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

The following document has been received:

Receiving: ICTD ERMD
Receipt Date and Time: May 25, 2026 03:58:44 PM

Company Information

SEC Registration No.: AS93001518
Company Name: Eurobrokers International, Inc.
Industry Classification: J68200
Company Type: Stock Corporation

Document Information

Document ID: OST105252026811484032
Document Type: Financial Statement
Document Code: FS
Period Covered: December 31, 2025
Submission Type: Annual
Remarks: None

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

Gmail

UHY MLAguirre <mla.acctg@gmail.com>

Fwd: Your BIR AFS eSubmission uploads were received

Nikko Romero <nikko.romero@mlaguirre.org> Wed, May 13, 2026 at 5:46 PM
To: Kristine Jessa Layron <kj.layron@mlaguirre.org>

NIKKO B. ROMERO, CPA
MANAGER

UHY M.L. Aguirre & Co. CPAs
D +63 916 497 8894
P +632 892 2568 / +632 555 0834 / +632 8043986

www.mlaguirreco.com **Audit | Tax | Consulting**

UHY
Connect to possibility

---------- Forwarded message ---------
From: <eafs@bir.gov.ph>
Date: Wed, May 13, 2026 at 5:33 PM
Subject: Your BIR AFS eSubmission uploads were received
To: <FINANCE@eurobrokers.ph>
Cc: <NIKKO.ROMERO@mlaguirre.org>

Hi EUROBROKERS INTERNATIONAL INC.,

Valid files

- EAFS002285731ITRTY122025.pdf
- EAFS002285731TCRTY122025-99.pdf
- EAFS002285731TCRTY122025-82.pdf
- EAFS002285731AFSTY122025.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-9FFFF6JE0ZXZVS1VPYZVYPVV04XZ2PQYS**
Submission Date/Time: **May 13, 2026 05:33 PM**
Company TIN: **002-285-731**

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

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

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

C O V E R S H E E T

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	S	0	9	3	0	1	5	1	8	

C O M P A N Y N A M E

EUROBROKERS INTERNATIONAL, INC.

PRINCIPAL OFFICE *(No. / Street / Barangay / City / Town / Province)*

RM 411 COMFOODS BLDG. SEN. GIL PUYAT AVE., MAKATI CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	N/A

C O M P A N Y I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
finance@eurobrokers.ph	8553-9500	09255702986

No. of Stockholders	Annual Meeting (Month / Day)	Calendar Year (Month / Day)
Five (5)	22-Apr	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
MA. NATIVIDAD T. GLINOGA	finance@eurobrokers.ph	8553-900	09255702986

CONTACT PERSON's ADDRESS

140 Tanauan St., Ayala Alabang, Muntinlupa City

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

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

EUROBROKERS INTERNATIONAL, INC.
MAKATI CITY– PHILIPPINES

FINANCIAL STATEMENTS
December 31, 2025 and 2024

INDEPENDENT AUDITOR'S REPORT

EUROBROKERS

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

UHY M.L. AGUIRRE & CO., CPAs, the independent auditor appointed by the stockholders for the years ended December 31, 2025 and 2024, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its reports to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

GLENN MARTIN T. GLINOGA
Chairman of the Board

Ma. Natividad T. Glinoga
MA. NATIVIDAD T. GLINOGA
President

HENRY R. BERNARDO
Treasurer

Signed this 24th day of April 2026.

EUROBROKERS INTERNATIONAL, INC.
Insurance Brokers & Consultants
Rm. 411 4F Comfoods Building, Sen. Gil Puyat Avenue, Makati City 1200
Tel. Nos. 8831-2005 • 8553-9500 • 8552-4540
Email Address: info@eurobrokers.ph

EUROBROKERS

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

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

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

(a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;

(b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;

(c) The **EUROBROKERS INTERNATIONAL, INC.** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

GLENN MARTIN T. GLINOGA
Chairman of the Board

Ma. Natividad T. Glinoga
MA. NATIVIDAD T. GLINOGA
President

HENRY R. BERNARDO
Treasurer

Signed this 24th day of April 2026.

UHY
Connect to possibility

UHY M.L. Aguirre & Co., CPAs
Unit 1802 Cityland Pasong Tamo Tower
Chino Roces Avenue
Makati City, NCR
Philippines

T +632 8892 2568
E ask@mlaguirre.org

mlaguirreco.com

INDEPENDENT AUDITOR'S REPORT

Stockholders and Board of Directors
EUROBROKERS INTERNATIONAL, INC.
RM 411 Comfoods Building,
Sen. Gil Puyat Avenue, Makati City

Opinion

We have audited the financial statements of **EUROBROKERS INTERNATIONAL, INC.** (the "Company"), which comprise the statements of financial position as of December 31, 2025, and 2024, and the statements of comprehensive income, statements of changes in stockholder's 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 financial statements present fairly, in all material respects, the financial position of **EUROBROKERS INTERNATIONAL, INC.** as of December 31, 2025, and 2024 and its financial performance and cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, the Code of Ethics for Professional Accountants in the Philippines, and we have fulfilled our responsibilities in accordance with these requirements. 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 these financial statements in accordance with PFRS Accounting Standards and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Further descriptions of the auditor's responsibilities for the audit of the financial statements are indicated in the Appendix I of this auditor's report.

Report on the Supplementary Information Required Under Revenue Regulations

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations (RR) 15-2010 and Revenue Regulations 34-2020 to the financial statements is presented for purposes of filing with Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the Management of **EUROBROKERS INTERNATIONAL, INC.** The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Report of Independent Auditor to Accompany Supplementary Information for Filing with the Insurance Commission

Our audit was made for the purpose of forming an opinion on the financial statements of the Company taken as a whole. The minimum information presented in Notes 4, 6 and 24 is the responsibility of the Company's management and is presented for purposes of complying with the Insurance Commission Circular Letter No. 2021-65 and 69 and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the Company's financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

UHY M.L. AGUIRRE & CO., CPAs
Tax Identification No. 006-533-775
BOA Accreditation No. 4511
June 27, 2024 valid until May 14, 2027
BIR Accreditation No.08-005582-000-2024
October 16, 2024 valid until October 15, 2027
BSP Accreditation No. 4511-BSP
Valid for Financial Audit Report For the Year 2025
SEC Group B Accreditation No. 4511- SEC
Valid to engage in the audit of 2025 financial statements
NEA Accreditation No. 2023-10-00095
December 11, 2023 valid until December 10, 2026
IC Accreditation No. 4511-IC
Valid to cover audit of 2021 to 2025 financial statements
CDA CEA No. 038-AF
Valid from June 14, 2024 to June 13, 2029

By:

MICHAEL L. AGUIRRE
Partner
CPA Certificate No. 0097376
PRC ID Expiry Date September 11, 2027
BOA Accreditation No. 4511/P-001
June 27, 2024 valid until May 14, 2027
BSP Accreditation No. 97376-BSP
Valid for Financial Audit Report For the Year 2025
SEC Group B Accreditation No. 97376 – SEC
Valid to cover audit of 2025 financial statements
Tax Identification No. 182-084-772
BIR Accreditation No. 08-005582-001-2025
January 27, 2025, valid until January 26, 2028
IC Accreditation No. 97376-IC
Valid to cover audit of 2021 to 2025 financial statements
CDA CEA No. 1888
Valid from April 16, 2024 to April 15, 2029
PTR No. 10777177
Issued on January 13, 2026
Makati City

April 24, 2026
Makati City, Philippines

APPENDIX I

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

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

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

UHY
Connect to possibility

UHY M.L. Aguirre & Co., CPAs
Unit 1802 Cityland Pasong Tamo Tower
Chino Roces Avenue
Makati City, NCR
Philippines

T +632 8892 2568
E ask@mlaguirre.org

mlaguirreco.com

INDEPENDENT AUDITOR'S REPORT
TO ACCOMPANY INCOME TAX RETURN

Stockholders and Board of Directors
EUROBROKERS INTERNATIONAL, INC.
RM 411 Comfoods Building,
Sen. Gil Puyat Avenue, Makati City

We have audited the financial statements of **EUROBROKERS INTERNATIONAL, INC.** for the year ended December 31, 2025, on which we have rendered the attached report dated April 24, 2026.

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

1. The schedule of taxes paid and accrued by the above Company for the year ended December 31, 2025 is attached to the Annual Income Tax Return.

2. We are not related by consanguinity or affinity to the president, manager or principal stockholders of the Company.

UHY M.L. AGUIRRE & CO., CPAs
Tax Identification No. 006-533-775
BOA Accreditation No. 4511
June 27, 2024 valid until May 14, 2027
BIR Accreditation No.08-005582-000-2024
October 16, 2024 valid until October 15, 2027
BSP Accreditation No. 4511-BSP
Valid for Financial Audit Report For the Year 2025
SEC Group B Accreditation No. 4511- SEC
Valid to engage in the audit of 2025 financial statements
NEA Accreditation No. 2023-10-00095
December 11, 2023 valid until December 10, 2026
IC Accreditation No. 4511-IC
Valid to cover audit of 2021 to 2025 financial statements
CDA CEA No. 038-AF
Valid from June 14, 2024 to June 13, 2029

By:

MICHAEL L. AGUIRRE
Partner
CPA Certificate No. 0097376
PRC ID Expiry Date September 11, 2027
BOA Accreditation No. 4511/P-001
June 27, 2024 valid until May 14, 2027
BSP Accreditation No. 97376-BSP
Valid for Financial Audit Report For the Year 2025
SEC Group B Accreditation No. 97376 – SEC
Valid to cover audit of 2025 financial statements
Tax Identification No. 182-084-772
BIR Accreditation No. 08-005582-001-2025
January 27, 2025, valid until January 26, 2028
IC Accreditation No. 97376-IC
Valid to cover audit of 2021 to 2025 financial statements
CDA CEA No. 1888
Valid from April 16, 2024 to April 15, 2029
PTR No. 10777177
Issued on January 13, 2026
Makati City

April 24, 2026
Makati City, Philippines

UHY
Connect to possibility

UHY M.L. Aguirre & Co., CPAs
Unit 1802 Cityland Pasong Tamo Tower
Chino Roces Avenue
Makati City, NCR
Philippines

T +632 8892 2568
E ask@mlaguirre.org

mlaguirreco.com

SUPPLEMENTAL WRITTEN STATEMENT OF AUDITOR

Stockholders and Board of Directors
EUROBROKERS INTERNATIONAL, INC.
RM 411 Comfoods Building,
Sen. Gil Puyat Avenue, Makati City

We have audited the financial statements of **EUROBROKERS INTERNATIONAL, INC.** for the years ended December 31, 2025 and 2024 on which we have rendered the attached report dated April 24, 2026.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the said Company has a total number of five (5) stockholders owning one hundred (100) or more shares each.

UHY M.L. AGUIRRE & CO., CPAs
Tax Identification No. 006-533-775
BOA Accreditation No. 4511
June 27, 2024 valid until May 14, 2027
BIR Accreditation No.08-005582-000-2024
October 16, 2024 valid until October 15, 2027
BSP Accreditation No. 4511-BSP
Valid for Financial Audit Report For the Year 2025
SEC Group B Accreditation No. 4511- SEC
Valid to engage in the audit of 2025 financial statements
NEA Accreditation No. 2023-10-00095
December 11, 2023 valid until December 10, 2026
IC Accreditation No. 4511-IC
Valid to cover audit of 2021 to 2025 financial statements
CDA CEA No. 038-AF
Valid from June 14, 2024 to June 13, 2029

By:

MICHAEL L. AGUIRRE
Partner
CPA Certificate No. 0097376
PRC ID Expiry Date September 11, 2027
BOA Accreditation No. 4511/P-001
June 27, 2024 valid until May 14, 2027
BSP Accreditation No. 97376-BSP
Valid for Financial Audit Report For the Year 2025
SEC Group B Accreditation No. 97376 – SEC
Valid to cover audit of 2025 financial statements
Tax Identification No. 182-084-772
BIR Accreditation No. 08-005582-001-2025
January 27, 2025, valid until January 26, 2028
IC Accreditation No. 97376-IC
Valid to cover audit of 2021 to 2025 financial statements
CDA CEA No. 1888
Valid from April 16, 2024 to April 15, 2029
PTR No. 10777177
Issued on January 13, 2026
Makati City

April 24, 2026
Makati City, Philippines

UHY
Connect to possibility

UHY M.L. Aguirre & Co., CPAs
Unit 1802 Cityland Pasong Tamo Tower
Chino Roces Avenue
Makati City, NCR
Philippines

T +632 8892 2568
E ask@mlaguirre.org

mlaguirreco.com

INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

Stockholders and Board of Directors
EUROBROKERS INTERNATIONAL, INC.
RM 411 Comfoods Building,
Sen. Gil Puyat Avenue, Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of **EUROBROKERS INTERNATIONAL, INC.** (the Company) as of December 31, 2025 and 2024 and for the years ended December 31, 2025 and 2024, and have issued our report thereon dated April 24, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculations and their appropriateness or usefulness to the intended users, are the responsibility of the Company's Management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standard and may not be comparable to similarly titled measures presented by other Companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Company's financial statements as of December 31, 2025 and 2024 and for the years ended December 31, 2025 and 2024, and no material exceptions noted.

UHY M.L. AGUIRRE & CO., CPAs
Tax Identification No. 006-533-775
BOA Accreditation No. 4511
June 27, 2024 valid until May 14, 2027
BIR Accreditation No.08-005582-000-2024
October 16, 2024 valid until October 15, 2027
BSP Accreditation No. 4511-BSP
Valid for Financial Audit Report For the Year 2025
SEC Group B Accreditation No. 4511- SEC
Valid to engage in the audit of 2025 financial statements
NEA Accreditation No. 2023-10-00095
December 11, 2023 valid until December 10, 2026
IC Accreditation No. 4511-IC
Valid to cover audit of 2021 to 2025 financial statements
CDA CEA No. 038-AF
Valid from June 14, 2024 to June 13, 2029

By:

MICHAEL L. AGUIRRE
Partner
CPA Certificate No. 0097376
PRC ID Expiry Date September 11, 2027
BOA Accreditation No. 4511/P-001
June 27, 2024 valid until May 14, 2027
BSP Accreditation No. 97376-BSP
Valid for Financial Audit Report For the Year 2025
SEC Group B Accreditation No. 97376 – SEC
Valid to cover audit of 2025 financial statements
Tax Identification No. 182-084-772
BIR Accreditation No. 08-005582-001-2025
January 27, 2025, valid until January 26, 2028
IC Accreditation No. 97376-IC
Valid to cover audit of 2021 to 2025 financial statements
CDA CEA No. 1888
Valid from April 16, 2024 to April 15, 2029
PTR No. 10777177
Issued on January 13, 2026
Makati City

April 24, 2026
Makati City, Philippines

EUROBROKERS INTERNATIONAL, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

(In Philippine Peso)

	Notes	2025	2024
ASSETS			
Current Assets			
Cash and cash equivalents	6	**2,763,310**	4,212,222
Premium receivables - net	7	**4,312,717**	3,621,243
Commission and other receivables	8	**205,785**	337,330
Other current assets	9	**14,816,561**	14,241,901
		22,098,373	22,412,696
Non-Current Assets			
Property and equipment - net	10	**702,923**	44,752
Other non-current asset	11	**431,245**	431,245
		1,134,168	475,997
TOTAL ASSETS		**23,232,541**	22,888,693
LIABILITIES AND STOCKHOLDERS' EQUITY			
LIABILITIES			
Current Liabilities			
Premium payables	12	**3,523,689**	2,948,152
Other current liabilities	13	**371,005**	410,297
TOTAL LIABILITIES		**3,894,694**	3,358,449
STOCKHOLDERS' EQUITY			
Capital Stock	15	**10,000,000**	10,000,000
Retained Earnings		**9,337,847**	9,530,244
TOTAL STOCKHOLDERS' EQUITY		**19,337,847**	19,530,244
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		**23,232,541**	22,888,693

(See Accompanying Notes to Financial Statements)

EUROBROKERS INTERNATIONAL, INC.
STATEMENTS OF COMPREHENSIVE INCOME
For The Years Ended December 31, 2025 and 2024

(In Philippine Peso)

	Notes	2025	2024
COMMISSION INCOME - NET	16	**4,887,274**	5,264,669
DIRECT COSTS	17	**1,850,495**	1,692,149
GROSS PROFIT		**3,036,779**	3,572,520
OTHER INCOME	18	**105,436**	57,257
		3,142,215	3,629,777
OPERATING EXPENSES	19	**2,874,344**	2,887,832
PROFIT BEFORE INCOME TAX		**267,871**	741,945
PROVISION FOR INCOME TAX	21	**378,489**	428,984
NET INCOME (LOSS)		**(110,618)**	312,961
OTHER COMPREHENSIVE INCOME (LOSS)		**-**	-
TOTAL COMPREHENSIVE INCOME (LOSS)		**(110,618)**	312,961

(See Accompanying Notes to Financial Statements)

EUROBROKERS INTERNATIONAL, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For The Years Ended December 31, 2025 and 2024
(In Philippine Peso)

	Notes	Capital Stock	Retained Earnings	Total
Balance at January 1, 2024		10,000,000	9,217,283	19,217,283
Total comprehensive income		-	312,961	312,961
Balance at December 31, 2024		10,000,000	9,530,244	19,530,244
Balance at January 1, 2025	15	10,000,000	9,530,244	19,530,244
Prior period adjustments	22	-	(81,779)	(81,779)
Balance at January 1, 2025, as restated		10,000,000	9,448,465	19,448,465
Total comprehensive loss		-	(110,618)	(110,618)
Balance at December 31, 2025		**10,000,000**	**9,337,847**	**19,337,847**

(See Accompanying Notes to Financial Statements)

EUROBROKERS INTERNATIONAL, INC.
STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2025 and 2024
(In Philippine Peso)

	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		**267,871**	741,945
Adjustments for:			
Depreciation	10,19	**80,759**	20,073
Unrealized foreign exchange gain	18	**(710)**	(52,963)
Unrealized foreign exchange loss	18	**13,911**	-
Interest income	6, 18	**(1,337)**	(1,944)
Operating cash flows before working capital changes		**360,494**	707,111
Decrease (increase) in operating assets:			
Premium receivables		**(691,474)**	(230,405)
Commission and other receivables		**131,545**	(81,910)
Other current assets		**(953,150)**	(807,777)
Increase (decrease) in operating liabilities:			
Premium payables		**575,537**	305,367
Other current liabilities		**(121,071)**	(40,791)
Net cash used in operations		**(698,119)**	(148,405)
Interest received	6, 18	**1,337**	1,944
Net cash used in operating activities		**(696,782)**	(146,461)
CASH FLOWS FROM AN INVESTING ACTIVITIES			
Acquisition of property and equipment	10	**(738,929)**	(44,922)
Other non-current asset		**-**	(86,723)
Total cash used in investing activities		**(738,929)**	(131,645)
TOTAL DECREASE IN CASH		**(1,435,711)**	(278,106)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH	18	**(13,201)**	52,963
CASH AT BEGINNING OF YEAR		**4,212,222**	4,437,365
CASH AT END OF YEAR		**2,763,310**	4,212,222

(See Accompanying Notes to Financial Statements)

1. CORPORATE INFORMATION

EUROBROKERS INTERNATIONAL, INC. (the “Company”) was incorporated and registered with the Securities and Exchange Commission (SEC) on February 24, 1993 with SEC registration number AS093-01518.

The Company holds an insurance broker’s license issued by the Insurance Commission (IC) with license number IB-49-2025-R. On January 01, 2025, the IC renewed the Company’s license and shall be valid until December 31, 2027.

The primary purpose of the Company is to carry on the business of insurance and reinsurance brokers.

The principal and business address of the Company is located at Rm. 411 Comfoods Building, Sen. Gil Puyat Ave., Makati City and is domiciled in the Philippines.

2. FINANCIAL REPORTING FRAMEWORK, BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards which includes all applicable PFRS Accounting Standards, Philippine Accounting Standards (PAS), and Interpretations issued by the Philippine Interpretations Committee (PIC), Standard Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Philippine Financial and Sustainability Reporting Standards Council (PFSRC) and adopted by the Securities and Exchange Commission (SEC).

Basis of Preparation

The financial statements are prepared on the historical cost basis, except where a Financial Reporting Standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

The Company qualifies as a small entity based on the criteria set by SEC under Revised Securities Regulation Code (SRC) Rule 68 dated August 19, 2019, and thus required to use PFRS for SEs as its financial reporting framework. However, the Company is a holder of secondary license issued by Insurance Commission (IC) that made the Company qualify as a large and/or publicly- accountable entity. Large and/or publicly-accountable entities shall use as their financial reporting framework the PFRS Accounting Standards as adopted by the SEC.

Current versus Non-Current Classification

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

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 (12) after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Presentation and Functional Currency

Items included in the financial statements of the Company are measured using Philippine peso, the currency of the primary economic environment in which the Company operates (the "functional currency"). All presented financial information has been rounded to the nearest peso, except when otherwise indicated.

The Company chose to present its financial statements using its functional currency.

Use of Judgments and Estimates

The preparation of the Company's financial statements requires Management to make judgments, estimates and assumptions that affect the amounts reported in the Company's financial statements and accompanying notes.

Judgments are made by Management in the development, selection and disclosure of the Company's significant accounting policies and estimates and the application of these policies and estimates.

The estimates and assumptions are reviewed on an ongoing basis. These are based on Management's evaluation of relevant facts and circumstances as of the reporting date. Actual results could differ from such estimates.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Going Concern Assumption

The Company is not aware of any significant uncertainties that may cast doubts upon the Company's ability to continue as a going concern.

3. ADOPTION OF NEW AND REVISED REPORTING STANDARDS

Changes in Accounting Policies and Disclosures

The Company adopted all accounting standards and interpretations as at December 31, 2025 and 2024. The accounting policies adopted are consistent with those of the previous financial year, except that the Company has adopted the new and revised accounting standards starting

January 1, 2025. Adoption of these standards did not have any significant impact on the Company's financial position or performance unless otherwise indicated.

These new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (PASB) and approved by the PFSRSC, were assessed to be applicable to the Company's financial statements, are as follows:

New and Revised PFRSs effective for annual periods beginning on or after January 1, 2025

Effective beginning on or after January 1, 2025

- <u>*Amendments to PAS 21, Lack of Exchangeability*</u>

  The amendments clarify when a currency is considered exchangeable into another currency and how an entity determines the exchange rate for currencies that lack exchangeability. The amendments also introduce new disclosure requirements to help users of financial statements assess the impact when a currency is not exchangeable. An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity.

  The amendment is effective for reporting periods beginning on or after January 1, 2025. Early application is permitted.

  The Management assessed that the amendments has no material impact in the Company's financial reporting.

Effective beginning on or after January 1, 2026

- <u>*Amendments to PFRS 9 and PFRS 7, Amendments to the Classification and Measurement of Financial Instruments*</u>

  The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date.

  Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments.

  Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI.

  The amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only.

  The management is currently assessing the impact of the amendments on the Company's financial reporting.

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

  The amendments introduce requirements addressing contracts referencing nature-dependent electricity, which are contracts that expose entities to variability in electricity amounts due to uncontrollable natural conditions. The amendments clarify the application of the 'own-use' exception, allowing entities to assess electricity purchase contracts based on expected usage requirements.

  The amendments also introduce an exception to the general hedge accounting principles in PFRS 9 to permit the designation of these contracts as hedging instruments against a variable nominal volume of electricity. New disclosure requirements are introduced to enable investors to understand the effects of contracts referencing nature-dependent electricity on an entity's financial performance and cash flows.

  The amendments are effective for annual periods starting on or after January 1, 2026. Early adoption is permitted.

  The management is currently assessing the impact of the amendments on the Company's financial reporting.

- *Annual Improvements to PFRS Accounting Standards Volume 11:*

  - *Amendments to PFRS 7, Financial Instruments: Disclosures*

  The amendments update and remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price.

  The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure. Earlier application is permitted.

  - *Amendments to PFRS 9, Financial Instruments – Transaction Price and Lessee Derecognition of Lease Liabilities*

  The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee must apply the derecognition criteria for a financial liability which requires recognition of a 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' to 'the amount determined by applying PFRS 15' to remove potential confusion. Earlier application is permitted.

  - *Amendments to PAS 7, Statement of Cash Flows*

  The amendments replace the term 'cost method' with 'at cost' following the deletion of the definition of 'cost method'. Earlier application is permitted.

  - *Amendments to PFRS 10, Consolidated Financial Statements*

  The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.

The management is currently assessing the impact of the amendments on the Company's financial reporting.

Effective beginning on or after January 1, 2027

- *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 December 15, 2021, the PFSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the PASB.

On November 19, 2024, the SEC approved to defer the effective date of PFRS 17. This is consistent with Circular Letter No's. 2024-19 and 2024-20, dated October 17, 2024 deferring the implementation of PFRS 17 for Mutual Benefit Associations (MBA's) to reporting periods beginning on or after January 1, 2030 and for Health Maintenance Organizations (HMOs) to reporting periods beginning on or after January 1, 2027.

On February 14, 2025, the PFSRSC approved the amendment to PFRS 17 that further defers the date of Initial application by an additional two (2) years, to annual periods beginning on or after January 1, 2027. This will provide more time for the insurance industry to fully prepare and assess the impact of adopting the said standard

PFRS 17 is effective for reporting periods beginning on or after January 1, 2027, with comparative figures required, except for HMOs. Early application is permitted.

The Company is currently examining the impact of adopting PFRS 17 on its financial reporting.

- Amendments to PFRS 17, *Initial Application of PFRS 17 and PFRS 9— Comparative Information*

The amendment adds a transition option for a classification overlay to address possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of PFRS 17. The amendments would be available for:

- any financial assets, including those held in respect of an activity that is unconnected to contracts within the scope of PFRS 17; and
- both entities that initially apply PFRS 9 at the same time as they apply PFRS 17, and entities that had already applied IFRS 9 before the initial application of PFRS 17 where those entities redesignate financial assets applying paragraph C29 of PFRS 17.

The transition option would:

- be available, on an instrument-by-instrument basis;
- allow an entity to present comparative information as if the classification and measurement requirements of PFRS 9 had been applied to that financial asset, but not require an entity to apply the impairment requirements of PFRS 9; and
- require an entity that applies the classification overlay to a financial asset to use reasonable and supportable information available at the transition date to determine how the entity expects that financial asset to be classified applying PFRS 9.

The amendment does not amend the transition requirements in PFRS 9. At the date of initial application of PFRS 9, an entity is required to apply the transition requirements in PFRS 9 to a financial asset, regardless of whether it has applied the classification overlay to that asset.

On February 14, 2025, the PFSRSC approved the amendment to PFRS 17 that further defers the date of Initial application by an additional two (2) years, to annual periods beginning on or after January 1, 2027. This will provide more time for the insurance industry to fully prepare and assess the impact of adopting the said standard.

The amendment is effective for reporting periods beginning on or after January 1, 2027. Early application is permitted.

The Company is currently examining the impact of adopting the amendments to PFRS 17 on its financial reporting.

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

PFRS 18 ‘Presentation and Disclosures in Financial Statements' will replace PAS 1 'Presentation of Financial Statements while carrying forward many of the requirements in PAS 1.

PFRS 18 introduces significant changes to numerous requirements, primarily how an entity:

- Presents its statement of profit or loss, including the classification of income and expenses and new mandatory subtotals;
- Aggregates and disaggregates information disclosed in financial statements; and
- Discloses information about management-defined performance measures.

PFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. The standard is applied retrospectively, with specific transition provisions. Early adoption is permitted.

The Company is currently examining the impact of adopting PFRS 18 on its financial reporting

- *PFRS 19, Subsidiaries without Public Accountability*

  This standard permit eligible subsidiaries to elect to apply reduced disclosure requirements as per PFRS 19 and comply with the recognition, measurement, and presentation requirements set out in other PFRS Accounting Standards.

  These reduced disclosure requirements are expected to balance the information needs of the users of eligible subsidiaries financial statements with cost savings for preparers.

  PFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027. Early adoption is permitted.

  The Management is currently assessing the impact of adopting PFRS 19 in its financial reporting.

Deferred effectivity

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

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

  On January 13, 2016, the Financial Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (PASB) 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 Management is currently assessing the impact of the amendments in its financial reporting.

4. MATERIAL ACCOUNTING POLICIES

Principal accounting and financial reporting policies applied by the Company in the preparation of its financial statements are enumerated below and are consistently applied to all the years presented, unless otherwise stated.

Financial Instruments

The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial Assets

Initial Measurement of Financial Assets

Financial assets are recognized initially at fair value, which is the fair value of the consideration given or received. Except for those classified or designated at fair value through profit or loss (FVTPL), initial measurement includes transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

The classification depends on the purpose for which the financial assets are acquired or the financial liabilities are incurred and whether the instruments are quoted in an active market. Management determines the classification of its financial assets and financial liabilities at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent Measurement of financial assets

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

The Company classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI) with recycling of cumulative gains and losses (debt instruments);
- Financial assets at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Fair value through profit or loss (FVTPL).

Debt Instrument and equity instrument

- Amortised cost - Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statements of comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Effective Interest Method
The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts, through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

The details of the above conditions are as follows:

The Sole Payment of Principal Interest (SPPI) test

The Company assesses the contractual terms of financial assets to identify whether it meets the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company apply judgment and consider relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Business model assessment

The Company determines the business model at the level that best reflects how we manage Company's s of financial assets to achieve our 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 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 held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of our 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 our original expectations, the Company do not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Company's financial assets at amortized cost include cash and cash equivalent, premium receivable, commission and other receivables, and security deposits and other deposits as of December 31, 2025 and 2024.

Cash and Cash Equivalents
Cash includes cash on hand and cash in banks. Cash in banks earn 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 maturities of three (3) months or less from the date of acquisition and are subject to insignificant risk of change in value..

- FVOCI - Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognized in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in statements of comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statements of comprehensive income and presented in "other gains and losses". Interest income from these financial assets is recognized using the effective interest rate method and presented in "interest income".

The Company's has no financial assets at FVOCI as of December 31, 2025 and 2024.

- FVPL - Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortized cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognized in statements of comprehensive income in the period in which it arises and presented in "other gains and losses".

The Company's has no financial assets at FVPL as of December 31, 2025 and 2024.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item.
- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other gains and losses' line item. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in the investments revaluation reserve
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item as part of the fair value gain or loss.
- For equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

Premium payables

These are amounts to be paid to the insurer arising from collected premiums and taxes from the insured parties. These are recorded at transaction price.

Impairment of Financial Assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. 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 2 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).

The Company applies specific identification and provides 100% provision on identified possibly impaired financial assets.

Equity Instruments

The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognized in statements of comprehensive income in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Company has elected to recognize changes in fair value of equity securities not held for trading in OCI as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains / losses" in OCI. Dividends from equity investments are recognized in statements of comprehensive income as "dividend income".

Offsetting Financial Instruments.

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Company has an enforceable legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

''Day 1'' Difference

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions of 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' profit) in profit or loss unless it qualifies for recognition as some other type of asset. In cases where no observable data is used, 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' profit amount.

Derecognition of Financial Instruments

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Fair Value Measurement and Valuation Techniques

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes, when necessary, based on the market values, being the estimated amount for which an asset could be exchanged on the date of the valuation after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The different levels of fair value of financial instruments carried at fair value, by valuation method have been defined as follows:

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

For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include net present value techniques, comparison to similar instruments for which market observable prices exist, options pricing models and other relevant valuation models.

Property and Equipment

Property and equipment are initially recognized at cost and subsequently measured at cost less any accumulated depreciation and impairment losses. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company. The carrying amount of replaced parts is derecognized. All other subsequent expenditures are recognized as expenses in the period in which those are incurred.

Depreciation commences when the asset is available for use and ceases at the date when the asset is derecognized. Depreciation is computed on the straight-line method based on the estimated lives of assets as follows:

Office furniture and fixtures	5 years
Data processing equipment	3 years
Transportation equipment	5 years

Leasehold improvements are depreciated over the shorter between the improvements' useful life of the improvements of 3 years or the lease term.

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

An item of property and equipment is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of a property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

Fully depreciated property and equipment are retained in the account until they are no longer in use and no further depreciation is charged against current operation.

Other Assets

Other asset account is the Company's assets that are not considered to be major account and individually presented in the Company statements of financial position. These assets are classified in statements of financial position as current when they are reasonably expected to be consumed, sold or converted into cash within one year or the entity's normal operating cycle whichever is longer. Otherwise, these assets are classified as non-current.

Other current assets include:

Other current assets represent prepaid tax, advances to officers and employees and prepayments.

Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are expensed as they are consumed in the operations or expire with the passage of time.

Prepayments are classified in the statements of financial position as current asset where they are expected to be expensed within one year or the entity's normal operating cycle whichever is longer. Otherwise, prepayments are classified as non-current.

Prepaid tax includes amount withheld by the Company's customers arising from a taxable event and is deducted from the Company's current income tax payable.

Advances to officers and employees are cash disbursements which are subject to liquidation.

Other non-current asset

Other non-current asset refers to the comprehensive group plan that covers retirement benefits through cash value under Insular Life's Comprehensive plan that is funded solely by the Company.

The cash value is guaranteed against capital losses and shall be credited with a minimum interest of 3.875% compounded annually or the average rate offered by the top three (3) commercial banks in the Philippines on their regular savings deposit, pus 50% of the actual investment yield in excess of the minimum rate, provided that the Policy remains in force for five (5) years.

In the event that the Plan is terminated within five (5) years from the effective date of the Policy, there shall be an administrative charge to be deducted from the Fund in accordance with the following schedule:

Year	Percentage to be deducted
On or earlier than the 1st Anniversary	5% of the funds to be withdrawn
After the 1st Anniversary up to the 2nd Anniversary	4% of the funds to be withdrawn
After the 2nd Anniversary up to the 3rd Anniversary	3% of the funds to be withdrawn
After the 3rd Anniversary up to the 4th Anniversary	2% of the funds to be withdrawn
After the 4th Anniversary but before the 5th Anniversary	1% of the funds to be withdrawn

Other liabilities

Other liabilities account is the Company's liabilities that are not considered to be major account and individually presented in the Company's statements of financial position. These are measured at transaction costs. These liabilities are classified in statements of financial position as current when they are reasonably expected to be paid within one year or the entity's normal operating cycle whichever is longer. Otherwise, these liabilities are classified as non-current.

Other current liabilities usually include government payables such as Social Security System (SSS), Home Mutual Development Fund (HDMF), and Philippine Health Insurance Commission premium, contribution and loan amortizations, and withholding tax for Bureau of Internal Revenue (BIR). These are measured at transaction cost.

Accruals, if any, are liabilities to pay for goods or services that have been received or supplied but not yet paid. The amount or timing of accruals includes estimation but the uncertainties are generally much less than the provisions.

Equity

Common Stock

Common stock is measured at par value for all shares issued and outstanding.

Additional Paid-in Capital

When the shares are sold at premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received.

In case the shares are issued to extinguish or settle the liability of the Company, the shares shall be measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable

Retained Earnings

Retained earnings represent the cumulative balance of net income or loss, dividend distributions, prior period adjustments, effects of the changes in accounting policy and other capital adjustments.

Unappropriated retained earnings represent the portion which is free and can be declared as dividends to stockholders subject to adjustments based on the regulatory requirements of the Philippine SEC.

Revenue Recognition

The Company's revenue arises mainly from commissions.

When determining the Company's performance obligations, the Company assesses its revenue arrangements against specific criteria to determine if the Company is acting as principal or agent. The Company considers both the legal form and the substance of our agreement, to determine each party's respective roles in the agreement. The Company is acting as a principal when it has control over the respective services before the Company renders those. When the Company's role in a transaction is that of principal, revenue is presented on a gross basis, otherwise, revenue is presented on a net basis.

To determine whether to recognize revenue, the Company follows a five-step process:

1) Identifying the contract with a customer;
2) Identifying the performance obligation;
3) Determining the transaction price;
4) Allocating the transaction price to the performance obligations; and
5) Recognizing revenue when/as performance obligations are satisfied.

The Company determines whether a contract with the customer exists by evaluating whether the following gating criteria are present:

1) The parties to the contract have approved the contract either in writing, orally or in accordance with other customary business practices;
2) Each party's rights regarding the goods or services to be transferred or performed can be identified;
3) The payment terms for the goods or services to be transferred or performed can be identified;
4) The contract has commercial substance (i.e., the risk, timing or amount of the future cash flows is expected to change as a result of the contract); and
5) Collection of the consideration in exchange of the goods and services is probable.

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:

1) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
2) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and
3) 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.

Revenue is measured by reference to the fair value of the consideration received or receivable by the Company for services provided, excluding value-added tax (VAT).

In addition, the following specific recognition criteria must also be met before revenue is recognized

Commission income
Income on insurance brokerage-is recognized at point in time upon collection of the insurance premium either by the company or by the insurance companies. The commission is received upon collection of the insurance premium, which will subsequently remitted to the insurance companies, net of commissions earned.

Interest income
Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is recognized based at respective bank deposit rates.

Other income
Income is recognized when earned.

Cost and Expense Recognition

Expense encompasses losses as well as those expenses that arise in the course of the ordinary activities of the entity.

The Company recognizes expenses in the statements of comprehensive income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

Employee benefits

Short-term Benefits

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions and short-term compensated absences.

Long-term benefits

The Company acquired a comprehensive group plan with Insular Life Insurance Co. Ltd. for the retirement benefits of qualified employees.

Death Benefits

Insular Life will pay the designated beneficiary the corresponding death benefit from Life Insurance upon receipt and approval by Insular Life of due proof/s that the participant died while insured under the plan.

Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed to either; terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Leases

- Short-term leases and leases of low-value assets

The Company apply the short-term lease recognition exemption to our short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company also apply the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

- Significant judgment in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The

Company has the option, under some of its leases to lease the assets for additional terms of three to five years. The Company applies judgment in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

Foreign Currency Transactions

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency, i.e. foreign currencies, are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences arising on non-monetary assets and liabilities where the gains and losses of such non-monetary items are recognized directly in equity; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits from excess Minimum Corporate Income Tax (MCIT) over Regular Corporate Income Tax (RCIT) and unused Net Operating Loss Carryover (NOLCO), to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and carry forward of unused MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized when it 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 that affects neither the accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognized for taxable temporary differences. Deferred tax assets arising from deductible temporary differences are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and Deferred Tax for the Period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss, whether in other comprehensive income or directly in equity, in which case the tax is also recognized outside profit or loss.

Value-added Tax

Revenues, expenses and assets are recognized, net of the amount of value-added tax (VAT) except:

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

The net amount of value-added tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the Company's statements of financial position.

Related Party Relationships and Transactions

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. The key management personnel of the Company, post-employment benefit plans for the benefit of Company's employees, and close members of the family of any individuals owning directly or indirectly a significant voting power of the Company that gives them significant influence in the financial and operating policy decisions of the Company are also considered to be related parties.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. An entity is related to the Company when it directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with the Company.

Events after the Reporting Date

The Company identifies subsequent events as events that occurred after the reporting date but before the date when the financial statements were authorized for issue. Any subsequent events that provide additional information about the Company's position at the reporting date, adjusting events, are reflected in the financial statements, while subsequent events that do not require adjustments, non-adjusting events, are disclosed in the notes to financial statements when material.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical Judgments in Applying Accounting Policies

The following are the critical judgments, apart from those involving estimations that Management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

Determination of transaction price and timing of satisfaction of performance obligation- commission income.

The Company determines that its commission income insurance brokerage shall be recognized at point in time upon collection of the insurance premium either by the Company on the insurance provider which is the point where the Company substantially renders the service based on the agreement with insurance provider and is based on commissions rates on the gross premium billing.

Determination of ECL on premiums and other receivable

The Company uses a provision matrix to calculate ECL for premium and other receivables. The provision rates are based on days past due for groupings of various customer segments to the extent applicable that have similar loss patterns.

The provision matrix is based on the Company's historical observed default rates, The Company's management intends to regularly calibrate (i. e. annual basis) the matrix to consider the historical credit loss experience with forward-looking information.

Amortized cost of financial instruments

The determination of amortized cost on financial instruments includes estimating future payments or receipts from such financial instruments. The Company assesses annually whether new information warrants revisions to such estimates which will require adjusting the carrying amounts of financial instruments, except for reclassified financial assets, to reflect actual or revised estimates of cash flows. The Company recalculates the carrying amount by computing the present value of estimated future cash flows at the financial instrument's original effective interest rate. The adjustment is recognized in the statement of income as income or expense.

Debt instruments

Classification to debt instruments requires significant judgment. In making the judgment, the Association evaluates its intention and ability to hold the financial assets in order to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. If the Association fails to keep these investments to maturity other than in certain specific circumstances, for example, sales that are so close to maturity. It will be required to reclassify the entire portfolio as FVTPL. The investments would therefore be measured at fair value and not at amortized cost. When and only when, the Association changes its business model for managing financial assets it must be reclassify all affected financial assets.

Financial Assets and Liabilities

The Company carries some of its financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgment. In addition, certain liabilities acquired through debt exchange and restructuring are required to be carried at fair value at the time of the debt exchange and restructuring. While significant components of fair value measurement were determined using verifiable objective evidence, i.e., foreign exchange rates, interest rates, volatility rates, the amount of changes in fair value would differ if the Company utilized different valuation methodology. Any changes in fair value of these financial assets and liabilities would affect directly the profit or loss and equity.

Operating leases

In determining whether or not there is indication of operating lease treatment, the Company considers retention of ownership title to the leased property, period of lease contract relative to the estimated useful economic life of the leased property and bearer of executory costs, among others.

Company as lessee

The Company has entered into lease on premises it uses for its operations. The Company has determined that all significant risks and rewards of ownerships of the properties it leases on operating lease are not transferrable to the Company.

Key Sources of Estimation Uncertainty

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

Estimation of allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and the resulting losses).

Fair value of financial instruments

The Company classifies financial assets by evaluating, among others, whether the asset is quoted or not in an active market. Included in the evaluation on whether a financial asset is quoted in an active market is the determination on whether quoted prices are readily and regularly available and whether those prices represent actual and regularly occurring market transactions on an arm’s length basis.

Where the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

The carrying values and corresponding fair values of financial assets and financial liabilities as well as the manner in which fair values were determined are discussed in details in Note 23.

Estimated useful lives of property and equipment

The Company reviews on an annual basis the estimated useful lives of property and equipment based on expected asset utilization as anchored on business plans and strategies that also consider expected future technological developments and market behavior.

It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of property and equipment and software costs would increase the recorded depreciation and amortization expense and decrease noncurrent assets. The estimated useful lives of property and equipment are disclosed in Note 4.

(In Philippine Peso)

Retirement liability

The Company has entered to a formal retirement plan in 2018 for the benefit of its qualified employees under Insular Life Insurance Co., Ltd. The Company did not engage the service of an actuary. The Company has five (5) employees in 2025 and 2024, wherein the Management assessed that for both years, there is no significant retirement obligation and, if any, will not materially affect the fair presentation of the financial statements.

6. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash includes cash in banks and petty cash fund.

Cash at the end of the reporting period as shown in the statements of cash flows can be reconciled to the related items in the statements of financial position as follows:

		2025		2024
Cash in bank	₱	**1,382,359**	₱	2,831,271
Short-term investment		**1,370,951**		1,370,951
Petty cash fund		**10,000**		10,000
	₱	**2,763,310**	₱	4,212,222

The interest income from bank deposits at prevailing interest amounted to ₱1,337 and ₱ 1,944 in 2025 and 2024, respectively. As disclosed in Note 18.

Short-term investment is composed of USD denominated time deposit invested by the Company in Security Bank.

As of December 31, 2025 and 2024, the Company's client's money amounted to ₱796,194 and ₱677,580, respectively, and are presented as part of cash and cash equivalents in the statements of financial position. It is the Company's practice to maintain a separate record in monitoring clients' money.

(In Philippine Peso)

7. PREMIUM RECEIVABLES – NET

This account consists of:

		2025		2024
Premium receivables	₱	**4,319,884**	₱	3,628,410
Allowance for impairment premium receivables		**(7,167)**		(7,167)
	₱	**4,312,717**	₱	3,621,243

Premium receivables refer to the outstanding receivable from the assured whose insurance policies were issued by accredited insurers. All of the Company's premium receivables have been assessed for impairment. Certain receivables, which are mostly due from various customers, were assessed to be impaired, hence adequate amount of allowance for impairment have been recognized. These are to be written off when a determination has been made that a specific balance will not be collected, and the corresponding insurance policy is cancelled or terminated.

The Company monitors receivables on an ongoing basis and considers historical loss experience, current conditions, and forward-looking information, although no significant adjustments were necessary as of reporting date.

These receivables are non-interest bearing and are collectible within 12 months.

8. COMMISSION AND OTHER RECEIVABLES

This account consists of:

		2025		2024
Commission receivable	₱	**163,121**	₱	294,763
Other receivables		**42,664**		42,567
	₱	**205,785**	₱	337,330

Commission receivables refer to commissions earned but not yet received from principal insurance company. These are non- interest bearing and usually collectible within two months to one year.

Other receivables refer to the amount collectible by the Company from sources other than main operations.

(In Philippine Peso)

9. OTHER CURRENT ASSETS

This account consists of:

		2025		2024
Prepaid tax	₱	**8,458,304**	₱	8,836,794
Creditable withholding tax		**5,943,716**		5,154,144
Advances to officers and employees		**239,025**		-
Prepayments		**117,886**		117,888
Input VAT		**50,931**		126,369
Others		**6,700**		6,706
	₱	**14,816,561**	₱	14,241,901

Prepaid tax represents advance payments of income taxes made by the Company, which are expected to be applied against future income tax liabilities. Management assessed the recoverability of these balances based on projected taxable income, historical utilization, and filed or pending tax returns. The Company expects to realize these amounts through offset against future income taxes within the normal operating cycle; however, any excess not utilized within 12 months will be carried forward or claimed for refund in accordance with applicable tax regulations.

As of December 31, 2025, management believes that these balances are fully recoverable, and no impairment is required. The classification as current assets reflect management's expectation that the amounts will be realized within 12 months; otherwise, such balances will be reclassified as non-current, if necessary.

Creditable withholding tax refers to unused tax credits.

Prepayments pertain to deposits made for office and photocopying machine rentals.

Others pertain to advances to parties other than officers and employees.

(In Philippine Peso)

10. PROPERTY AND EQUIPMENT - NET

The composition and movements in this account follows:

	Leasehold Improvement	Data Processing Equipment	Office Furniture and Fixtures	Transportation Equipment	Total
Cost:					
January 1, 2024	₱ 263,154	₱ 111,431	₱ 514,975	₱ -	₱ 889,560
Reclassification	-	41,915	3,007	-	44,922
December 31, 2024	₱ 263,154	₱ 153,346	₱ 517,982	₱ -	₱ 934,482
Additions	-	-	-	**738,929**	738,929
December 31, 2025	**₱ 263,154**	**₱ 153,346**	**₱ 517,982**	**₱ 738,929**	**₱ 1,673,411**
Accumulated depreciation:					
January 1, 2024	₱ 263,154	₱ 111,431	₱ 495,071	-	₱ 869,656
Reclassification	-	(14,672)	14,672	-	-
Depreciation (Note 19)	-	15,000	5,073	-	20,073
December 31, 2024	₱ 263,154	₱ 111,759	₱ 514,816	-	₱ 889,729
Depreciation (Note 19)	-	18,718	464	61,577	80,759
December 31, 2025	**₱ 263,154**	**₱ 130,477**	**₱ 515,280**	**61,577**	**₱ 970,488**
Net Book Value – 2024	₱ -	₱ 42,587	₱ 2,165	-	₱ 44,752
Net Book Value -2025	**₱ -**	**₱ 22,869**	**₱ 2,702**	**677,352**	**₱ 702,923**

There were no temporary idle property and equipment, and all fully depreciated assets are still in use. The cost of fully depreciated assets still in use amounted to ₱ 875,966 as of December 31, 2025 and 2024.

(In Philippine Peso)

11. OTHER NON-CURRENT ASSET

This account pertains to an acquired comprehensive group plan policy with No. G138000177 with Insular Life Insurance Co., Ltd., amounting to ₱431,245 in 2025 and 2024, as retirement benefits of qualified employees.

As of the reporting date, the Company does not have an updated valuation report for its insurance plan.

12. PREMIUM PAYABLES

Premium payables pertain to the amount of premiums and remittance to the principal insurance companies amounting to ₱ 3,523,689 and ₱ 2,948,152 as of December 31, 2025 and 2024, respectively.

13. OTHER CURRENT LIABILITIES

This account consists of:

		2025		2024
Payable to government	₱	**142,594**	₱	206,540
Others		**228,411**		234,757
	₱	**371,005**	₱	441,297

Payable to government are amounts due to government agencies such as the Bureau of Internal Revenue (BIR), Social Security System (SSS), Home Development Mutual Fund (HDMF), stated at their fair value. These are non-interest bearing and are settled within a short period of time.

Other payables pertain mainly to excess commissions that were erroneously credited, as well as other miscellaneous liabilities.

The accrued expenses for 2024 have been restated to reflect necessary adjustments; refer to Note 22 for further details on the nature and impact of the restatement.

14. RELATED PARTY TRANSACTIONS

Remuneration of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company considers officers, with the rank of assistant vice president and up to constitute key management personnel for purposes of PAS 24, *Related Party Disclosures*.

The gross compensation of key management personnel amounted to ₱923,000 and ₱752,400 for the years ended December 31, 2025 and 2024, respectively. Aside from these compensation arrangements, the Company had no other related party transactions or outstanding balances during the periods.

Key management personnel of the Company are not entitled to any long-term and termination benefits.

(In Philippine Peso)

15. CAPITAL STOCK

The capital stock of the Company pertains to ordinary shares amounting to ₱10,000,000 as of December 31, 2025 and 2024, respectively.

Ordinary Shares

Shown below are the details on the movements of ordinary shares.

	2025			2024		
	Shares		**Amount**	Shares		Amount
Authorized						
100,000 shares, *₱100 par value*	**100,000**	**₱**	**10,000,000**	100,000	₱	10,000,000
Issued and fully paid	**100,000**	**₱**	**10,000,000**	100,000	₱	10,000,000

Ordinary shares carry one vote per share and a right to dividends.

16. COMMISSION INCOME - NET

An analysis of the Company's revenues for the years 2025 and 2024 from continuing operations is as follows:

		2025		2024
Commission	**₱**	**5,067,919**	₱	5,422,980
Discount		**(180,645)**		(158,311)
	₱	**4,887,274**	₱	5,264,669

Commission income represents fees earned from insurance brokerage services. The Company acts as an agent between customers and insurance providers, with revenue recognized upon collection of premiums, at which point the performance obligation is satisfied.

Commission income is presented net of discounts, which represent incentives or adjustments granted to customers and/or insurance partners.

The Company does not generate revenue from sale of goods, trading activities, exports, or other revenue streams outside of brokerage and related services.

(In Philippine Peso)

17. DIRECT COSTS

This account consists of:

		2025		2024
Salaries and wages	₱	**1,536,940**	₱	1,319,322
Commission		**159,693**		195,524
Insurance		**153,862**		177,303
	₱	**1,850,495**	₱	1,692,149

Direct costs represent expenses that are directly attributable to the earning of commission income, including salaries and wages of personnel engaged in brokerage activities, commissions, and insurance-related costs. These costs are classified above gross profit as they are directly linked to the generation of revenue.

18. OTHER INCOME

This account consists of:

		2025		2024
Interest income – cash in bank (Note 6)	₱	**1,337**	₱	1,944
Unrealized foreign exchange gain		**710**		52,963
Unrealized foreign exchange loss		**(13,911)**		-
Other Income		**117,300**		2,350
	₱	**105,436**	₱	57,257

Other income pertains to miscellaneous income not arising from the entity's primary operations.

(In Philippine Peso)

19. OPERATING EXPENSES

This account consists of:

		2025		2024
Professional fee	₱	**595,418**	₱	570,400
Salaries, wages and benefits		**395,659**		345,731
Utilities		**371,695**		323,421
Representation		**370,135**		543,275
Rent (Note 20)		**339,600**		339,600
Taxes and licenses		**119,011**		230,409
SSS, PHIC and HDMF		**159,858**		131,372
Repairs and maintenance		**109,529**		58,480
Gas and oil		**98,188**		82,358
Depreciation (Note 10)		**80,759**		20,073
Office supplies		**35,503**		26,298
Transportation		**33,312**		38,478
Donation		**24,081**		20,000
Printing		**1,445**		3,473
Penalties and surcharges		**-**		75,589
Others		**140,151**		78,675
Education and training program		**-**		200
	₱	**2,874,344**	₱	2,887,832

20. OPERATING LEASE AGREEMENTS

The Company as Lessee

Operating leases relate to leased office space with a lease term of one year. Operating lease payments represent rentals payable by the Company.

The Company's rent expense amounted to ₱339,600 for the years ended December 31, 2025 and 2024, respectively, as disclosed in Note 19.

In the upcoming years, the Company expects no significant change in the amount of rental payments in relation to its leased office space. The lease qualifies for the short-term lease exemption under PFRS 16, as the lease term is one year or less; accordingly, no right-of-use asset or lease liability is recognized, and lease payments are expensed on a straight-line basis over the lease term.

(In Philippine Peso)

21. INCOME TAXES

Income Tax Recognized in Statements of Comprehensive Income

The component of income tax expense is as follows:

		2025		2024
Current tax expense:				
RCIT at 20%	₱	**378,489**	₱	428,984
	₱	**378,489**	₱	428,984

The CREATE Act, which seeks to reduce the Corporate Income Tax Rates and to rationalize the current fiscal incentives by making it timebound, targeted and performance-based, was passed into law on March 26, 2022. The following are the key changes to the Philippine tax law pursuant to the CREATE Act which have an impact to the Company:

- Effective July 1, 2021, regular corporate income tax (RCIT) rate is reduced from 30% to 25% for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding P5 million and with total assets not exceeding ₱100 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20%.
- Minimum corporate income tax (MCIT) rate reduced from 2% to 1% of gross income effective July 1, 2021 to June 30, 2023.

The Company availed the forty percent (40%) Optional Standard Deduction (OSD) in lieu of the itemized deductible operating expenses as deduction from its gross profit to come up with the amount of taxable income.

A numerical reconciliation between tax expense and the product of accounting profit multiplied by the tax rate in 2025 and 2024 follows:

		2025		2024
Accounting profit	₱	**267,871**	₱	741,945
Tax expense at 20%		**53,574**		148,454
Add (deduct) tax effect of:				
Income subject to final tax		**(267)**		(389)
Non-deductible representation		**64,252**		98,126
Non-deductible penalties		**-**		4,525
Non-deductible unrealized foreign exchange loss		**2,783**		-
Non-taxable unrealized foreign exchange gain		**(142)**		-
Difference in using OSD and itemized deductions		**258,289**		178,268
	₱	**378,489**	₱	428,984

(In Philippine Peso)

22. PRIOR PERIOD ADJUSTMENTS AND RESTATEMENT OF BALANCES

In 2025, the Company recognized prior period adjustments arising from the correction of unusual balances identified from previous years. Management determined that these balances no longer represent valid obligations and were accordingly adjusted in the current year.

The restatement resulted in the derecognition of certain accrued expenses and related withholding tax liabilities, as these were deemed no longer payable. The corresponding prior period adjustment, being a non-cash opening equity restatement, was recognized against the opening balance of retained earnings as of January 1, 2025, and did not affect the Company's cash flows for the year ended December 31, 2025.

The effects of the restatement on the affected line items in the 2025 statement of financial position are presented below:

Accounts		As previously reported	Adjustments	As Restated
Accrued expenses	₱	31,000	31,000	-
Withholding tax on commissions		30,739	30,739	-
Withholding tax on wages		19,364	19,364	-
Withholding tax on rent & others		677	677	-
	₱	81,779	81,779	-

23. FAIR VALUE MEASUREMENT

The following table shows the carrying amounts and estimated fair values of the categories of the Company's financial instruments, presented in the statements of financial position as of December 31, 2025 and 2024:

		2025				2024		
		Carrying Value		**Fair value**		Carrying Value		Fair value
Financial Assets								
Cash and cash equivalent	₱	**2,763,310**	₱	**2,763,310**	₱	4,212,222	₱	4,212,222
Premium receivable – net		**4,312,717**		**4,312,717**		3,621,243		3,621,243
Commission and other receivables		**205,785**		**205,785**		337,330		337,330
	₱	**7,281,812**	₱	**7,281,812**	P	8,170,795	₱	8,170,795
Financial Liabilities								
Premium payables	₱	**3,523,689**	₱	**3,523,689**	₱	2,948,152	₱	2,948,152
	₱	**3,523,689**	₱	**3,523,689**	₱	2,948,152	₱	2,948,152

The fair values of financial assets and financial liabilities are determined as follows;

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).

- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

All financial statements of the Company are categorized under Level 3 for the years 2025 and 2024.

There were no transfers in/out of fair value level measurements in 2025 and 2024.

24. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company’s activities expose it to a variety of financial risks: credit risks, market risk and liquidity risk.

To manage the financial risk for holding financial assets and liabilities, the Company operates an integrated risk system to address the risks it faces. The Company’s risk management objective is to adequately and consistently evaluate, manage, control and monitor the risk profile of the Company’s statements of financial position to optimize the risk-reward balance and maximize the return on the Company’s capital.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company’s exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

(In Philippine Peso)

Credit risk and concentration of assets

The Company manages credit risk by setting limits for individual counterparties. The Company also monitors credit exposures and continually assess the credit worthiness of counterparties.

The maximum exposure to credit risk relating to significant on-balance sheet financial assets is as follows:

		2025		2024
Cash and cash equivalent*	₱	**2,753,310**	₱	4,202,222
Premium receivable		**4,319,884**		3,628,410
Commission and other receivables		**205,785**		337,330
	₱	**7,278,979**	₱	8,177,962

**excluding petty cash fund amounting to ₱ 10,000 as of December 31, 2025 and 2024.*

The Company's maximum exposure to credit risk is equal to the carrying value of its financial assets.

With respect to premiums receivable, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics since this is for the account of the insurance companies.

The Company does not have financial guarantees and loan commitments and other credit related liabilities.

As at December 31, 2025 and 2024, the aging analysis per class of financial assets is as follows:

				Past due but not impaired						
2025		**Neither past due nor impaired**		**Not more than 6 months**		**More than 6 months but not more than 1 year**		**More than 1 year**		**Total**
Cash and cash equivalent*	₱	**2,753,310**	₱	**-**	₱	**-**	₱	**-**	₱	**2,753,310**
Premium receivables				**1,229,255**		**3,090,629**		**-**		**4,319,884**
Commission and other receivables		**205,785**		**-**		**-**		**-**		**205,785**
	₱	**2,959,095**	₱	**1,229,255**	₱	**3,090,629**	₱	**-**	₱	**7,278,979**

				Past due but not impaired						
2024		Neither past due nor impaired		Not more that 6 months		More than 6 months but not more than 1 year		More than 1 year		Total
Cash and cash equivalent*	₱	4,202,222	₱	-	₱	-	₱	-	₱	4,202,222
Premium receivables		2,119,007		1,316,062		185,497		7,844		3,628,410
Commission and other receivables		337,330		-		-		-		337,330
	₱	6,658,559	₱	1,316,062	₱	185,497	₱	7,844	₱	8,167,961

**excluding petty cash fund amounting to ₱ 10,000 as of December 31, 2025 and 2024.*

(In Philippine Peso)

The Company's exposure to credit risk arises from default of the counterparty. The Company's policy is to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risks. There is no significant concentration of credit risk within the Company.

The table below shows the credit quality of the Company's financial assets that are neither past due nor impaired based on their historical experience with the corresponding debtors.

2025		**Grade A**		**Grade B**		**Total**
Cash*	**₱**	**2,753,310**	**₱**	**-**	**₱**	**2,753,310**
Premium receivables		**-**		**4,319,884**		**4,319,884**
Commission and other receivables		**-**		**205,785**		**205,785**
	₱	**2,753,310**	**₱**	**4,525,669**	**₱**	**7,278,979**

2024		Grade A		Grade B		Total
Cash*	₱	4,202,222	₱	-	₱	4,202,222
Premium receivables		-		3,628,410		3,628,410
Commission and other receivables		-		337,330		337,330
	₱	4,202,222	₱	3,965,740	₱	8,167,962

***excluding petty cash fund amounting to P 10,000 as of December 31, 2025 and 2024.*

Grade A receivables pertain to those receivables from customers or counterparties that always pay on time or even before the maturity date. Grade B includes receivables that are collected on their due dates provided that they were reminded or followed up by the Company.

Liquidity Risk

Liquidity is the risk that the Company is unable to meet its payment of obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet current obligations and/or immediate sale of securities.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(In Philippine Peso)

The table below analyses the Company's financial assets and the financial liabilities into relevant maturity groupings based on the remaining period at the statements of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

			2025			
		Up to 1 year		**Over 1 year**		**Total**
Financial assets						
Cash	**₱**	**2,763,310**	**₱**	**-**	**₱**	**2,763,310**
Premium receivables – net		**4,312,717**		**-**		**4,312,717**
Commission and other receivables		**205,785**		**-**		**205,785**
	₱	**7,281,812**	**₱**	**-**	**₱**	**7,281,812**
Financial liabilities						
Premium payables	**₱**	**3,523,689**	**₱**	**-**	**₱**	**3,523,689**
Net financial assets (liabilities)	**₱**	**3,758,123**	**₱**	**-**	**₱**	**3,758,123**

			2024			
		Up to 1 year		Over 1 year		Total
Financial assets						
Cash	₱	4,212,222	₱	-	₱	4,212,222
Premium receivables – net		3,621,243		-		3,621,243
Commission and other receivables		337,330		-		337,330
	₱	8,170,795	₱	-	₱	8,170,795
Financial liabilities						
Premium payables	₱	2,948,152	₱	-	₱	2,948,152
Net financial assets (liabilities)	₱	5,222,643	₱	-	₱	5,222,643

Market Risk

The Company's exposure relates primarily to fluctuation of foreign currency specifically USD. The Company manages its risk by identifying, analysing, and measuring relevant or likely market risks. The Company seeks to increase these margins by consolidating short-term funds and lending for longer periods at higher rates while maintaining sufficient liquidity to meet all claims that might fall due.

Foreign Currency Risk Management

The carrying amount of the Company's foreign currency denominated cash in bank and short-term investment is ₱231,539 and ₱1,098,614 for the period ended December 31, 2025 and 2024, respectively.

The Company is mainly exposed to foreign currency translation of cash in bank and short-term investment.

(In Philippine Peso)

Sensitivity Analysis

The currency risk sensitivity is based on foreign exchange variance that the Company determined to be reasonably possible at the end of the reporting period.

A 1% strengthening of the Philippines peso against USD for the years ended December 31,2025, would have a decrease in income amounting to ₱706,577 in USD.

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

The Company mitigates its exposure to foreign currency risk by monitoring its US Dollar cash flows.

Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged.

The insurance commission in its Circular Letter No. 2018-52, Guidelines on The Licensing Requirements Of Insurance And/Or Reinsurance Brokers, has set a minimum capitalization and net worth requirement for existing and new entrants.

The Company is required to comply with the minimum net worth requirement for an insurance broker amounting to ₱10,000,000 per IC CL No. 2018-52. The Company's net worth amounted to ₱19,337,847 and ₱19,530,244 as of December 31, 2025 and 2024, respectively, with total capital stock of ₱10,000,000 issued and outstanding in both years; hence, the Company is in compliance with the minimum net worth requirement set forth by the IC.

The Company's risk management committee reviews the capital structure of the Company on an annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Company has a target gearing ratio of 25% determined as the proportion of net debt to equity.

The gearing ratio at end of the reporting period was as follows:

		2025		2024
Debt	₱	**3,894,694**	₱	3,358,449
Cash		**2,763,310**		4,212,222
Net Debt		**1,131,384**		(853,773)
Equity		**19,337,847**		19,530,244
Gearing ratio	₱	**5.85%**	₱	-4%

The Company is required to comply with the fiduciary ratio requirement per IC CL. No. 2021-65. The fiduciary ratio is the measure to assess Company's conduct of handling premiums from the policyholder given that a broker is expected to be acting on a fiduciary capacity.

The fiduciary ratio is computed by dividing the total fiduciary assets (either cash or receivable being held by an insurance and/or reinsurance broker, over the total fiduciary liabilities). The fiduciary ratio to be maintained shall be 1:1. Amounts used are gross of the commissions, allowance for impairment, taxes, fees and other charges. The fiduciary assets and liabilities used are in accordance with IC CL No. 2021-69 or the Revised Standard Chart of Accounts for insurance and/or Reinsurance Brokers.

(In Philippine Peso)

Fiduciary Transaction Model

The Company uses a credit agreement transaction model. A credit agreement is a type of transaction wherein an insurance and/or reinsurance broker (1) collects premiums receivable from clients/insurers and remits to insurance/reinsurance companies, (2) remits claim payments to claimants/on behalf of the insurance/reinsurance company or (3) other credit agreement.

Fiduciary Ratio Computation

As of December 31, 2025, the Company's fiduciary ratio is computed as follows:

			2025		2024
Fiduciary asset:					
Premium Receivable-gross		₱	**4,319,884**	₱	3,628,410
Fiduciary liability:					
Premium Payable		₱	**3,523,689**	₱	2,948,152
Add:	Advance remittance by broker		**-**		-
	Commission		**796,194**		2,948,152
		₱	**4,319,884**	₱	3,625,732
			1:1		1:1

Based on the computation, the Company is compliant with the requirement per IC CL No. 2021-65.

25. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue by the Board of Directors on April 24, 2026.

(In Philippine Peso)

SUPPLEMENTARY INFORMATION UNDER REVENUE REGULATIONS 15-2010

Revenue Regulations (RR) No. 21-2002 prescribing additional procedural and/or documentary requirements in connection with the preparation and submission of financial statements accompanying income tax returns was amended under RR 15-2010. The amendment that became effective on December 28, 2010 requires the inclusion in the notes to financial statements, information on taxes, duties and license fees paid or accrued during the year in addition to what is required under the Philippine Financial Reporting Accounting Standards and such other standards and/or conventions.

Below are the additional information required by RR 15 – 2010. This information is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

Taxes and Licenses Paid or Accrued

The details of the Company's taxes and licenses fees paid or accrued in 2025 are as follows:

		2025
Mayor's permit	₱	**53,360**
Supervision fee		**50,500**
Filing fee		**15,150**
	₱	**119,010**

VAT Output Tax

Details on the Company's VAT output tax declared during the year are as follows:

		Vatable		Zero-rated		VAT-exempt		Total
Revenue	₱	5,168,586	₱	-	₱	-	₱	5,168,586
Output VAT	₱	**620,230**	₱	**-**	₱	**-**	₱	**620,230**

VAT Input Tax

An analysis of the Company's VAT input tax claimed during the year is as follows:

		2025
Balance, January 1	₱	**45,376**
Current year's domestic purchases/payments for:		
Goods other than for resale or manufacture		**209,861**
Total available input tax	₱	**255,237**
Claims for tax credit/refund and other adjustments		**204,307**
Balance, December 31	₱	**50,931**

(In Philippine Peso)

Withholding Taxes

An analysis on the Company's withholding taxes paid or accrued during the year is as follows:

		2025
Withholding tax on compensation	₱	139,951
Expanded withholding taxes		59,407
	₱	199,358

DISCLOSURE REQUIREMENTS FOR TAXPAYERS WITH RELATED PARTY TRANSACTIONS UNDER RR 34 – 2021

Revenue Regulations (RR) No. 34-2021 prescribes the Guidelines and Procedures for the Submission of BIR Form No. 1709, Transfer Pricing Documentation (TPD) and other Supporting Documents, Amending for this Purpose the Pertinent Provisions of Revenue Regulations (RR) Nos. 19-2021 and 21-2002, as amended by RR No. 15-2010.

The Company is not covered by the requirements and procedures for related party transactions provided under this RR.

EUROBROKERS INTERNATIONAL, INC.
FINANCIAL SOUNDNESS INDICATOR
For the Years Ended December 31, 2025 and 2024

Current Ratio

		2025		2024
Total current assets	₱	**22,098,373**	₱	22,412,696
Total current liabilities		**3,894,694**		3,358,449
Current ratio		**5.674**		6.674

Liquidity Ratio

		2025		2024
Total liquid asset	₱	**7,281,812**	₱	8,170,795
Total current liabilities		**3,894,694**		3,358,449
Liquidity ratio		**1.870**		2.433

Working Capital to Total Asset

		2025		2024
Working capital	₱	**18,203,679**	₱	19,054,247
Total assets		**23,232,541**		22,888,693
		0.784		0.832

Solvency Ratio

		2025		2024
Total assets	₱	**23,232,541**	₱	22,888,693
Total liabilities		**3,894,694**		3,358,449
Solvency ratio		**5.965**		6.815

Debt-to-equity Ratio

		2025		2024
Total liabilities	₱	**3,894,694**	₱	3,358,449
Total equity		**19,337,847**		19,530,244
Debt-to-equity ratio		**0.201**		0.172

Asset-to-equity Ratio

		2025		2024
Total assets	₱	**23,232,541**	₱	22,888,693
Total equity		**19,337,847**		19,530,244
Asset-to-equity ratio		**1.201**		1.172

Interest Rate Coverage Ratio

		2025		2024
Pre-tax profit (loss) before interest	₱	**267,871**	₱	741,945
Interest expense		**-**		-
Interest rate ratio		**-**		-

Profitability Ratio

		2025		2024
Net profit (loss) after tax	₱	**(110,618)**	₱	312,961
Total equity		**19,337,847**		19,530,244
		(0.006)		0.016

a.) Return on asset ratio

		2025		2024
Net profit (loss) after tax	₱	**(110,618)**	₱	312,961
Average assets		**23,060,617**		22,599,925
		(0.005)		0.014

b.) Return on equity ratio

		2025		2024
Net profit (loss) after tax	₱	**(110,618)**	₱	312,961
Average equity		**19,434,046**		19,373,764
		(0.006)		0.016

c.) Gross Profit Margin Ratio

		2025		2024
Gross profit	₱	**3,036,779**	₱	3,572,520
Revenue		**4,887,274**		5,264,669
		0.621		0.679

d.) Profit Margin Ratio

		2025		2024
Net profit (loss) after tax	₱	**(110,618)**	₱	3,572,520
Revenue		**4,887,274**		5,264,669
		(0.023)		0.679

ANNEX 1

EUROBROKERS INTERNATIONAL, INC.
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE RELATED INFORMATION
December 31, 2025 and 2024
(In Philippine Peso)

	2025	2024
Total Audit Fees	**68,250**	65,000
Non-audit service fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	-	-
Total Audit and Non-audit Fees	**68,250**	65,000