

**FIRST METRO CONSUMER FUND, INC. (FMCF)
ANNUAL MEETING OF THE STOCKHOLDERS**

Wednesday, June 29, 2022, 02:00PM

Via Zoom webinar, link provided in the website: <https://fami.com.ph/>

AGENDA

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held on June 16, 2021
4. Annual Report to the Stockholders
5. Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2021, including the following:
 - a. Renewal of the Management Distribution Agreement
6. Amendment to the Articles of Incorporation and By-Laws as follows:
 - i. Amendment of the Primary Purpose to include the provisions under the ICA IRR and its amendments.
 - ii. Amendment of the Secondary Purpose to delete the provisions not compliant or consistent with the ICA IRR.
 - iii. Amendment of Article VII to delete the provision not consistent with Rule 10.4 of the ICA IRR.
 - iv. Amendment of the By-Laws to align provisions with the Revised Corporation Code.
7. Amendment of Registration Statement and Prospectus in order to reflect the Increase of Authorized Capital Stock and Revision of Sales Load
8. Election of the Members of the Board of Directors for the year 2022-2023
9. Appointment of External Auditor for the year 2022
10. Other Matters
11. Adjournment

Stockholders of record as of May 18, 2022 shall be entitled to vote at the meeting.

As a precautionary measure against the spread of COVID-19, the Company will not be conducting a physical annual shareholders' meeting. The conduct of the annual shareholders' meeting will be streamed live, and shareholders may attend the meeting by registering on or before 12:00 noon on June 29, 2022. Due to the limitations of available technology, voting will not be possible during the Zoom webinar, but participants may send in questions or remarks via the Zoom webinar platform.

If you cannot attend the meeting in person and you wish to be represented, you may designate your authorized representative by submitting a signed proxy document on or before June 20, 2022, through email at asm@fami.com.ph and hardcopies at 18th Floor, PS Bank Center, 777 Paseo de Roxas corner Sedeño St., Makati City.

Attached for your convenience is a sample proxy form. This Agenda and the attached sample proxy form together with the Definitive Information Statement including the Audited Financial Statements will be distributed through electronic mail to all stockholders as of record date.


NIMFA BALMES-PASTRANA
Corporate Secretary

PROXY

The undersigned stockholder of **FIRST METRO CONSUMER FUND, INC.** hereby appoints _____ or in his absence, the Chairman of the meeting, as attorney-in-fact and proxy, with power of substitution, to present and vote all shares registered in his/her/its name at the annual meeting of stockholders of the Company on Wednesday, June 29, 2022 and at any of the adjournments thereof. The proxy shall be revoked only in writing and by informing the Corporate Secretary prior to the annual stockholders meeting.

The proxy may vote by checking (✓) the area that corresponds to his vote. In the election of the Members of the Board of Directors, the proxy shall indicate number of votes on the blank place provided beside the names of the nominees or check abstain should they wish to do so.

ITEMS	ACTIONS		
	Yes	No	Abstain
1. Approval of the Minutes of the Annual Stockholders' Meeting held on June 16, 2021			
2. Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2021, including the following: a. Renewal of the Management Distribution Agreement			
3. Amendment of Articles of Incorporation and By-Laws a. Amendment of the Primary Purpose to include the provisions under the ICA IRR and its amendments. b. Amendment of the Secondary Purpose to delete the provisions not compliant or consistent with the ICA IRR. c. Amendment of Article VII to delete the provision not consistent with Rule 10.4 of the ICA IRR. d. Amendment of the By-Laws to align provisions with the Revised Corporation Code.			
4. Amendment of Registration Statement and Prospectus in order to reflect the Increase of Authorized Capital Stock and Revision of Sales Load			
5. Election of the Members of the Board of Directors for the year 2022-2023	# of Votes		
Mr. Michael G. Say			
Mr. Robert T. Yu			
Ms. Karen Liza M. Roa			
Ms. Rhodora Angela F. Ferrer (<i>Independent Director</i>)			
Fr. Rafael K. Eloriaga, CM (<i>Independent Director</i>)			
	Yes	No	
6. Appointment of External Auditor for the year 2022			

PRINTED NAME OF STOCKHOLDER

DATE

SIGNATURE OF STOCKHOLDER/
AUTHORIZED SIGNATORY

¹ Please fill-out and sign the proxy form and return via mail/email/Metrobank Branches on or before 5:00 p.m. on June 20, 2022.

Via Mail: To the Corporate Secretary, 18th Floor, PS Bank Center, 777 Paseo de Roxas corner Sedeño St., Makati City

Via Email: asm@fami.com.ph | Via Fax: (02) 816-0467

Via Metrobank Branches: Use Pouch Code 90020. This service is free of charge.

²This proxy shall be valid for a period of five (5) years from the date of its execution. This proxy shall continue to be in effect until and unless withdrawn by written notice delivered to the Corporate Secretary, but shall not apply in instances wherein the undersigned personally attends the meeting.

³If no name is provided; the Chairman of the Meeting will act as the proxy.

THIS PROXY NEED NOT BE NOTARIZED. IF THE STOCKHOLDER ATTENDS IN PERSON AND EXPRESSES HIS INTENTION TO VOTE IN PERSON, THE PROXY WILL BE REVOKED.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box
() Preliminary Information Statement
(/) Definitive Information Statement
2. Name of registrant as specified in its charter:
FIRST METRO CONSUMER FUND, INC.
3. Province, Country or other jurisdiction of incorporation or organization:
Metro Manila, Philippines
4. SEC Identification number
CS201006424
5. BIR Tax Identification Code:
007-742-652-000
6. Address of Principal Office:
18F PSBank Center 777 Paseo de Roxas cor Sedeno St. Salcedo Village, Makati City, 1226
7. Telephone Number:
(632) 8912860, (632) 8405710, Fax No. (632) 8160467
8. Date, time, place, of the meeting of security holders:
Date : June 29, 2022
Time : 2:00 p.m.
Place : Zoom webinar at the link provided in <https://fami.com.ph/>
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **June 1, 2022**
10. Securities registered pursuant to Sections 4 and 8 of the RSA:

Title of each class	Number of Shares of Common Stock Outstanding (Par value of P1.00)
Common Shares	775,536,012 shares
11. Are any or all of registrant's securities listed on the Philippine Stock Exchange?
No

PART I - INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time, and Place of Meeting of Security Holders:

Date : Wednesday, June 29, 2022
Time : 02:00 p.m.
Place : Zoom webinar at the link provided in <https://fami.com.ph/>

Mailing Address of the Registrant

18th Floor, PS Bank Center, 777 Paseo de Roxas, corner Sedeño St., Makati City

Approximate date on which the Information Statement is first to be sent or given to security holders:

June 1, 2022

Item 2. Right of Appraisal:

Any stockholder who dissents to the proposed amendment in Articles of Incorporation (see Item 17), which amendment pertains to the amendment of Article VII (b) to delete the phrase "Provided, however, that no such redemption may be made unless the remaining unimpaired capital of the Corporation shall be at least 50% of its outstanding liabilities to the creditors of the Corporation" to comply with Rule 10.1 of the ICA-IRR, shall be entitled to exercise his right of appraisal in accordance with Section 81 of the Revised Corporation Code.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon:

- a. No current director or officer of the Fund, or nominee for election as directors of the Fund nor any associate thereof, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon other than election to office.
- b. No director has informed the registrant, in writing or otherwise, that he intends to oppose any action to be taken by the registrant at the Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof:

a. Class of Voting Shares :

Class of Voting Securities	Total Outstanding Shares	Votes Entitlement
Common Shares	775,536,012	One (1) vote per share

b. Record Date

Stockholders of record as of May 18, 2022 are entitled to notice and to vote in the Annual Stockholders Meeting.

c. Manner of Voting

A shareholder may vote in person or by proxy. Article III, Section 7 of the Amended By-Laws of the Corporation provides that any shareholder entitled to vote at shareholders' meetings may be represented and vote thereat by proxy appointed in an instrument in writing, subscribed by such shareholder or by his duly authorized attorney-in-fact, and delivered to the Secretary at least five (5) business days or such other period as may be determined by the Board of Directors. Proxies shall be properly signed, but they shall require no other attestation.

In the election of Directors, shareholders shall be entitled to vote, in person or by proxy, the number of shares owned by him for as many persons as there are Directors to be elected and for whose election he has a right to vote, or to cumulate his votes by giving one candidate as many votes as the number of such Directors multiplied by the number of his shares shall equal, or by distributing such votes on the same principle among any number of candidates.

d. Security Ownership of Certain Record and Beneficial Owners and Management:

The following stockholder owns more than 5% of the common voting securities as of March 31, 2022:

Title Class	Name and Address of Owner	Name of Beneficial Owner	Citizenship	No. of Shares Held	Percent to Outstanding Shares
Common Shares	Board of Trustees of PERAA 16/F Multinationalbancorporation Ctr, Aayala Ave., Salcedo Vilage	Same	Filipino	115,300,358	17.52%
Common Shares	Account Number 26830 ^{1/} / Taysan Street, Ayala Alabang Village, Muntinlupa City	Same	Filipino	69,310,027	10.53%

^{1/} Board of Trustees of PERAA is the registered owner of the shares in the books of the Company. The Board of Directors of Board of Trustees of PERAA has the right to appoint actual person or persons acting individually or jointly to direct the voting or disposition of the shares held by the corporation. The person who will exercise the voting powers over the shares of Board of Trustees of PERAA is Ms. Bernadette Nepomuceno or any officers appointed by the Board.

^{2/} Account Number 26830 is the owner and will vote over his/her shares. The respective registered owner(s) of the shares above has/have the right to appoint actual person or persons acting individually or jointly to direct the voting or disposition of the shares.

Security Ownership of Directors/Management:

Following are the securities owned by directors and officers of the Fund as of March 31, 2022:

Title of Class	Name of the Beneficial Owner	Amount and Nature of Ownership	Citizenship	Percent to Outstanding Shares
Common Shares	Eduardo S. Mendiola	1	Filipino	0.00%
Common Shares	Robert T. Yu	1	Filipino	0.00%
Common Shares	Rafael K. Eloriaga*	1	Filipino	0.00%
Common Shares	Rhodora Angela F. Ferrer*	1	Filipino	0.00%

Title of Class	Name of the Beneficial Owner	Amount and Nature of Ownership	Citizenship	Percent to Outstanding Shares
Common Shares	Michael G. Say	1	Filipino	0.00%
Common Shares	Maricel Madrid	1	Filipino	0.00%
Common Shares	Jonathan Tabac	1	Filipino	0.00%
Common Shares	Atty. Nimfa B. Pastrana	1,351,107	Filipino	0.21%

*Independent Director

The Corporation knows of no other person holding more than 5% of common shares under a voting trust or similar agreement.

There is no arrangement that may result in a change in control of the registrant.

No change of control in the Corporation has occurred since the beginning of its last fiscal year.

Item 5. Directors and Executive Officers

Incumbent Directors (5) - All directors are elected for a term of one year and until their successor shall have been elected or qualified. Below is a list of FMCF's incumbent directors with their corresponding business affiliations and other qualifications.

All other officers shall be elected/appointed by the Board of Directors. Vacancies occurring among such officers however arising shall be filled by the Board.

The Board of Directors of the Fund as of May 5, 2022 are as follows:

Name	Experience
Mr. Michael G. Say Chairman	Mr. Michael G. Say, 60, Filipino. Mr. Say is a new nominee chairman. He graduated from De La Salle University with a degree in Management of Financial Institutions. He is currently Chairman of the following companies: Capitalwise Groups Ltd., (2008 to present), Atlantic Archers Achiever Corporation (2004 to present), Chef and Cooks Market Corporation (2009 to present), and Crusade for Better Philippines Inc., Hiratsuka Int'l Corp. He was the former Chairman for the following companies: Poc and Poc Corporation (2010 to 2016), Chic Uniform, Inc. (2002 to 2013) and Tokagawa Global Corporation (2004 to 2013).
Mr. Robert T. Yu President	Mr. Robert T. Yu, 73 years old, Filipino, President. Mr. Yu has been serving as a member of the Board of Director of First Metro Consumer Fund, Inc. since June 2017. He was formerly the Vice Chairman of First Metro Securities Brokerage Corporation. He was also appointed as Director in 2011 after his stint as the company's President in 2010. He concurrently serves as Adviser to the Board of Charter Ping An Insurance Corporation and Executive Director of PG Progress Marketing Corporation. He previously served at the Senior Management level in various industrial corporations. Robert Yu has a Bachelor's degree in Commerce from the University of the East.
Ms. Karen Liza M. Roa Director	Ms. Karen Liza M. Roa, 53, Filipino. Ms. Roa is a new nominee director. She has over 25 years of expertise in the field of finance with a career that spans both domestic and international banking

	<p>operations, she has a wealth of experience that fuels her financial skills. Has worked with some of the most renowned global companies in banking and asset management, such as Chase Manhattan Bank, SunGard Asia Pacific, trust banking groups of Philam Bank, and Citibank NA. She also served as President and CEO of Philam Asset Management, Inc. (PAMI). She was also a lecturer at the country's top universities, Ateneo de Manila and UP, teaching business courses on strategy, investment management, and financial services. She is currently the President and CEO of First Metro Asset Management, Inc. (FAMI).</p>
<p>Rhodora Angela F. Ferrer Independent Director</p>	<p>Ms. Rhodora Angela F. Ferrer, 52, Filipino, term of office is one year. Ms. Ferrer is an Independent Director of First Metro Save and Learn Dollar Bond Fund, Inc. (since 2014), First Metro Consumer Fund, Inc. (since 2019), and First Metro Save and Learn Balanced Fund, Inc. (since 2016).</p> <p>Ms. Ferrer is currently the Executive Director of the Private Education Assistance Committee (PEAC), the Trustee of the Fund for Assistance to Private Education (FAPE). PEAC co-implements with the Department of Education, the JHS Education Service Contracting Program and the SHS Voucher Program with over 2 million grantees in the country.</p> <p>Ms. Ferrer served as Executive Director for Catholic Educational Association of the Philippines (from 2010 to 2014); Asst. Professor, Education Department and Natural Science Department, St. Scholastica's College (since 2007); Trainer for Teacher-Training Programs, Foundation for Upgrading the Standards of Education (FUSE), since 2004. She also served as Chairperson of the Training Committee, Foundation for Upgrading the Standards of Education, Inc. (FUSE) (2009 to 2010); Associate Professor, College of Education at the University of the East (2009 to 2012).</p> <p>Ms. Ferrer finished her BS degree in Physics for Teachers (Cum Laude) at the Philippine Normal University and took up Masters in Education, Major in Physics at De La Salle University. She is currently pursuing her Ph.D. in Educational Leadership and Management (Executive Program) at De La Salle University.</p> <p>Ms. Ferrer finished Executive Courses in the areas of public policy and private sector development at the Lee Kuan Yew School of Public Policy of the National University of Singapore.</p>
<p>Fr. Rafael K. Eloriaga, CM Independent Director</p>	<p>Fr. Rafael K. Eloriaga, 58 years old, Filipino. Fr. Eloriaga is also the Independent Director for First Metro Save and Learn Fixed Income Fund, Inc., First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn Money Market Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc. and First Metro Consumer Fund on MSCI Phils., IMI Inc. Fr. Eloriaga is currently the Vice-President for Finance of Adamson University (2016-present), a member of the Finance Committee, General Curia under the Congregation of the Mission (2013 to present) and joined as member of the Board of Trustees of the Universidad de Sta Isabel, Naga City (2016 to present). He was formerly the Cebu Business Center Head for Central and Eastern Visayas Senior Manager of BPI Family from 2005-2006 and the Provincial Econome, Philippine Province- Congregation of the Mission (2012- 2016).</p>

	Fr. Eloriaga took up his AB Philosophy and Letters at Dela Salle University in 1983 and his BS Accountancy at Fr. Saturnino Urios University in 1994. He finished the Curriculum of Ordained Ministry and Masters in Pastoral Theology at St. Vincent School of Theology.
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The two (2) independent directors, namely, Rhodora Angela F. Ferrer and Fr. Rafael K. Eloriga, CM, have always possessed the qualifications and none of the disqualifications of an independent director.

Executive Officers

Name	Experience
Ms. Maricel L. Madrid Treasurer	<p>Ms. Maricel L. Madrid, 43 years old, Filipino. She is a Senior Vice President of First Metro Investment Corporation and currently heads the company's Controllershship Group. She also holds presidency and directorship with SBC Properties, Inc., Prima Ventures Development Corporation and FMIC Equities, Inc. Ms. Madrid also serves as the Treasurer of- First Metro Securities Brokerage Corporation, First Metro Asset Management, Inc., First Metro Save Learn Equity Fund, Inc., First Metro Save and Learn Balanced Fund, Inc., First Metro Save and Learn Fixed Income Fund, Inc., First Metro Save Learn Dollar Bond Fund, Inc., First Metro Asia Focus Equity Fund, Inc., First Metro Save and Learn Money Market Fund, Inc., First Metro Save and Learn FOCCUS Dynamic Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc., First Metro Consumer Funds on MSCI Philippines IMI, Inc. and First Metro Save & Learn Philippine Index Fund, Inc.</p> <p>She has more than 20 years of solid experience in the banking industry in the areas of audit, risk management, controllershship and finance. She was the Controller during her six years stint with a local bank and served as a director and a member of the audit committee for one of the subsidiaries of the said banking group. She started her career as an external auditor with one of the top auditing firms in the country.</p> <p>Ms. Madrid is a Certified Public Accountant and graduated cum laude with a degree of Bachelor of Science in Accountancy from the University of Santo Tomas.</p>
Atty. Nimfa B. Pastrana Corporate Secretary	<p>Atty. Nimfa B. Pastrana, 60 years old, Filipino. She is First Vice President and Asst. Corporate Secretary of First Metro Investment Corporation. She is also the Corporate Secretary of First Metro Save and Learn Balanced Fund, Inc., First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save and Learn Equity Fund, Inc. (from May 2005 to present), First Metro Save and Learn Dollar Bond Fund, Inc. (from 2008 to present), First Metro Asia Focus Equity Fund, Inc. (from 2010 to present), First Metro Consumer Fund, Inc., First Metro Save and Learn Money Market Fund, Inc., First Metro Save and Learn SALFOCCUS Dynamic Fund, Inc., First Metro Securities Brokerage Corporation, First Metro Asset Management, Inc., PBC Capital Investment Corporation, Prima Ventures Development Corporation, Resiliency (SPC), Inc., SBC Properties, Inc., FMIC Equities, Inc., and First Metro Insurance Brokers, Corp.</p> <p>She graduated from the University of the Philippines with a degree A.B. Philosophy and from San Beda College with a Bachelor of Laws degree.</p>

	She joined First Metro Investment Corporation in February 2002.
Mr. Jonathan T. Tabac Compliance Officer	Mr. Jonathan T. Tabac, 65 years old, Filipino. Term of office is one year. He is also the Compliance Officer of First Metro Securities Brokerage Corporation, First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn Balanced Fund, Inc., First Metro Save and Learn Dollar Bond Fund, Inc., First Metro Asia Focus Equity Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc., and First Metro Asset Management, Inc. (from May 2005 to present) and First Metro Save and Learn Philippine Index Fund, Inc., First Metro Save and Learn Money Market Fund, Inc. and First Metro Save and Learn FOCCUS Dynamic Fund, Inc. He served as AVP & Compliance Officer of Citystate Savings Bank (2002-2003), Vice President of Maybank Philippines (formerly PNB Republic Planters Bank)-1997-2001 and Chairman of the Board of RPB Provident Fund, Inc. (1997-2001). Mr. Tabac finished BSC-Accounting from University of Baguio. He is a Certified Public Accountant.

Significant Employees

No person who is not an executive officer is expected by the Corporation to make significant contribution to its business.

Nominee Directors

The following have been nominated for election as member of the Board of Directors during annual Stockholders Meeting on June 29, 2022:

Mr. Michael G. Say
Mr. Robert T. Yu
Ms. Karen Liza M. Roa
Mr. Rhodora Angela F. Ferrer *
Fr. Rafael K. Eloriaga, CM*
*Independent Directors

Independent Directors

In accordance with Securities Regulations Code, FMCF has formulated its rules relative to the election of independent directors, as follows:

The Nomination Committee shall have at least three (3) members, one of whom is an independent director, and it shall promulgate the guidelines and criteria to govern the conduct of the nomination. The nomination of independent director/s shall be conducted by the Committee prior to a stockholder's meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.

After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required under SRC IRR Rule 38. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Independent Director/s. No other nomination shall be entertained after the Final List of Candidates shall have been prepared and no further nomination shall be entertained or allowed on the floor during the stockholders'/membership meeting.

Ms. Rhodora Angela F. Ferrer and Fr. Rafael K. Eloriaga, CM are nominees for independent directors of First Metro Consumer Fund, Inc. and they were recommended to the Nominations Committee for

election as independent directors by *Atty. Melissa B. Reyes*, stockholder, in accordance with the foregoing rules. *Atty. Reyes* has no relations with any nominees.

- **Rhodora Angela F. Ferrer, 52, Filipino.** Independent Director. Term of office is one year. Ms. Ferrer served as Executive Director for Catholic Educational Association of the Philippines (from 2010 to 2014); Asst. Professor, Education Department and Natural Science Department, St. Scholastica's College (since 2007); Trainer for Teacher-Training Programs, Foundation for Upgrading the Standards of Education (FUSE), since 2004. She also served as Chairperson of the Training Committee, Foundation for Upgrading the Standards of Education, Inc. (FUSE) (2009 to 2010); Associate Professor, College of Education at the University of the East (2009 to 2012); Chairperson, Natural Science Department, St. Scholastica's College, Dean of Student Affairs, St. Scholastica's College (2004 to 2007). Ms. Ferrer is also an Independent Director of First Metro Save and Learn Dollar Bond Fund, Inc. since 2014 and of First Metro Save and Learn Balanced Fund, Inc. since 2016.
- **Fr. Rafael K. Eloriaga, CM, 56, Filipino.** Independent Director. Fr. Eloriaga is also the Independent Director for First Metro Save and Learn Fixed Income Fund, Inc., First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn Money Market Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc. and First Metro Consumer Fund on MSCI Phils., IMI Inc. Fr. Eloriaga is currently the Vice-President for Finance of Adamson University (2016-present), a member of the Finance Committee, General Curia under the Congregation of the Mission (2013 to present) and joined as member of the Board of Trustees of the Universidad de Sta Isabel, Naga City (2016 to present). He was formerly the Cebu Business Center Head for Central and Eastern Visayas Senior Manager of BPI Family from 2005-2006 and the Provincial Econome, Philippine Province- Congregation of the Mission (2012- 2016).

The current members of the Nomination Committee are, Mr. Eduardo Mendiola and Fr. Rafael Eloriga. Mr. Mendiola is the Chairman of the Committee.

Legal Proceedings

The Fund is not aware of any event that occurred during the year that is material to an evaluation of the ability or integrity of any of its directors, any nominees for election as directors or executive officers for the past five (5) years.

The Fund has no pending material legal proceedings to which the registrant or any of its common affiliates is a party. No member of the Board of Directors is:

- involved in any legal proceeding the past five (5) years that are material to an evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter, or control person of the Registrant;
- involved in any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time;
- involved in or convicted by final judgment in any criminal proceeding, domestic or foreign, or subject to a pending criminal proceeding, foreign or domestic, excluding traffic violations and other minor offenses;
- subject to any order, judgment, or decree not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- found by a domestic or foreign court of competent jurisdiction(in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or organized trading market or self-

regulatory organization, to have violated a securities or commodities law or regulation and the said judgment has not been reversed, suspended or vacated.

Family Relationships

There are no family relationships among the directors and officers listed above up to the fourth civil degree either by consanguinity or affinity among directors, executive officers, or persons nominated or chosen by the registrant to become director or executive officers.

Relationships and Related Transactions

There had been no material transaction nor is there any material transaction currently proposed to which the Company was, or is a party, or in which any director or executive officer of the Company, had or is to have a direct or indirect material interest.

Item 6. Compensation of Executive Officers and Directors

Per Diem payments to directors and officers for the year ended December 31, 2021, 2020, and 2019 are as follows:

	2022 (Estimated)	2021	2020	2019
Directors	₱250,000	₱176,500	₱205,000	₱205,000
Executive Officers	77,500	28,800	67,000	67,000
Aggregate Annual Per Diem	₱327,500	₱ 205,300	₱272,000	₱272,000

Per diem of Directors, Corporate Secretary and Officers of the Fund amounting to ₱10,000, ₱3,000, ₱2,500, respectively, are given during their Annual Stockholders' and regular meeting.

There are no compensatory plans or arrangement with respect to any of its executive officers that can result to the resignation, retirement or any other termination of such executive officer's employment with the Fund; neither from a change in control of the registrant or a change in the named executive officer's responsibilities.

Item 7. Independent Public Accountants:

SGV & Co. is the external auditor of First Metro Consumer Fund, Inc.. Representatives of SGV & Co. are expected to be present at the stockholders meeting on June 29, 2022. They will have the opportunity to make a statement if they desire to do so and they are expected to be available to respond to appropriate questions.

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosures, auditing scope or procedures, which disagreements, if not resolved to their satisfaction, would have caused the auditors to make reference thereto in their respective reports on the financial statements for such years.

For the year 2022, FMCF will still be engaging the services of SGV.

In compliance with SRC Rule 68, par. 3 (b)(ix), the signing partner of the auditing firm is rotated every after five (5) years of engagement. Redgjenald G. Radam, signed the independent auditors' report starting the year 2021 while Janet A. Paraiso, signed the independent auditors' report for the years 2020 and 2019. The reports of auditors on the financial statements of the company for the years ended December 31, 2021, 2020 and 2019 contained unqualified opinions.

The fees paid for the professional services rendered by SGV & Company for the audit of our Financial Statements for the year 2021 is ₱35,000 while ₱35,001 for 2020. SGV & Co. conducted the audit in accordance with auditing standards generally accepted in the Philippines to obtain reasonable

assurance about whether the financial statements are free of material misstatements. Their audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation.

There are no tax fees paid for the last 2 years for professional services rendered by SGV & Co. for tax accounting compliance, advice, planning and any other form of tax service.

FMCF's Audit Committee is chaired by Fr. Rafael Eloriaga with Ms. Rhodora Ferrer and Mr. Robert Yu as members.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 11. Authorization or Issuance of Securities Otherwise than for Exchange – N/A

D. OTHER MATTERS

Item 17. Amendment of Charters, By-Laws or Other Documents

The Board of Directors during its special meeting on December 16, 2021 approved the amendment of the Articles of Incorporation to to comply with the provisions of the Revised Corporation Code (RCC), Securities Regulation Code (SRC), and Investment Company Act (ICA) and their implementing rules and regulations, as advised by the Securities and Exchange Commission.

- i. Amendment of the Primary Purpose to include the provisions under the ICA IRR and its amendments.
- ii. Amendment of the Secondary Purpose to delete the provisions not compliant or consistent with the ICA IRR.
- iii. Amendment of Article VII to delete the provision not consistent with Rule 10.4 of the ICA IRR.
- iv. Amendment of the By-Laws to align provisions with the Revised Corporation Code.

The proposed amendment is pursuant to the provisions of the Investment Company Act (ICA) and their implementing Rules and Regulations.

This matter will be submitted to the stockholders for approval.

The Board of Directors in the same meeting, approved the amendment of FMCF By-Laws to comply with the provisions of the Revised Corporation Code (RCC), Securities Regulation Code (SRC), and Investment Company Act (ICA) and their implementing rules and regulations, as advised by the Securities and Exchange Commission.

This matter will be submitted to the stockholders for information.

Item 18. Other Proposed Items

- I. Approval of the minutes of the meeting of the stockholders held on June 16, 2021, with the following points:
 - a) Approval of the Minutes of the Annual Stockholders' Meeting held on September 16, 2020
 - b) Annual Report to the Stockholders
 - c) Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2020, including the following:
 - i. Renewal of the Management Distribution Agreement
 - d) Amendment of the Articles of Incorporation to delete phrase in Article VII (b)
 - e) Election of the Members of the Board of Directors for the year 2021-2022
 - f) Appointment of External Auditor for the year 2021

2. Ratification of Corporate Acts
 - a) Ratification of the minutes of the board meeting and all acts and resolutions of the Board, including among others the following:
 - i. Renewal of the Management Distribution Agreement with FAMI
3. Amendment to the Articles of Incorporation and By-Laws as follows:
 - i. Amendment of the Primary Purpose to include the provisions under the ICA IRR and its amendments.
 - ii. Amendment of the Secondary Purpose to delete the provisions not compliant or consistent with the ICA IRR.
 - iii. Amendment of Article VII to delete the provision not consistent with Rule 10.4 of the ICA IRR.
 - iv. Amendment of the By-Laws to align provisions with the Revised Corporation Code.
4. Amendment of Registration Statement and Prospectus in order to reflect the Increase of Authorized Capital Stock and revision of Sales Load
 The application for the increase of authorized capital stock has been approved by the Commission last January 10, 2022. The Fund will amend its registration statement and prospectus to reflect the approved authorized capital stock and provide the breakdown of sales load.
5. Election of the Members of the Board of Directors for the year 2022-2023 – Please refer to the list of nominees under Item 5 – “Directors and Executive Officers – Nominee Directors” for the details.
6. Appointment of Sycip Gorres Velayo & Co. (SGV) as External Auditors for the year 2022 – Please refer to the write-up under Item 7 “Independent Public Accountants” for the details.

Item 19. Voting Procedure

The matters included in the agenda require the approval of the stockholders, as follows:

1. For the approval of the minutes of the 2022 meetings and the ratification/approval of the acts and resolutions of the Board, and the appointment of the external auditor, a majority vote of the stockholders present in the meeting is sufficient.
2. For the Amendment in the Articles of Incorporation the vote of at least 2/3 of the outstanding capital stock is required for its approval. For the amendment of the By-laws, a majority vote of the stockholders present in the meeting is sufficient.
3. For the election of Directors - The votes of all the shares present or represented by proxy at the meeting will be on a per share basis.

Article III of Section 7 of the Articles of By-Laws states that “unless otherwise provided by law, each stockholder shall at every meeting of the stockholders be entitled to one vote, in person or by proxy, for each share with voting right held by such stockholder. At all meetings of the stockholders, all elections and all questions, except in cases where other provision is made by statute or by these By-Laws, shall be decided by the plurality vote of stockholders present in person or by proxy and entitlement to vote thereat, a quorum being present. Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting and entitlement to vote thereat, the vote on any question need not be by ballot. On a vote ballot, each ballot shall be signed by the stockholder voting, or in his name by his proxy if there be such proxy, and shall state the number of shares voted by him.”

4. Methods by which votes will be counted

Voting shall be made *viva voce*, through the raising of the hands or electronically by poll during the meeting, and counted manually/electronically by the Corporate Secretary. The duly accomplished proxy forms indicating votes for the particular items, sent by the stockholder prior the meeting, shall be tallied in advance by the Corporate Secretary accordingly.

The Board of Directors in its special meeting held on May 22, 2020, approved the adoption of guidelines to allow participation through remote/electronic means of communication in board/shareholders' meeting. The guidelines detail mainly: a) the mechanism to verify the identity of the shareholders; (b) the measures to ensure that all shareholders have the opportunity to participate in the meeting; and (c) the mechanism to enable shareholders to vote during the meeting.

FIRST METRO CONSUMER FUND, INC. YEAR 2021 ANNUAL REPORT ON SEC FORM 17-A WILL BE PROVIDED WITHOUT CHARGE TO EACH STOCKHOLDER UPON WRITTEN REQUEST ADDRESSED TO:

Atty. Nimfa Balmes-Pastrana
Corporate Secretary
First Metro Save and Learn Equity Fund, Inc.
18th Floor, PS Bank Center
777 Paseo de Roxas, corner Sedeño St., Makati City

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City on June 6, 2022.

FIRST METRO CONSUMER FUND, INC.

By:


NIMFA BALMES- PASTRANA
Corporate Secretary

PART II -COMPANY PROFILE

Brief Description of the General Nature and Scope of Business of the Company

The Fund

First Metro Consumer Fund, Inc. formerly Paradigm Global Growth Fund, Inc. (the Fund) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on April 28, 2010.

On September 8, 2011, the Fund received its Certificate of Permit to Offer Securities for Sale, and a license to act as an open-end investment company under the Investment Company Act (ICA). As an open-end investment company, its outstanding shares of stock are redeemable anytime based on the net asset value (NAV) per share at the time of redemption.

In January 2012, the Fund began its commercial operations. As stated in the Fund's prospectus which was approved in September 2011, the investment objective was to generate medium to long-term capital growth through investments in equity and fixed income, debt securities and contract notes issued by public or private companies globally and Philippine companies, sovereign issues issued by foreign government as well as those issued by the Philippines, fixed income issued by supranationals, and global mutual funds and units trusts with the exception of those mutual funds and unit trust funds domiciled in the Philippines.

On March 20, 2017, the Board of Directors (BOD) approved the amendment of the Fund's corporate name from Paradigm Global Growth Fund, Inc. to First Metro Consumer Fund, Inc. and subsequently ratified by the Stockholders on June 9, 2017.

On June 9, 2017 and June 30, 2017, the BOD approved and the stockholders ratified, respectively, the conversion of the Fund from balanced to equity (consumer index fund) and the change of its investment objective.

On January 12, 2018, the SEC has approved the amendments of the Fund's corporate name and investment objective.

Competition

The competitive environment for the company's products includes not only the products and services offered by the other Mutual Fund players, but all other investment instruments that the Company's target market has access to. The institutional funds of this market (especially the bigger ones) evidently have access to almost all types of instruments locally available such as unit investment trust funds, pre-need plans, universal life products, and other bank products. The retail funds and smaller institutional funds, however, are more likely limited to simple bank products. There is a big opportunity to tap into both the institutional and retail investors.

The registrant's main competitors are the other mutual funds in the Equity Fund category of Philippine mutual funds. It considers the funds of Philam, Sunlife, Philequity and BPI as its main competitors. As of December 31, 2021, these four competitor Funds represent around 82.03% of the total funds in this category. The company will be competing initially in terms of return on investment (ROI) and later on in terms of Fund size.

Effect of existing governmental regulation

The Fund is governed by the provisions in its prospectus that incorporated relevant investment rules and regulations by regulators such as the Investment Company Act and the SEC, among others.

Specifically, the Fund primarily invests in equity securities, however, as a tactical move, a portion of the Fund may also be invested in government securities and in SEC-registered commercial papers but taking precautions of the market conditions and of liquidity needs.

Moreover, The Fund's investment activities are also by the following limits/conditions as set out in the revised Implementing Rules and Regulations (IRR) of ICA:

- a. Maximum investment in any single enterprise is allowed but only up to fifteen percent (15.00%) of the Fund's NAV, except for investments in securities issued by the Philippine Government or its instrumentalities and, in no case, shall the total investment of the Fund exceed ten percent (10.00%) of the outstanding securities of any one investee company.
- b. The Fund must not invest, in aggregate, more than twenty percent (20%) of its net assets in transferrable securities, money market securities, deposits and financial derivatives issued by a single entity or issuer. Deposit should not exceed twenty percent (20%) of its net assets in a single bank/non-bank with quasi bank license.
- c. The investments of the Fund in deposits, debt securities or money market placements, over-the-counter financial derivatives placed in non-investment grade or unrated deposit taking institution, including unlisted shares issued by a related party, should not exceed five percent (5%) of its net assets and shall not exceed ten percent (10%) in aggregate amount.
- d. Investments in foreign government debt securities or money markets where the issuer or the guarantor is a government, sovereign or central bank with an international long-term issuer rating of investment grade may be increased to thirty five percent (35%) of the NAV, but only five percent (5%) is allowed for non-investment grade.
- e. The Fund manager is required to use a risk-management process that captures the risk associated with in the financial derivative instruments:
 - Total exposure should not exceed ten percent (10%) of the net assets or five percent (5%) if the derivatives are not investment grade, unless used for efficient portfolio management which the aggregate shall not be more than twenty percent (20%);
 - Five percent (5%) of the NAV shall be invested to liquid assets to meet all payment and delivery obligations;
 - The Fund Manager shall not act as a counterpart to an OTC derivative investment into by the Investment Company.
- f. Investment in its own securities are prohibited.
- g. Investments in margin purchases of securities, commodity futures contracts, precious metals, unlimited liability instruments, short selling of currencies and securities are not allowed.
- h. Purchasing or selling of securities other than capital stocks of the Fund from or to any of its officers or directors or the officers and directors of its investment adviser/s, manager or distributor/s or firm/s of which any of them are members is prohibited.
- i. The Fund shall not participate in underwriting or selling activities in connection with public distribution of securities except for its own capital stock.
- j. Lending operations to corporations or other entities, public or private, shall not be engaged without prior review and approval of its BOD. Approvals, however, are only to those determined to be financially sound.
- k. Investment in any company for the purpose of exercising control or management or to invest in the securities of other investment companies and real estate companies is prohibited.

The Fund believes that government regulations are intended to grow the mutual fund industry while protecting the interests of the investing public, thus, it will comply with the regulations imposed or to be imposed by government regulators.

EXECUTIVE OFFICERS

The list of officers is found in Item 5 of Part I above.

Principal Officers are appointed annually by the Board of Directors at its organizational meeting following the Annual Meeting of Stockholders.

Number of Employees

The Fund has no employees because all aspects of its operations and administration are subcontracted with third parties; hence it has no risks as far as labor problems are concerned.

Compliance with the Manual on Corporate Governance

First Metro Consumer Fund, Inc. has adopted a good governance scorecard to measure and determine the level of compliance by the Board of Directors and top-level management with its Manual of Corporate Governance. Every end of the current year, the scorecard patterned after the SEC-prescribed Corporate Governance Self-Rating Form (CG-SRF) shall be accomplished by the Compliance Officer. The result of this evaluation is submitted to the Board together with the CO's recommendation for any sanctions of non-compliance. On the basis of this scorecard, the Compliance Officer has issued to SEC a certification on the Company's compliance with its Manual of Corporate Governance.

A compliance officer has been appointed to manage the Compliance System of the Company and to monitor and evaluate compliance with the Manual of Corporate Governance. In general, the Company is in compliance with the leading practices in good corporate governance. The Compliance Officer has submitted to SEC a Certification of Compliance covering the year 2021. No director or officer of the Company was found in violation of the Manual.

As there shall be new SEC issuances, the Company is committed to comply with new requirements to enhance its corporate governance.

The Fund has identified the following major risks involved in its businesses and other operations:

Potential investors should read thoroughly all information contained in this Prospectus and/or other Fund related documents available before making any investment decisions. He or she should carefully consider all investment risks, fees, and/or other factors detailed in these documents to make certain whether the Fund's nature is appropriate for his or her investment profile and objective.

Various risk factors can affect the market value of the assets of the Fund and cause the Fund's net asset value to vary. Consequently, the returns of the Fund are not guaranteed and there is a risk that a Fund might not achieve its investment objectives.

The major risk factors facing the Fund are listed by order of importance below:

MARKET RISK is the risk of change in the value/price of financial instruments from fluctuation in foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk). The Fund's investments in equity securities may decline in value due to factors affecting securities markets generally, or particular countries, segments, economic sectors, industries, or companies within those markets. Historically, the markets have moved in cycles and the value of the Fund's securities and other financial instruments may move drastically up or down from day to day. The risk can be minimized by following the exposure limits set in this prospectus or by the Commission.

LIQUIDITY RISK (also called funding risk) is the risk that the Fund will encounter difficulty in raising funds within a reasonable time to meet short term financial demands. The Fund may not be able to generate enough cash to pay for the redemptions within the normal 7-day period. The risk can be minimized by placing a liquidity contingency plan that will provide a framework for addressing liquidity crisis situations.

The following are additional risks present in managing the Fund:

- Investment companies/mutual funds are neither insured with the Philippine Deposit Insurance Corporation (PDIC) nor any other agency of the government, nor guaranteed by the Fund Manager. Investors are advised to read the prospectus of the Fund before deciding to invest.
- Investors are exposed to the risk of dilution since other investors may subscribe to any amount of shares of the Fund. The influence that the investors can exert over the control and management of the Fund decreases proportionately.

The above risk factors are by no means all-inclusive. New and/or unidentified risks may arise any time given the dynamic financial markets and economic environment.

PART III - SECURITIES OF THE REGISTRANT

Market Price of and Dividends on the Registrant’s Common Equity and Related Stockholder Matters

A. Market Price

Below is the history of Net Asset Value per Share (NAVPS) of the Fund the first quarter of 2022, and for the years 2021, 2020 and 2019:

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2022	High	0.7722	–	–	–
	Low	0.6768	–	–	–
2021	High	0.7550	0.7573	0.7791	0.8130
	Low	0.6500	0.6653	0.7059	0.7538
2020	High	0.8499	0.7133	0.6943	0.7716
	Low	0.5606	0.6043	0.6432	0.6626
2019	High	0.8912	0.8984	0.9193	0.8927
	Low	0.8206	0.8303	0.8484	0.8218

There is no principal market where the Fund’s shares are traded, not even in the Philippine Stock Exchange due to its nature as an open-end investment company. The Fund’s shares are sold through its appointed Principal Distributor and sub-distributors.

B. Dividends

The Fund has not issued any cash dividend since its inception. The Board of Directors of the Fund may decide to declare dividends from the unrestricted retained earnings of the Fund at a time and percentage as the Board may deem proper and in accordance with law. The Fund may declare or pay dividends but limits those dividends to come from the Fund’s accumulated undistributed net income. The ability of the Fund to declare dividends therefore will be restricted by the amount of yearly net income generated. This would be dependent on the performance of the market and on the performance of the investment manager.

C. Shareholders

As of March 31, 2022, there are 1,516 shareholders of the Fund.

*On December 17, 2019, SEC approved the confidential treatment of the Top 20 shareholders of the Fund.

Legal Proceedings

The Fund has no material pending legal proceedings to which it is a party. None of the Board of Directors is:

- involved in any legal proceeding the past five (5) years that are material to an evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter, or control person of the Registrant;
- involved in any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time;
- involved in or convicted by final judgment in any criminal proceeding, domestic or foreign, or subject to a pending criminal proceeding, foreign or domestic, excluding traffic violations and other minor offenses;
- subject to any order, judgment, or decree not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
- found by a domestic or foreign court of competent jurisdiction(in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the said judgment has not been reversed, suspended or vacated.

PART IV - MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Fund's Statements of Financial Position and Statements of Comprehensive Income as of and for the period ended March 31, 2022, and the years ended 2021 and 2020 are presented below:

Statements of Financial Position

FIRST METROAVE & LEARN MONEY MARKET FUND, INC.		
<i>(An Open-End Mutual Fund Company)</i>		
INTERIM STATEMENTS OF FINANCIAL POSITION		
	As of	
	March 31, 2022	December 31, 2021
	(Unaudited)	(Audited)
ASSETS		
Cash and cash equivalents	P538,385,496	P502,601,876
Financial assets at fair value through profit or loss	59,970,000	374,880,469
Financial assets at amortized cost	2,475,166,785	1,809,191,243
Receivables	8,760,709	88,474,510
Other Assets	159,884	159,884
TOTAL ASSETS	P3,082,442,874	P2,775,307,982
LIABILITIES AND EQUITY		
LIABILITIES		
Accounts payable and accrued expenses	P4,901,694	P4,514,337
EQUITY		
Capital stock	954,277	954,277
Additional paid-in capital	94,055,822	94,055,820
Deposits for future stock subscriptions	2,940,608,318	2,641,248,626
Retained earnings	41,922,763	34,534,922
	3,077,541,180	2,770,793,645
TOTAL LIABILITIES AND EQUITY	P3,082,442,874	P2,775,307,982

Statements of Comprehensive Income

FIRST METROAVE & LEARN MONEY MARKET FUND, INC.		
<i>(An Open-End Mutual Fund Company)</i>		
INTERIM STATEMENTS OF COMPREHENSIVE INCOME		
	For the Period Ended March 31	
	(Unaudited)	
	2022	2021
INVESTMENT INCOME		
Interest income	P15,119,059	P7,752,499
Trading and securities gain (loss)	142,771	(1,661,389)
	15,261,831	6,091,110
OPERATING EXPENSES		
Management and retainer's fees	4,126,282	2,109,522
Taxes and licenses	2,619,490	1,198,483
Fund admin fees	128,946	-
Directors' and officers' fees	101,493	112,493
Professional fees	46,548	46,548
Custodian and clearing fees	39,206	39,206
Miscellaneous expenses	12,075	48,725
	7,074,040	3,554,976
INVESTMENT INCOME BEFORE TAX	8,187,791	2,536,134
PROVISION FOR FINAL TAX	799,951	89,916
NET INVESTMENT INCOME/TOTAL COMPREHENSIVE INCOME*	P7,387,840	P2,446,218
EARNINGS PER SHARE	P0.0026	P0.0017

*There are no other comprehensive income items for the period ended March 31, 2022 and 2021.

FINANCIAL POSITION (March 31, 2022 vs December 31, 2021)

As of March 31, 2022, the Fund's total assets ended at P541.90 million, lower by 7.97% or P46.91 million from P588.81 million as of December 31, 2021. Total liabilities increased by 57.89% or P0.77 million from P1.32 million to P2.09 million as of reporting date. The changes in total assets and liabilities are primarily due to the movements in the following accounts:

1. Cash and cash equivalents

This account consists of the Fund's savings and checking accounts in local banks. Cash in banks earn interest at the respective bank deposit rates. The increase of 29.79% or P33.20 million from P111.41 million to P144.61 million was mainly due to higher checking account balances this year.

2. Financial assets at fair value through profit or loss

This account consists of investments in quoted equity securities. The decrease of 31.16% or P146.26 million from P469.34 million to P323.08 million was mainly due to sales and result of changes in the fair value of investments during the period. As of March 31, 2022 and December 31, 2021, this account include fair value loss of P56.3 million and P45.58 million loss, respectively.

3. Receivables

This account increased by 77.67% or P6.26 million from P8.05 million to P14.31 million due to higher proceeds from the sale of equity securities and dividend receivables still for collections as of reporting date.

4. Accounts payable and accrued expenses

This account consists of due to brokers, accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The increase of 57.89% or P0.77 million from P1.32 million to P2.09 million was mainly due to unsettled payment for the purchase of securities as of reporting date.

5. Equity

The Fund's equity is comprised of its capital stock, additional paid-in capital, and retained earnings. The decrease of P47.68 million or 8.12% from P587.49 million to P539.81 million was mainly due to the redemptions and net loss recognized during the period.

Capital Stock ended at P7.76 million, increased by P6.04 million from P1.72 million due to subscription during the period. The Fund's authorized capital stock remained at P2.00 million with par value of P0.01 per share. As of March 31, 2022 and December 31, 2021, the total issued and outstanding shares were 775,536,012 and 764,755,351, respectively, while the total number of holders of redeemable common shares is 1,516 and 1,547, respectively.

Additional paid in capital increased by P487.68 million from P153.38 million to P641.06 million due to subscriptions made during the year.

Deficit increased by P55.59 million from P53.41 million to P109.00 million mainly due to results of operations recognized during the year.

RESULTS OF OPERATION

For the quarter ended March 31, 2022, the Fund realized a net loss of P55.59 million, lower by P6.93 million or 14.24% from last year's net loss of P48.66 million. Detailed discussions on the changes in the statement of income accounts are as follows:

1. Trading and securities gain (loss)

This account includes realized and unrealized gains (loss) earned from trading investments in equity securities. The increase of 14.24% or P6.49 million from P45.58 million loss to P52.06 million loss was due to higher realized loss from the sale and changes in fair value of investments during the period.

2. Dividend income

This is recognized when the Fund's right to receive cash dividend is established. The increase of 57.16% or P0.70 million from P1.23 million to P1.93 million was mainly due to the higher cash dividends earned from equity securities during the period.

3. Interest income

This account increased by P0.35 million due to higher interest earned from Fund's cash balances during the period.

4. Management fee and retainer's fees

This account increased by 23.33% or P0.52 million from P2.21 million to P2.73 million mainly due to higher management fees incurred during the period.

5. Brokers' commission

This account pertains to fees paid to brokers to execute a trade based on the volume of equity and debt securities being traded. The decrease of 35.27% or P0.67 million from P1.90 million to P1.23 million was mainly due to lower brokers' commission incurred during the period.

6. Transaction charges

This account pertains to the payment of stock trading charges. The increase of P1.55 million from P0.01 million to P1.57 million was due to higher volume of trades during the period.

7. Taxes and licenses

This account totaled P0.08 million which pertains to taxes other than income tax, such as DST and local taxes paid by the Fund during the period.

8. Directors' and officers' fees

This account pertains to per diem of the Fund's officers and directors during board meetings and annual stockholders' meeting. The decrease of 8.84% was due to lower number of attendees during the period.

9. Professional fees

This account totaled P0.04 million which represents audit fees and other professional fees incurred by the Fund during the period.

10. Custodian and Clearing fees

This account totaled P0.04 million which pertains to fees paid to the custodian of the fund during the period.

11. Fund accounting fee

This account totaled P0.02 million which pertains to payment of the fund admin fee during the period.

12. Miscellaneous expense

This account decreased by P0.01 million or 42.90% due to lower membership fee and dues and bank charges paid by the Fund during the period.

2021

Financial Position (December 31, 2021 vs. December 31, 2020)

Total assets of the Fund ended at P588.81 million as of December 31, 2021, an increase of P108.22 million from P480.59 million as of December 31, 2020. Liabilities of the Fund went down by P0.12 million or 8.15% from P1.44 million to P1.32 million this year. The changes in total assets and total liabilities are primarily due to the movements in the following accounts:

1. **Cash and cash equivalents**

Cash and cash equivalents increased by P72.73 million or 187.99% from P38.69 million to P111.41 million as of December 31, 2021 and 2020, respectively, due to subscriptions for the period. This account represents the Fund's savings and checking accounts. Cash in banks earn interest at the respective bank deposit rates.

2. **Financial assets at fair value through profit or loss**

This account totaled P469.34 million as of December 31, 2021, an increase of P36.91 million or 8.54% mainly due to purchases and price appreciation of various equity securities during the year. As of December 31, 2021, the Fund recognized a trading gain amounting to P28.31 million.

3. **Receivables**

As at December 31, 2021, this account pertains to dividend receivables from quoted equity securities and other receivables amounting to P8.05 million. This account decreased by 15.02% or P1.42 million due to lower receivables from brokers as of reporting date.

4. **Accounts payable and accrued expenses**

This account consists of accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The decrease of P0.12 million or 8.15% from P1.44 million to P1.32 million this year was due to lower accounts payable during the year.

5. **Equity**

The initial authorized capital of the Fund amounting to P2.00 million which is divided into 200 million common redeemable shares of P0.01 par value with each share carrying one vote, was approved by the SEC on April 28, 2010. The Fund's capital is represented by these redeemable shares. Issuance, repurchase and resale of redeemable shares are based on NAV per share (NAVPS) attributable to holders of redeemable shares. The shares are entitled to dividends when declared and to payment of a proportionate share of the Fund's NAV on the redemption date or upon winding up of the Fund.

Increase in Capital Stock/Deposits for Future Stock Subscriptions

On June 20, 2018 and September 30, 2018, the Board of Directors and the stockholders approved and ratified the increase in authorized capital stock from 2.00 million (200.00 million redeemable common shares) to 10.00 million (1.00 billion redeemable common shares) with a par value of P0.01 per share. Also, the BOD adopted a resolution that the increase in the authorized capital stock by 10.00 million be made in several tranches. The authorized capital stock will be initially increased by 5.00 million while the succeeding increase will be executed upon determination and approval of the BOD without the need of going back to the stockholders for approval. The authority of the BOD to increase the authorized capital stock is limited to 10.00 million.

On June 20, 2018, the BOD approved the first tranche of increase of 5.00 million (500.00 redeemable common shares). On July 23, 2018, the BOD approved the additional increase of 3.00 million (300.00 redeemable common shares) for the second tranche increase.

On April 11, 2019, the Fund submitted and the SEC accepted the required documentations for the Fund's application for the increase in authorized capital stock. On the same date, the Fund reclassified DFFS from liability to equity. The Fund received deposits for future stock subscriptions (DFSS) of P344.70 million and P245.92 million representing subscription for 400,758,646 and 283,327,964 numbers of shares as of December 31, 2019 and 2018, respectively.

As of December 31, 2021 and 2020, total DFSS amounted to P485.81 million representing 593.21 million shares and P394.01 million representing 473.69 million shares, respectively. The total number of holders of redeemable common shares is 1,547 and 1,483 as of December 31, 2021 and 2020, respectively.

On January 10, 2022, the SEC approved the Fund's application to increase its authorized capital stock from P2.00 million divided into 200 million shares to P10.00 million divided into 1.0 billion shares. In January 2022, FMCF already paid the fee for the increase of Authorized Capital stock amounting to P689,391.74.

Additional paid in capital This account decreased by P0.73 million or 0.47% from P154.11 million to P153.38 million this year mainly due to redemptions during the year.

Deposit for future stock subscriptions This account increased by P91.80 million or 23.30% from P394.01 million to P485.81 million and this pertain to total consideration received in excess of the authorized capital of the Fund with the purpose of applying the same as payment for future issuance of redeemable shares.

Deficit This account went down by P17.27 million or 24.44% mainly due to Fund's result of operations during the year.

Results of Operations

For the period ended December 31, 2021, the Fund realized a net income of P17.18 million, P74.69 million or 129.88% higher than P57.51 million net loss posted in 2020 mainly due to market improvement in equities securities this year.

The highlights of the results of operations for the period ended December 31, 2021 are as follows:

1. Trading and securities gains (losses)

This account is derived from income (losses) recognized from the sale and change in the fair value of investment in equity securities held by the Fund during the year. The Fund realized a P28.31 million income, P76.21 million or 159.09% higher than last year's P47.90 million loss mainly due to the increase in fair market value of equity securities during the year.

2. Dividend income

Dividend income totaled P5.72 million, P0.49 million or 9.39% higher than last year's P5.23 million mainly due to higher cash dividends received from equity securities during the year.

3. Interest income

Interest income declined by P0.04 million or 46.40% due to lower investments in fixed deposits during the year.

4. Management fee and retainer's fees

This account includes management fees paid to FAMI, incentive fees and retainer's fees. The increase of P1.82 million or 21.79% from P8.34 million to P10.16 million this year was mainly due to the increase in asset under management of the Fund during the year.

5. Brokers' commission

This account pertains to the fees paid to brokers for executing trade transactions of the Fund. The increase of P0.54 million or 20.92% from last year's P2.57 million to P3.11 million this year was mainly due to higher volume of trades during the year.

6. Directors' and officers' fees

This account pertains to payment of directors' and officers' per diem and bonus for the period. The 80.63% or P0.24 million decrease was due to lower attendees during the year.

7. Custodian and Clearing fees

Custodian and clearing fees pertain to custodianship fee paid by the Fund which remained at P0.16 million in 2021 and 2020.

8. Taxes and licenses

This account includes filing fees, DST and local taxes. The decrease of P0.02 million or 59.75% was primarily due to lower tax paid by the Fund during the year.

9. Professional fees

This account totaled P0.04 million for the year 2021.

10. Transaction charges

Transaction charges pertain to the trading charges incurred by the Fund. The decrease of P0.10 million or 47.21% from last year's P0.20 million to P0.11 million this year was mainly due to higher volume of trades during the year.

11. Miscellaneous expense

Miscellaneous expense consists of various operational expenses of the Fund. This account decreased by P0.05 million or 52.55% due to lower miscellaneous expenses incurred during the year.

2020

Financial Position (December 31, 2020 vs. December 31, 2019)

Total assets of the Fund posted P480.59 million as of December 31, 2020, a decrease of P12.78 million from P493.38 million as of December 31, 2019. Liabilities of the Fund went up to P1.44 million from P1.43 million during the year. The changes in total assets and total liabilities are primarily due to the movements in the following accounts:

1. Cash in banks

Cash and cash equivalents increased by P23.23 million or 150.36% from P15.45 million to P38.69 million as of December 31, 2020 and 2019, respectively, due to subscriptions for the period. This account represents the Fund's savings and checking accounts.

Cash in banks earn interest at the respective bank deposit rates.

2. Financial assets at fair value through profit or loss

This account totaled to P432.43 million as of December 31, 2020, decreased by P45.24 million or 9.47% was mainly due to sale of various equity securities amounting to P92.98 million during the year. As of December 31, 2020, the Fund recognized unrealized trading gain amounting to P45.08 million.

3. Receivables

As at December 31, 2020, this account pertains to dividend receivables from quoted equity securities and other receivables amounting to P9.48 million. This account grew by 4341.38% or P9.26 million due to higher receivables from brokers as of the reporting date.

4. Accounts payable and accrued expenses

Accounts payable and accrued expenses reached P1.44 million as of December 31, 2020 from P1.43 million in December 31, 2019. This account consists of accounts payable, payable to FAMI, accrued expenses, withholding tax payable and documentary stamp tax payable.

5. Deposit for future stock subscriptions

Deposits for future stock subscriptions pertain to total consideration received in excess of the authorized capital of the Fund with the purpose of applying the same as payment for future issuance of redeemable shares.

In 2020, the total outstanding DFFS as of December 31, 2019 have been issued. However, as of March 23, 2021, the SEC has yet to approve the Fund's application for the increase in authorized capital stock.

6. **Capital stock**

The Fund's authorized and issued capital stock follow:

	December 31, 2020		December 31, 2019	
	Shares	Amount	Shares	Amount
Authorized	200,000,000	₱2,000,000	200,000,000	₱2,000,000
Issued and outstanding	646,066,798	6,460,668	178,499,966	1,785,000

The initial authorized capital of the Fund amounting to P2.00 million which is divided into 200 million common redeemable shares of P0.01 par value with each share carrying one vote, was approved by the SEC on April 28, 2010. The Fund's capital is represented by these redeemable shares. Issuance, repurchase and resale of redeemable shares are based on NAV per share (NAVPS) attributable to holders of redeemable shares. The shares are entitled to dividends when declared and to payment of a proportionate share of the Fund's NAV on the redemption date or upon winding up of the Fund.

Increase in Capital Stock/Deposits for Future Stock Subscriptions

On June 20, 2018 and September 30, 2018, the Board of Directors and the stockholders approved and ratified the increase in authorized capital stock from 2.00 million (200.00 million redeemable common shares) to 10.00 million (1.00 billion redeemable common shares) with a par value of P0.01 per share. Also, the BOD adopted a resolution that the increase in the authorized capital stock by 10.00 million be made in several tranches. The authorized capital stock will be initially increased by 5.00 million while the succeeding increase will be executed upon determination and approval of the BOD without the need of going back to the stockholders for approval. The authority of the BOD to increase the authorized capital stock is limited to 10.00 million.

On June 20, 2018, the BOD approved the first tranche of increase of 5.00 million (500.00 redeemable common shares). On July 23, 2018, the BOD approved the additional increase of 3.00 million (300.00 redeemable common shares) for the second tranche increase.

On April 11, 2019, the Fund submitted and the SEC accepted the required documentations for the Fund's application for the increase in authorized capital stock. On the same date, the Fund reclassified DFFS from liability to equity.

The Fund received deposits for future stock subscriptions (DFSS) of P344.70 million and P245.92 million representing subscription for 400,758,646 and 283,327,964 numbers of shares as of December 31, 2019 and 2018, respectively.

The total number of holders of redeemable common shares is 1,358 and 1,127 as of December 31, 2020 and 2019, respectively.

7. **Additional paid-in capital**

The additional paid-in capital as of December 31, 2020 grew by P384.74 million or 242.51% from P158.64 million to P543.38 million this year mainly due to sales during the year.

8. **Deficit**

This account went up by P57.51 million or 436.21% mainly due to Fund's result of operations during the year.

Results of Operations (January 1– December 31, 2020 vs. January 1– December 31, 2019)

For the period ended December 31, 2020, the Fund realized a net loss of P57.51 million, P68.24 million or 655.79% lower than P10.73 net income posted in 2019 mainly due to market decline in equities securities this year.

The highlights of the results of operations for the period ended December 31, 2020 are as follows:

1. Trading and securities gains (losses)

This account is derived from income (losses) recognized from the sale and change in the fair value of investments held by the Fund during the year. The Fund realized a P47.90 million loss, P61.79 million or 444.94% lower than last year's P13.89 million income mainly due the decrease in fair market value of equity securities during the year.

2. Dividend income

Dividend income totaled P5.23 million, P1.83 million or 25.94% lower than P7.06 million mainly due to lower cash dividends received from equity securities during the year.

3. Interest income

Interest income grew by 188.88% due to increase in Fund's investment in fixed deposits for 2020.

4. Management fee and retainer's fees

This account includes management fees paid to FAMI, incentive fees and retainer's fees. The decrease of P0.52 million or 5.90% from P8.86 million to P8.34 million this year was mainly due to the decline in asset under management of the Fund during the year.

5. Brokers' commission

This account pertains to the fees paid to brokers for executing trade transactions and it totaled P2.57 million this year, higher by P2.04 million or 384.52% from last year's P0.53 million mainly due to higher volume of trades during the year.

6. Directors' and officers' fees

This account pertains to payment of directors' and officers per diem and bonus for the period. The 11.03% or P0.03 million increase was due to higher attendees during the year.

7. Custodian and Clearing fees

Custodian and clearing fees pertains to custodianship fee paid to HSBC amounting to P0.16 million as of December 31, 2020. The decrease of 8.36% or P0.01 million of this account is due to decrease in value of the Fund's portfolio.

8. Taxes and licenses

This account includes filing fees, documentary stamp tax and local taxes. Taxes and licenses slid by P0.05 million or 61.63% primarily due to lower payment of documentary stamp tax relative to the lower subscriptions during the year ended December 31, 2020.

9. Professional fees

This account decreased by 5.64% due to lower professional fees and services incurred during the year.

10. Transaction charges

Transaction charges pertains to the trading charges incurred by the Fund. This account totaled P0.20 million, an increase of P0.18 million or 677.50% mainly due to higher volume of trades during the year.

11. Miscellaneous expense

Miscellaneous expense consists of various operational expenses of the Fund. This account decreased by 9.50% due to lower miscellaneous expenses incurred during the year.

Plan of Action

FAMI is licensed by SEC to act as Investment Company Adviser/Manager, Administrator and Principal Distributor of mutual funds.

Being the principal distributor of the Fund's shares of stock, it intends to increase its marketing network and accredit sub-dealers or agents to sell the Fund's share.

Subsequent Events

There were no material subsequent events that occurred after the year ended December 31, 2021.

Other Matters

The Fund Manager is not aware of any event and/or uncertainties that:

- will have a material impact on liquidity
- will trigger direct or contingent obligation that is material to the Fund including any default or acceleration of obligation
- will have an impact on all material off-balance sheet transactions, arrangement, obligations and other relationships of the Fund
- is a significant element of income or loss that did not arise from the Fund's continuing operations
- there are no material commitments for capital expenditures during the past year and in the subsequent year.

DISCUSSION OF KEY PERFORMANCE INDICATORS

First Metro Consumer Fund, Inc. formerly Paradigm Global Growth Fund, Inc. (the Fund) was incorporated in the Philippines and registered with the SEC on April 28, 2010.

FAMI serves as its Investment Company Adviser, Administrator and Principal Distributor. With the SEC's approval of FAMI's license to act as such on September 6, 2005 and its procedures firmed-up at the end of the same month.

The Fund has identified the following as its key performance indicators:

- *Net Asset Value Per Share* - Net Asset Value per share amounted to P0.9498 as of March 31, 2022, higher by 18.16% from the P0.7682 as of December 31, 2021. The Fund's average daily net asset value grew by 11.32% or P56.40 million from P498.28 million as of December 31, 2021 to 554.68 million as of March 31, 2022, respectively.
- *Sales for the period ended* - The Fund had total sales of P1 7.97 million and P10.85 million for the period ended March 31, 2022 and 2021, respectively.
- *Redemptions for the period ended* - The Fund had total redemptions of P1 0.09 million and P2.47 million for the period ended March 31, 2022 and 2021, respectively.
- *Net Income vs. Benchmark* - The Fund posted a net loss of P55.59 million for the period ended March 31, 2022 higher than P48.66 million net loss for the same period last year.
- *Market Share vs. Benchmark* - As of March 31, 2022, the Fund garnered 0.44% share in the Equity Funds category while 0.12% share among all mutual funds in terms of net assets. On the basis of account holders, the Fund has 1,516 account holders or 0.28% of the total accounts in this Fund category.

FINANCIAL SOUNDNESS INDICATORS

Performance Indicator	Formula	As of March 31	
		2022	2021
a. Current/Liquidity Ratio	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$	6968.75%	1580.25%
b. Solvency Ratio	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$	0.16%	1.30%
c. Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$	0.16%	1.31%
d. Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	100.16%	101.31%
e. Interest Rate Coverage Ratio	$\frac{\text{Income before Interest Expense and Tax}}{\text{Interest Expense}}$	NA	NA
f. Return on Equity	$\frac{\text{Net Income after Tax}}{\text{Average Capital}}$	1.01%	0.64%
g. Return on Assets	$\frac{\text{Net Income after Tax}}{\text{Average Total Assets}}$	1.01%	0.61%
h. Net Profit Margin Ratio	$\frac{\text{Net Income}}{\text{Net Interest Income and Operating Income}}$	48.41%	40.16%
i. Net Asset Value (NAV) Per Share	$\frac{\text{NAV Attributable to Holders of Redeemable Shares}}{\text{Number of Redeemable Shares}}$	1.0606	1.0580

Financial and Other Information

The following are attached hereto:

1. Audited Financial Statements
2. Statement of Management's Responsibility for Financial Statements

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City on June 7, 2022.

FIRST METRO CONSUMER FUND, INC.

By:


MARICEL L. MADRID
 TREASURER