-	33,500	33,500	-	-	-
STR	VISTAMALLS, INC.	-	-	-	17,300	17,300	1.25	21,625	21,625
SUN	RESORT HOLDINGS, INC.	-	-	-	1,957,000	1,957,000	0.76	1,487,320	1,487,320
T	TKC METALS CORPORATION	-	-	-	36,000	36,000	0.44	15,840	15,840
TBGI	TRANSPACIFIC BROADBAND GROUP INC.	-	-	-	92,439,000	92,439,000	0.13	12,294,387	12,294,387
TCB2D	CIRTEK HOLDINGS PHILIP. CORP.PREF2D	-	-	-	10,000	10,000	8.26	82,600	82,600
TECH	CIRTEK HOLDINGS PHILIPPINES CORPORA	-	-	-	2,778,989	2,778,989	0.63	1,750,763	1,750,763
TECHW	CIRTEK HOLDINGS PHILIPPINES CORP	-	-	-	42,081	42,081	0.00	88	88
TEL	PLDT INC.	-	-	-	10,540	10,540	1,260.00	13,280,400	13,280,400
TFHI	TOP FRONTIER INVESTMENT HLDGS, INC.	-	-	-	339	339	61.00	20,679	20,679

CODE	STOCK NAME	VAULT	CLEARING HOUSE	TRANSFER OFFICE	P C D	TOTAL SHARES	MARKET VALUE	TOTAL MARKET VALUE	PER AUDIT
TOP	TOP LINE BUSINESS DEVELOPMENT CORP.	-	-	-	131,000	131,000	1.60	209,600	209,600
TUGS	HARBOR STAR SHIPPING SERV.INC	-	-	-	767,500	767,500	0.59	452,825	452,825
UBP	UNION BANK OF THE PHILS.	-	-	-	118,695	118,695	26.60	3,157,287	3,157,287
UNH	UNIHOLDINGS INC.	-	-	-	50	50	116.00	5,800	5,800
UNI	UNIOIL RESOURCES HOLDINGS CO., INC.	-	-	-	60,000	60,000			
UPM	UNITED PARAGON MINING CORP.	-	-	-	11,220,000	11,220,000	0.01	65,076	65,076
URC	UNIVERSAL ROBINA CORP.	-	-	-	276,860	276,860	67.30	18,632,678	18,632,678
UW	UNIWIDE HOLDINGS, INC.	-	-	-	80,000	80,000			
V	VANTAGE EQUITIES, INC.	-	-	-	244,000	244,000	0.89	217,160	217,160
VITA	VITARICH CORP.	-	-	-	6,111,000	6,111,000	0.53	3,238,830	3,238,830
VLL	VISTA LAND & LIFESCAPES, INC.	-	-	-	236,000	236,000	1.04	245,440	245,440
VLL2A	VISTA LAND AND LIFESCAPES, INC.FOO	-	-	-	8,000	8,000	91.95	735,600	735,600
VLL2B	VISTA LAND AND LIFESCAPES, INC.FOO	-	-	-	32,000	32,000	90.00	2,880,000	2,880,000
VMC	VICTORIAS MILLING CO., INC.	-	-	-	46,692	46,692	1.73	80,777	80,777
VREIT	VISTAREIT,INC.	-	-	-	2,879,936	2,879,936	1.37	3,945,512	3,945,512
WEB	PHILWEB CORPORATION	-	-	-	446,040	446,040	6.20	2,765,448	2,765,448
WIN	WELLEX INDUSTRIES, INC.	-	-	-	90,680	90,680	0.26	23,577	23,577
WLCON	WILCON DEPOT, INC.	-	-	-	406,800	406,800	6.96	2,831,328	2,831,328
WPI	WATERFRONT PHILS. INC.	-	-	-	8,196,000	8,196,000	0.41	3,319,380	3,319,380
X	XURPAS INC	-	-	-	2,362,700	2,362,700	0.25	585,950	585,950
XG	NEXGEN ENERGY CORP	-	-	-	96,000	96,000	3.18	305,280	305,280
ZHI	ZEUS HOLDINGS, INC.	-	-	-	92,000	92,000	0.07	6,164	6,164
		5,900			2,757,790,661	2,757,790,661		1,300,437,775	1,300,437,775

Number of Shares in Vault	5,900
Number of Shares in Clearing House	-
Number of Shares in Transfer Office	-
Number of Shares in PCD	2,757,790,661
Total Number of Shares	<u>2,757,796,561</u>

Per Client: 2,757,796,561
Per Confirmation: 2,759,859,540
Difference: (2,062,979)

Reconciliation:

(1,900)	Vault 2GO
(68,000)	Delisted LRW
945	Stock dividend MACAY
(4,000)	Delisted MPI
2,300,000	Delisted UNI
(122,000)	Delisted SSP
(42,081)	Suspended TECHW
15	Upliftment PLC
<u>2,062,979</u>	



Member: Philippine Stock Exchange
3310 Robinson's Equitable Tower
ADB Avenue, Ortigas Pasig City
Tel Nos: (02) 8633 0081

OATH

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

I, PHILIP T. LAUDE, President/Nominee of Timson Securities, Inc., do solemnly swear that all matters set forth in this summary of securities count for the month ended December 31, 2025 are true and correct to the best of my knowledge and belief.



PHILIP T. LAUDE
President/Nominee

SUBSCRIBED AND SWORN to before me this MAR 31 day of 2026 affiant exhibiting to me his Passport No. P9380585B issued at DFA Manila on March 28, 2022.

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Book No. XI
Series of 2026

ATTY. DIANE M. ABOLUCION
NOTARY PUBLIC FOR QUEZON CITY
UNTIL DECEMBER 2026
ADM MATTER NO. - 055 (2025-2026)
PTR NO. /8371014/ 05 Jan 2026/ Quezon City
IBP NO. /INV 581798/ 01 Jan 2026 / Pasig City
Roll of Attorney's No. 75460 / 27 July 2020
MCLE Certificate of Exemption No. VIII-BEP002760
32 A Road 20, Project 8, Brgy. Bahay Toro, Quezon city