Al-Amal Philippine Zakat Organization Inc.

(A non-stock, non-profit organization)

Financial Statements
30 March 2026 and 2025

and

Independent Auditor's Report

AL-AMAL PHILIPPINE ZAKAT ORGANIZATION INC.
(A non-stock, non-profit organization)
Statements of Financial Position
March 30, 2026

	Notes	**2026**	2025
Assets			
Current Assets			
Cash in bank	4	**₱45,294**	₱49,119
Total Assets		**45,294**	49,119
Liabilities and Fund Balance			
Current Liabilities			
Income tax payable	**8**	**1,200**	9,824
Total Liabilities		**1,200**	9,824
Fund Balance	**9**	**44,094**	39,295
Total Liabilities and Fund Balance		**₱45,294**	₱49,119

(See accompanying Notes to Financial Statements)

AL-AMAL PHILIPPINE ZAKAT ORGANIZATION INC.
(A non-stock, non-profit organization)
Statements of Fund Performance
March 30, 2026

	Notes	2026	2025
Revenues			
Donations	**5**	**₱521,010**	₱451,107
Project Expenses	**6**	**201,009**	43,710
General and Administrative Expenses	**7**	**314,002**	358,278
		515,011	401,988
Revenue Before Income Tax		**5,999**	49,119
Income Tax Expense	**8**	**1,200**	9,824
Excess of Revenue Over Expenses for the Year		**₱4,799**	₱39,295

(See accompanying Notes to Financial Statements)

AL-AMAL PHILIPPINE ZAKAT ORGANIZATION INC.
(A non-stock, non-profit organization)
Statements of Changes in Fund Balance
March 30, 2026

	Notes	2026	2025
Accumulated Fund Surplus			
Beginning balance		**₱39,295**	₱—
Excess of revenue over expenses for the year	9	**4,799**	39,295
Ending balance		**44,094**	39,295
Total Fund Balance		**₱44,094**	₱39,295

AL-AMAL PHILIPPINE ZAKAT ORGANIZATION INC.
(A non-stock, non-profit organization)
Statements of Cash Flows
March 30, 2026

	Notes	2026	2025
Cash Flows from Operating Activities			
Revenue before income tax		**₱5,999**	₱49,119
Cash provided by (used in) operations		**5,999**	49,119
Income Taxes Paid		**(9,824)**	—
Net cash provided by (used in) operating activities		**(3,825)**	49,119
Net Increase in Cash in Bank and on Hand		**(3,825)**	49,119
Cash in Bank and on Hand, Beginning	4	**49,119**	—
Cash in Bank and on Hand, End	4	**₱45,294**	₱49,119

(See accompanying Notes to Financial Statements)

Al-Amal Philippine Zakat Organization Inc.

(A non-stock, non-profit organization)

Notes to Financial Statements
For the year ended March 30, 2026

1. General Information

Al-Amal Philippine Zakat Organization Inc., is a non-stock, non-profit, non-governmental and politically independent association registered with the Securities and Exchange Commission (SEC) on 22 February 2024 under SEC Registration No. 2024020137680-40 primarily to operate a socio-civic and charitable organization engaged in undertaking programs and projects that satisfy or promote, among others, poverty-alleviation, public health, food-security, gender equality, sustainability, community development, and as well as crisis preparedness and response, through Islamic social finance principles, without acting as a political partisan.

The registered office address is located at Unit B, 7th Floor 8 Rockwell Drive Poblacion Rockwell, City of Makati, 4th District, National Capital Region, 1210.

The Organization adopted a fiscal year accounting period ending 30 March and was registered with the Bureau of Internal Revenue (BIR) with Tax Identification No. 654-607-923-000, at Revenue District Office No. 049.

The accompanying financial statements of the Company was authorized and approved for issue by the Board of Trustees on 14 July 2026.

The Board of Trustees is empowered to make revisions on the financial statements even after the date of issue.

2. Financial Reporting Framework

Statement of compliance

The financial statements of Al-Amal Philippine Zakat Organization Inc. have been prepared in compliance with Philippine Financial Reporting Standards for Small Entities (PFRS for SEs) as approved by the Financial Reporting Standards Council (FRSC) and adopted by the Philippine Securities and Exchange Commission (SEC).

The Organization qualifies as a small entity under SEC Memorandum Circular No. 5, Series of 2018, having total assets and liabilities below PHP 100 million and not being publicly accountable.

Basis of Measurement

The Organization's financial statements have been prepared under the historical cost basis of accounting, except for certain financial instruments that are measured at fair value.

Functional and Presentation Currency

The financial statements are presented in Philippine peso (PHP), which is the Organization's functional currency. All financial information expressed in Philippine peso has been rounded off to the nearest peso, except when otherwise indicated.

Use of Estimates and Judgments

The preparation of financial statements in conformity with PFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, equity, income and expenses. However, uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions are recognized in the period in which the judgments and estimates are revised and in any future period affected.

Judgments

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

Determining Functional Currency

Based on the economic substance of the underlying circumstances relevant to the Organization, the functional currency has been determined to be the Philippine peso. It is the currency that mainly influences the cost of implementing the projects and operational expenses.

Estimates and Assumptions

The Organization reviews key assumptions concerning the future and other key sources of estimation and uncertainty at reporting date that may have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to the year presented in these financial statements.

Financial Instruments

Date of Recognition. The Organization recognizes a financial asset or financial liability in the statements of assets and liabilities when it becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition is done using settlement date accounting.

Initial Recognition of Financial Instruments. Financial instruments are recognized initially at fair value of the consideration given or received. The initial measurement of financial instruments, except for those designated as at FVPL, include transaction costs.

The Organization classifies its financial assets in the following categories: held-to-maturity (HTM) investments, AFS financial assets, financial assets at FVTPL and loans and receivables. The Organization classifies its financial liabilities as other financial liabilities at FVTPL or other financial liabilities. The classification depends on the purpose for which the financial assets are acquired and financial liabilities are incurred whether they 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-evaluated such designation at every reporting date.

Financial Assets

Loans and Receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments and maturities and are not quoted in an active market. They are not entered into with the intention of immediate or short-term resale and are not designated as AFS financial assets or financial assets at FVPL.

Subsequent to initial recognition, loans and receivables are carried at amortized cost using the effective interest method, less any impairment in value. Any interest earned on loans and receivables is recognized as part of "Interest income" account in the statements of income and expenses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The periodic amortization is also included as part of "Interest income" account in the statements of income and expenses. Gains or losses are recognized in profit or loss when loans and receivables are derecognized and impaired.

Cash represents cash in bank and is stated at its face value, and earns interest at the respective bank deposit rates.

Financial Liabilities

Other Financial Liabilities. This category pertains to financial liabilities that are not designated or classified as at FVPL. After initial recognition, other financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any premium directly attributable transaction costs that are considered an integral part of the effective interest rate of the discount and any liability.

The Organization accounts payable and accrued expenses (excluding statutory liabilities to government agencies) are classified under this category.

Derecognition of Financial Assets and Financial Liabilities

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

- the right to receive cash flows from the asset has expired;

- the Organization retains the right to received cash flows from the asset, but has assumed an obligation to pay them in full material delay to a third party under a "pass-through" arrangement; or
- the Organization has transferred its right to receive cash flows from the asset and either (i) has transferred substantially all the risks and rewards of the asset, or (ii) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Organization has transferred its rights to receive cash flows from a financial asset or has entered into a "pass-through" arrangement, and has neither transferred nor retained substantially all the risks and rewards of the financial asset nor transferred control of the financial asset, the financial asset is re-recognized to the extent of the

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

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

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Impairment of Financial Assets

The Organization assesses at each reporting date whether a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred loss event) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Assets Carried at Amortized Cost. For financial assets carried at amortized cost such as loans and receivables, the Organization first assesses whether an impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If no objective evidence of impairment has been identified for a particular financial asset that was individually assessed, the Organization includes the asset as part of a group of financial assets with similar credit risk characteristics and collectively assesses the group for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in the collective impairment assessment.

Evidence of impairment for specific impairment purposes may include indications that the borrower or a group of borrowers is experiencing financial difficulty, default or delinquency in principal or interest payments, or may enter into bankruptcy or other form of financial reorganization intended to alleviate the financial condition of the borrower. For collective impairment purposes, evidence of impairment may include observable data on existing economic conditions or industry-wide developments indicating that there is a measurable decrease in the estimated future cash flows of the related assets.

If there is objective evidence of impairment, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Time value is generally not considered when the effect of discounting the cash flows is not material. For collective impairment purposes, impairment loss is computed based on their respective default and historical loss experience.

The carrying amount of the asset is reduced either directly or through the use of an allowance account. The impairment loss for the year is recognized in profit or loss. If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in profit or loss, to the extent that the carrying amount of the asset does not exceed its amortized cost at the reversal date.

Impairment of Non-financial Assets

The carrying amounts of the Organization's non-financial assets such as property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated.

An impairment loss is recognized in the statement of income and expenses whenever the carrying amount of a non-financial asset or its cash generating unit exceeds its recoverable amount. The recoverable amount of a non-financial asset is the greater of the Organization’s fair value less costs to sell and its value in use.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Contributed Capital

Contributed Capital refers to initial capital given by the founding members of the Organization as disclosed in the statement of changes in fund balance.

Accumulated Fund Surplus

This includes all current and prior period results as disclosed in the statements of fund performance and statements of changes in fund balance.

Revenue Recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Organization and the revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from Donations

Donations are recognized upon transfer of funds from SFK Netherlands to the Organization's euro account. Local donations are recorded upon receipt of cash from, and/or the rendering of services by the donor.

Interest Income

Interest income is recognized as the interest accrues, taking into account the effective yield on the asset.

Other Income

Other income is recognized when there is an incidental economic benefit, other than the usual business operations, that will flow to the Organization through an increase in asset or reduction in liability and that can be measured reliably.

Expense Recognition

Expenses are recognized in the statements of fund performance when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in the statements of fund performance on the basis of a direct association between the costs incurred and the earnings of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over a several accounting periods and the association with income can only be broadly or indirectly determined, or immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify for recognition in the statements of financial position as an asset.

Expenses in the statements of fund performance are presented using the function of expense method. Operating expenses are costs attributable to administrative and other business activities of the Organization.

Income Taxes

Income tax on profit or loss for the year comprises current and deferred tax. Income tax is determined in accordance with the Philippines' National Internal Revenue Code of 1997 and its amendments. Income tax is presented in the statements of income. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred taxes related to the same taxable entity and the same taxation authority.

Cash

For purposes of reporting cash flows, Cash includes cash and other cash items, and bank deposits with original maturities of three months or less from dates of placements and with insignificant risk of changes in value.

Trade and other receivables

Trade receivables represent receivables from customers and are non-interest bearing, measured initially at invoice transaction price and subsequently measured at their fair value as reduced by appropriate allowances for doubtful accounts and impairment, if any. Other receivables are recorded initially at transaction cost and subsequently measured at cost less impairment, if any.

Inventories

Inventories, if any, are stated at the lower of cost and net realizable value on the basis of first-in, first-out (FIFO) or weighted average. Costs of inventories include cost of materials and related expenses that have been incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less costs to be incurred in marketing, selling and distribution.

Property and equipment

Property and equipment are measured using its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use, less any accumulated depreciation and any accumulated impairment loss. Subsequent expenditures for repairs and maintenance are normally charged to operations in the year incurred. Expenditures that clearly result in an increase in the future economic benefits beyond the originally assessed performance are capitalized. Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful life and the depreciation method are reviewed periodically to ensure that the period and the

method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Trade and other payables

Trade payables represent the unpaid portion of the Organization's purchases. They do not earn interest and are expected to be settled within normal credit terms. Other payables represent the Organization's government statutory and other regulatory payables to be remitted the following month.

Employee benefits

Employee benefits include salaries and wages, social security contributions, short-term compensated absences, bonuses, and other non-monetary benefits. The Organization recognizes expense for services rendered by employees during the accounting period and recognizes a liability for the unpaid portion as of the reporting date.

Provisions

Provisions are recognized when the Organization has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Organization expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset only when virtually certain. The expense relating to any provision is presented in the statement of income, net of any reimbursement. If material, provisions are determined by discounting the expected future cash flows.

Contingencies

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

Events After the Reporting Date

Post year-end events that provide additional information about the Organization's statements of financial position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

4. Cash

Cash in bank represent savings account deposits in bank which earn interest at the prevailing bank deposit rates Interest income earned from cash in bank, net of final withholding tax, is recognized as part of Other Income. Cash in bank for the period ending 30 March 2026 and 2025 amounted to ₱45,294 and ₱49,119, respectively.

5. Donations

Donations and contributions are derived from various sources, including individuals, corporations, and other organizations. These funds are primarily used to implement the Organization's socio-civic and charitable programs in line with its stated purpose. Donations for the period ending 30 March 2026 and 2025 amounted to ₱521,010 and ₱451,107, respectively.

6. Project Expenses

This account consists of expenses incurred related to projects implemented during the year. The total project expenses recognized for the period ending 30 March 2026 and 2025 amounted to ₱201,009 and ₱43,710, respectively.

7. General and Administrative Expenses

This account consists of:

	2026	2025
Salaries & wages	**₱154,718**	₱30,200
Rental	**96,056**	24,014
Dues and subscription	**34,797**	—
Professional Fees	**10,000**	—
Bank charges	**8,650**	1,175
Business Permit	**6,663**	—
Employee benefits	**3,118**	34,284
Organizational costs	**—**	267,605
	₱314,002	₱358,278

8. Income Tax Payable

As of 30 March 2026, the Organization has not yet obtained its Certificate of Tax Exemption from the Bureau of Internal Revenue (BIR) pursuant to Revenue Memorandum Order (RMO) No. 38-2019 and relevant provisions of the National Internal Revenue Code (NIRC), as amended.

Pending the issuance of said certificate, the Organization is subject to the regular corporate income tax (RCIT) rate on its taxable income in accordance with Section 27(A) of the NIRC, as applicable to non-stock, non-profit organizations without an exemption ruling.

For the year ended 30 March 2026 and 2025, the Organization recognized Income Tax Payable amounting to ₱1,200 and ₱9,824, respectively, computed as 20% of its taxable income.

9. Accumulated Fund Surplus

This account represents the accumulated fund surplus of the Organization which are readily available for the operational activities and on-going programs and projects of the Organization. No part of these shall inure to the benefit neither of its trustees, members nor to any other institutions and individuals.

This accumulated fund surplus consists of:

	2026	2025
Beginning balance	**₱39,295**	₱—
Excess of revenues over expenses for the year	**4,799**	39,295
Ending balance	**₱44,094**	₱39,295

10. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities.

11. Supplementary Information Required by the Bureau of Internal Revenue (BIR)

In addition to the disclosures mandated under PFRS for SEs, and such other standards and/or conventions as may be adopted, companies are required by the BIR to provide in the notes to the financial statements, certain supplementary information for the taxable year. The amounts relating to such information may not necessarily be the same with those amounts disclosed in the notes to financial statements which were prepared in accordance with PFRS for SEs. The following is the tax information required by Revenue Regulations No. 15-2010 for the taxable year ended March 30, 2026:

A. Withholding Taxes

The Organization did not withhold taxes on rent during the years ended 30 March 2026 and 2025.

B. Income Taxes

Pending the issuance of the said certificate, the Organization is subject to the 20% regular corporate income tax (RCIT) rate on its taxable income in accordance with Section 27(A) of the NIRC, as applicable to non-stock, non-profit organizations without an exemption ruling. For the years ended 30 March 2026 and 30 March 2025, the Organization recognized current income tax amounting to ₱1,200 and ₱9,824, respectively, representing the RCIT due on its taxable income for the respective years.

C. Deficiency Tax Assessments

As of 30 March 2026 and 2025, the Organization has no deficiency tax assessment.

D. Value-Added Tax

The Organization is not engaged in the sale of goods or services. Its receipts, excluding interest income from banks, consist primarily of donations, which are not subject to output VAT.

E. Custom Duties, Tariff Fees, Excise Taxes and others

Information on the amount of custom duties and tariff fees, excise taxes and documentary stamp taxes paid or accrued are not applicable since the Organization did not enter into transactions that resulted in payment or accrual of such taxes.

F. Taxes, Duties and License Fees

In accordance with Revenue Regulations No. 15-2010, the following summarizes the taxes, duties, and license fees paid and/or accrued by the Organization during the years ended 30 March 2026 and 2025:

	2026	2025
Business permits and other taxes	**₱6,663**	₱8,686
	₱6,663	₱8,686