

# COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address: No. Street City / Town Province)

<b>MARICEL L. MADRID</b>
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Contact Person

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Company Telephone Number

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1	2				
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Fiscal Year					

<b>DEFINITIVE 20-IS</b>
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Form Type

**3rd Wed. of June**

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Annual Meeting					

<b>INVESTMENT COMPANY</b>
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Secondary License type, if applicable

<b>C</b>	<b>G</b>	<b>F</b>	<b>D</b>
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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total amount of Borrowings

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To be Accomplished by SEC Personnel concerned

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File Number

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Document I.D.

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Cashier

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Remarks = Pls. use black ink for scanning purposes.

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

Thursday, June 22, 2023, 02:00 PM

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 29, 2022
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 2022, including the following:
  - a. Renewal of the Management Distribution Agreement
6. Election of the Members of the Board of Directors for the year 2023-2024
7. Appointment of External Auditor for the year 2023
8. Other Matters
9. Adjournment

Stockholders of record as of May 18, 2023 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 22, 2023.

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 11, 2023, through email at [asm@fami.com.ph](mailto:asm@fami.com.ph) and hardcopies at 18<sup>th</sup> 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 Thursday, June 22, 2023 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 previous Annual Stockholders' Meeting held on June 29, 2022			
2. Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2022, including the following:  a. Renewal of the Management Distribution Agreement			
3. Election of the Members of the Board of Directors for the year 2023-2024	# of Votes		
Mr. Michael G. Say			
Mr. Robert T. Yu			
Ms. Karen Liza M. Roa			
<i>Ms. Rhodora Angela F. Ferrer (Independent Director)</i>			
<i>Fr. Rafael K. Eloriaga, CM (Independent Director)</i>			
<i>Apply the votes equally to all the nominees</i>			
	Yes	No	
4. Appointment of External Auditor for the year 2023			

\_\_\_\_\_  
PRINTED NAME OF STOCKHOLDER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE OF STOCKHOLDER/  
AUTHORIZED SIGNATORY

<sup>1</sup> Please fill-out and sign the proxy form and return via mail/email/Metrobank Branches on or before 5:00 p.m. on June 11, 2023.  
Via Mail: To the Corporate Secretary, 18<sup>th</sup> 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.

<sup>2</sup>This 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.

<sup>3</sup>If 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) 88912860**
8. Date, time, place, of the meeting of security holders:  
**Date : June 22, 2023**  
**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: **May 30, 2023**
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)
<b>Common Shares</b>	<b>783,639,811 shares</b>
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 : Thursday, June 22, 2023  
Time : 02:00 p.m.  
Place : Zoom webinar at the link provided in <https://fami.com.ph/>

#### Mailing Address of the Registrant

18<sup>th</sup> 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:

May 30, 2023

#### Item 2. Right of Appraisal:

There are no action or matters to be taken up at the Annual Stockholders Meeting that will give rise to a possible exercise by security holders of their right of appraisal.

#### 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	783,639,811	One (1) vote per share

##### b. Record Date

Stockholders of record as of May 18, 2023 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, 2023:

Title of Class	Name and Address of Owner	Name of Beneficial Owner	Citizenship	No. of Shares Held	% of Holdings
Common Stock	Board of Trustees of PERAA 16/F Multinational Bancorporation Centre Ayala Ave., Salcedo Village 1227	Same	Filipino	115,300,358	14.79%
Common Stock	Sylvia Lim Sangco or Augustus Caesar De Lara Sangco or Pearl Louise Lim Sangco or Aurelius Caesar Lim Sangco Muntinlupa City	Same	Filipino	69,310,027	8.89%
Common Stock	James Chiew Lee Ecoland Davao	Same	Filipino	47,298,020	6.07%

Board of Trustees of PERAA, is the registered owner of the shares in the books of the Company. The Board of Trustees of PERAA has the right to appoint an 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 Mr. Antonio S. Samson, S.J. or any officers appointed by the Board.

Sylvia Lim Sangco or Augustus Caesar De Lara Sangco or Pearl Louise Lim Sangco or Aurelius Caesar Lim Sangco are the owners and will vote over their shares.

James Chiew Lee is the owner and will vote over his shares.

**Security Ownership of Directors/Management:**

The directors and officers as a group held a total of 1,351,112 common voting shares as of March 31, 2023. This is broken down as follows:

Title of Class	Name of Beneficial Owners	Amount and Nature of Ownership	Citizenship	Percent to Outstanding Shares
Common shares	Michael G. Say	1	Filipino	0.00%
Common shares	Robert T. Yu	1	Filipino	0.00%
Common shares	Karen Liza M. Roa	1	Filipino	0.00%
Common shares	Rhodora Angela F. Ferrer*	1	Filipino	0.00%
Common shares	Rafael K. Eloriaga*	1	Filipino	0.00%
Common shares	Nimfa B. Pastrana	1,351,107	Filipino	0.17%

\*Independent Director

### Voting Trust Holders of 5% or More

There are no persons known to the registrant who own more than 5% of a voting trust or similar arrangements.

### Changes in Control

First Metro Consumer Fund, Inc. is an open-end investment company engaged in selling its capital to the public and investing the proceeds in selected high-grade stocks. The Fund has an initial paid-up capitalization of ₱25,000,000 that is paid by First Metro Asset Management, Inc. As of March 31, 2023, the percentage of ownership of First Metro is nil.

### 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 18, 2023 are as follows:

Name	Experience
Mr. Michael G. Say Chairman Director	<p>Mr. Michael G. Say, 63, Filipino, term of office is one year.</p> <p>Mr. Say has been serving as a member of the Board of Director of First Metro Asia Focus Equity Fund, Inc., First Metro Consumer Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc., First Metro Save and Learn Money Market Fund, Inc. (Chairman), and First Metro Save and Learn Philippine Index Fund, Inc. (Chairman).</p> <p>He is currently Chairman of the following companies: Capitalwise Groups Ltd., (2008 to present), Atlantic Archers Achiever Corporation (2004 to present), Hiratsuka Int'l Corp., Londonstar Corporation, and White Knight Productions Corporation.</p> <p>He was the former Chairman for the following companies: Poc and Poc Corporation (2010 to 2016), Chic Uniform, Inc. (2002</p>

	<p>to 2013) and Tokagawa Global Corporation (2004 to 2013).</p> <p>Mr. Say graduated from De La Salle University with a degree in Management of Financial Institutions.</p>
<p>Mr. Robert T. Yu President Director</p>	<p>Mr. Robert T. Yu, 76 years old, Filipino, term of office is one year.</p> <p>Mr. Yu has been serving as a member of the Board of Director and President of First Metro Consumer Fund, Inc., First Metro Save and Learn Philippine Index Fund, Inc. Since 2017, and First Metro Save and Learn FOCCUS Dynamic Fund, Inc. (since June 2022).</p> <p>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.</p> <p>Mr. Robert Yu has a Bachelor's degree in Commerce from the University of the East.</p>
<p>Ms. Karen Liza M. Roa Director</p>	<p>Ms. Karen Liza M. Roa, 54, Filipino. term of office is one year. Ms. Roa currently serves as director of First Metro Save and Learn Equity Fund, Inc. (since June 2022), First Metro Save &amp; Learn Fixed Income Fund, Inc. (since June 2022), First Metro Save and Learn Balanced Fund, Inc. (since June 2022), First Metro Save and Learn Dollar (since June 2022), First Metro Asia Focus Equity Fund, Inc. (since June 2022), First Metro Consumer Fund, Inc. (since June 2022), and First Metro Philippine Equity Exchange Traded Fund, Inc. (since June 2022).</p> <p>She has over 25 years of expertise in the field of finance with a career that spans both domestic and international banking 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 the currently the President and CEO of First Metro Asset Management, Inc. (FAMI).</p>



<p>Ms. Rhodora Angela F. Ferrer Independent Director</p>	<p>Ms. Rhodora Angela F. Ferrer, 55, Filipino, term of office is one year.</p> <p>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-impliments 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>Mr. Rafael K. Eloriaga Independent Director</p>	<p>Fr. Rafael K. Eloriaga, 59 years old, Filipino, term of office is one year. 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, Inc.</p> <p>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</p>

	<p>Province- Congregation of the Mission (2012- 2016).</p> <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.</p>
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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
<p>Ms. Maricel L. Madrid Treasurer</p>	<p>Ms. Maricel L. Madrid, 44 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 and Learn Equity Fund, Inc., First Metro Save and Learn Balanced Fund, Inc., First Metro Save and Learn Fixed Income Fund, Inc., First Metro Save and 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, Inc. and First Metro Save and 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, controllership 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>
<p>Atty. Nimfa B. Pastrana Corporate Secretary</p>	<p>Atty. Nimfa B. Pastrana, 61 years old, Filipino, Corporate Secretary. Term of office is one year and has served as such from January 29, 2007 up to present. She is First Vice President and Asst. Corporate Secretary of First Metro Investment Corporation. She is also the Corporate Secretary of First Metro</p>

	<p>Save and Learn Balanced Fund, Inc., First Metro Save and 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. She joined First Metro Investment Corporation in February 2002.</p>
<p>Mr. Jonathan T. Tabac Compliance Officer</p>	<p>Mr. Jonathan T. Tabac, 68 years old, Filipino, Compliance Officer. Term of office is one year and has served as such from January 29, 2007 up to present. He is also the Compliance Officer of First Metro Securities Brokerage Corporation, First Metro Save and Learn Fixed Income Fund, Inc., First Metro Save and Learn Money Market Fund, Inc., First Metro Save and Learn FOCCUS Dynamic Fund, Inc., First Mero Save and Learn Philippine Index 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., First Metro Consumer Fund, Inc. and First Metro Asset Management, Inc. (from May 2005 to present). He served as AVP &amp; 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.</p> <p>The Principal Officers are appointed or elected annually by the Board of Directors at its first meeting following the Annual Meeting of Stockholders.</p>

### Significant Employees

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

### Nominee Directors

The persons listed below have been nominated to become directors for 2023-2024. All directors are elected for term of one year and until their successors shall have been elected and qualified.

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

\* Independent Directors

The nominees are incumbent directors of First Metro Consumer Fund. All five (5) nominees confirmed and accepted their nomination to become 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.

Fr. Rafael K. Eloriaga, CM and Ms. Rhodora Angela F. Ferrer are nominees for independent directors of FMCF and they were recommended to the Nominations Committee for election of independent directors by Maria Nicole Priscilla Galang Monzon, stockholder, in accordance with the foregoing rules. Maria Nicole Priscilla Galang Monzon has no relations with any nominees. No other persons were nominated.

The current members of the Nomination Committee are, Mr. Michael G. Say, Fr. Rafael K. Eloriaga, CM and Ms. Karen Liza M. Roa. Mr. Say is the Chairman of the Committee.

For the complete background information of the nominee directors, please refer to Item 5. Directors and Officers.

### **Legal Proceedings**

The Registrant 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.

### 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 estimated for the year 2023, and for the years ended December 31, 2022, 2021 and 2020 are as follows:

	2023 (Estimated)	2022	2021	2020
Directors	₱244,000	₱188,000	₱26,493	₱235,007
Executive Officers	32,000	32,000	32,000	67,000
<b>Aggregate Annual Per Diem</b>	<b>₱276,000</b>	<b>₱220,000</b>	<b>₱58,493</b>	<b>₱302,007</b>

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.

### Employment Contracts, Termination of Employment and Change-in Control Arrangements

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:

The present auditor of FMCF is Sycip, Gorres, Velayo and Co. Representatives of SGV & Co. are expected to be present at the stockholders meeting on June 22, 2023. 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 2023, 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. Redgienald G. Radam signed the independent auditors' for the year 2022. The reports of auditors on the financial statements of the company for the years ended December 31, 2022, 2021 and 2020 contained unqualified opinions.

The fees paid for the professional services rendered by SGV & Co. for the audit of our Financial Statements is ₱125,473, ₱35,000 and ₱35,001 for the years 2022, 2021 and 2020, respectively. 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.

In 2018, an agreed upon procedure was engaged with SGV & Co. pertinent to the increase in authorized capital stock.

FMCF's Audit Committee is chaired by Fr. Rafael K. Eloriaga, CM with Ms. Rhodora Angela F. Ferrer and Mr. Robert T. 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 - N/A

**Item 18. Other Proposed Items**

1. Approval of the minutes of the meeting of the stockholders held on June 29, 2022, with the following points:
  - a) Approval of the Minutes of the Meeting of the Annual Stockholders held in June 16, 2021
  - 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 2021, including the following:
    - i. Renewal of the Management Distribution Agreement
  - d) Amendment of the Articles of Incorporation
  - e) AMENDMENT OF THE ARTICLES OF INCORPORATION AND BY-LAWS
    - 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.

- f) Election of the Members of the Board of Directors for the year 2022-2023
  - g) Appointment of External Auditor for the year 2022
  - h) AMENDMENT IN PROSPECTUS (Increase in Authorized Capital Stocks and Revised Sales Load breakdown)
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. Election of the Members of the Board of Directors for the year 2023-2024 - Please refer to the list of nominees under Item 5 - "Directors and Executive Officers - Nominee Directors" for the details.
4. Appointment of Sycip Gorres Velayo & Co. (SGV) as External Auditors for the year 2023 - 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 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."

- 3. 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 2022 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 Consumer Fund, Inc.  
18<sup>th</sup> 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 May 26, 2023.

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

First Metro Consumer Fund, Inc. formerly First Metro Consumer Fund on MSCI Philippines IMI, 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 supranational, and global mutual funds and units trusts with the exception of those mutual funds and unit trust funds domiciled in the Philippines.

In 2012, the Fund's costs of operations increased whereas there were only four investors with the minimum amount of investment. Since March to May 2012, there were no additional investors coming in to the Fund. Accordingly, in the Special Stockholders' Meeting held on June 14, 2012, it was agreed that the Fund undertake the voluntary revocation of its secondary license on the ground of uneconomical operations. Thus, the investment given by the foregoing four investors were returned to them from June 27, 2012 to July 2, 2012.

On July 26, 2012, the Fund submitted to the SEC a letter of request to hold in abeyance the petition for the voluntary revocation of the Fund's secondary license on the ground that the management was looking for prospective buyers.

On April 7, 2014, the Fund submitted to the SEC another request letter for an extension to further hold in abeyance the petition for voluntary revocation of its secondary license.

On December 29, 2014, the Fund's shareholders (as seller) and First Metro Asset Management, Inc. (FAMI) (as buyer) entered into a Share Purchase Agreement, where the seller agreed to sell, transfer and convey their collective share in the Fund in favor of the buyer, and the buyer agreed to acquire the said shares. The sale was consummated on February 2, 2015 when the parties exchanged the shares and cash consideration.

On February 12, 2015, SEC Form 17-C was issued by the Fund, as required by the SEC, to evidence the transfer of control of the Fund to FAMI. FAMI is 70.00% owned by its parent company, First Metro Investment Company (First Metro), and the ultimate parent company is Metropolitan Bank & Trust Company (Metrobank).

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 on MSCI Philippines IMI, 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 balance to an equity fund and the change of its investment objective.

Further in 2017, the Fund filed for the amendment of such corporate name and investment objective to the SEC.

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

On May 22, 2020 and September 16, 2020, the BOD approved and the stockholders ratified, respectively, the amendment of the Fund's corporate name from First Metro Consumer Fund on MSCI Philippines IML, Inc. to First Metro Consumer Fund, Inc.

On October 14, 2021, the SEC has approved the amendments of the Fund's corporate name.

## **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 Sunlife, PAMI Equity, Philam, and Philippine Stock Index Fund Corp., as its main competitors. As of December 31, 2022, these four competitor Funds represent around 47.56% 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 engage in short selling.

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. Also, the passage of the Personal Equity Retirement Account (PERA) and the Collective Investment Scheme bills into law will benefit the mutual fund industry.

## **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. This was reported in a Certification by the Compliance Officer filed with the Commission on January 25, 2019. The Compliance Officer has submitted to SEC a Certification of Compliance covering the year 2022. 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 the 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, there are instances when redemption prices of redeemed shares may be less than the prices at which the shares were originally purchased. Investors who redeem their shares during this time may not recover the full cost of their investment. The following are the risk factors in their order of importance:

**Stock market risk.** Investing in shares of stock is generally riskier because of the volatility of the stock market. Changes in prices of equity securities that compose the Fund's portfolio may substantially vary in a short span of time. The performance of the companies whose shares are included in the portfolio of the Fund are very much dependent on the people behind those companies. Added to that, stock prices are sensitive to political and economic conditions that normally change from time to time. To manage the risk, the stocks included in the portfolio will be cautiously selected by the investment manager based on their soundness and long-term profitability. Diversification of the stockholdings (not only in terms of the number of stocks but also in the different sectors and industries) of the portfolio will be done to reduce its impact.

**Interest rate risk.** If interest rates rise, the prices at which the assets of the Fund can be sold may fall. The longer the maturity of the assets, the more sensitive the prices of the assets will be to changes in interest rates. In other words, a long-term investment (e.g. 5-year Retail Treasury Bond) will have higher interest rate sensitivity than a short-term investment (e.g. 365-day Treasury Bill). To mitigate the risks, the Fund manager will diversify in terms of the type of securities (such as treasury bonds, notes, bills) and the time horizons of the said securities (such as one-year, 3-year, 5-year, 10-year, and above 10 years).

**Inflation risk.** Inflation risk is the risk that inflation may erode the real value of an investment by the Fund. One way to manage the risk is to actively trade in fixed-income securities, particularly government securities, which are valued on a marked-to-market basis.

**Manager risk.** The performance of the Fund is dependent upon the investment manager's skill in making appropriate investments. As a result, the Fund may under-perform in the market or compared to its peers. Also, the Fund could fail to meet its investment objectives. The board of directors of the Issuer will see to it that all the investment policies and restrictions enumerated in this prospectus are strictly followed. The board will meet more often to continually monitor the investment manager's performance in this area.

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 2023, and for the years 2022, 2021 and 2020:

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2023	High	0.7151	–	–	–
	Low	0.6486	–	–	–
2022	High	0.7722	0.6963	0.6958	0.6712
	Low	0.6768	0.6382	0.6155	0.6062
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

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, 2023, there are 1,417 shareholders of the Company's common stock.

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

### Legal Proceedings

The Registrant 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 March 31, 2023, and the years ended December 31, 2022 and 2021 are presented below:

#### Statements of Financial Position

	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)	December 31, 2021 (Audited)
<b>ASSETS</b>			
Cash and cash equivalents	₱132,529,820	₱20,514,535	₱111,413,046
Financial assets at fair value through profit or loss	406,134,465	488,286,831	469,342,983
Receivables	2,989,843	643,840	8,054,332
<b>TOTAL ASSETS</b>	<b>₱541,654,128</b>	<b>₱509,445,206</b>	<b>₱588,810,361</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	₱16,320,280	₱1,196,777	₱1,322,840
	<b>₱16,320,280</b>	<b>₱1,196,777</b>	<b>₱1,322,840</b>
<b>CAPITAL</b>			
Capital stock	₱7,794,639	₱7,836,399	₱1,715,513
Additional paid-in capital	641,465,684	645,193,912	153,379,991
Deposits for future stock subscriptions	-	-	485,806,082
Deficit	(123,926,475)	(144,781,882)	(53,414,065)
	<b>₱525,333,848</b>	<b>₱508,248,429</b>	<b>₱587,487,521</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱541,654,128</b>	<b>₱509,445,206</b>	<b>₱588,810,361</b>

## Statements of Comprehensive Income

	For the Period Ended March 31 (Unaudited)		For the Period Ended December 31 (Audited)	
	2023	2022	2022	2021
<b>INCOME</b>				
Trading and securities gains (losses)	₱21,913,652	(₱52,063,790)	(₱78,825,126)	₱28,306,311
Dividend income	2,663,974	1,934,033	4,694,825	5,721,751
Interest income	2,755	354,651	1,840,419	45,399
Miscellaneous income	-	-	-	3,874
	<b>24,580,381</b>	<b>(49,775,106)</b>	<b>(₱72,289,882)</b>	<b>₱34,077,335</b>
<b>EXPENSES</b>				
Management and retainer's fee	2,628,027	2,758,338	10,496,174	10,157,509
Transaction charges	1,061,531	1,565,818	139,722	107,613
Brokers' commission	724,382	1,232,487	3,904,256	3,107,480
Directors' and officers' fees	74,466	82,466	220,000	58,493
Fund admin fees	44,059	24,334	138,764	-
Custodian and clearing fees	39,206	39,206	159,001	159,001
Taxes and licenses	16,728	18,761	761,307	14,021
Professional fee	8,630	8,630	125,473	35,000
Miscellaneous expenses	37,410	14,275	320,330	45,126
	<b>4,634,439</b>	<b>5,744,315</b>	<b>16,265,027</b>	<b>13,684,243</b>
<b>NET INVESTMENT INCOME (LOSS)</b>				
BEFORE FINAL TAX	₱19,945,942	(₱55,519,421)	(₱88,554,909)	₱20,393,092
PROVISION FOR FINAL TAX	551	68,335	4,216,417	3,211,633
<b>NET INVESTMENT INCOME (LOSS)</b>				
<b>/TOTAL COMPREHENSIVE INCOME (LOSS)*</b>	<b>₱19,945,391</b>	<b>(₱55,587,756)</b>	<b>(₱92,771,326)</b>	<b>₱17,181,459</b>
<i>Basic Earnings (Loss) per Share</i>	<b>₱0.0256</b>	<b>(₱0.0723)</b>	<b>(₱0.1192)</b>	<b>₱0.0998</b>

### FINANCIAL POSITION (March 31, 2023 vs December 31, 2022)

As of March 31, 2023, the Fund's total assets ended at ₱541.65 million, increased by 6.32% or ₱32.20 million from ₱509.45 million as of December 31, 2022. Total liabilities increased by 1263.69% or ₱15.12 million from ₱1.20 million to ₱16.32 million during the period. The changes in total assets and liabilities are primarily due to the movements in the following accounts:

#### a. 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 546.03% or ₱112.02 million from ₱20.51 million to ₱132.53 million was mainly due to higher savings and checking account balances this year relative to the sale of investment securities during the period.

#### b. Financial assets at fair value through profit or loss

This account consists of investments in quoted equity securities. The decrease of 16.82% or ₱82.15 million from ₱488.28 million to ₱406.13 million was mainly due to sale of investments during the period. As of March 31, 2023 and December 31, 2022, this account include fair value gain of ₱14.13 million and ₱46.55 million loss, respectively.

#### c. Receivables

This account increased by 364.38% or ₱2.35 million from ₱0.64 million to ₱2.99 million due to



higher proceeds from the sale of equity securities and dividend receivables still for collections as of reporting date.

**d. Accounts payable and accrued expenses**

This account consists of due to brokers and unitholders, accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The increase of 1263.69% or ₱15.12 million from ₱1.20 million to ₱16.32 million was due to higher unsettled payment for the purchase of securities and for the clients' redemption proceeds as of reporting date.

**e. Equity**

The Fund's equity is comprised of its capital stock, additional paid-in capital, and retained earnings. The increase of ₱17.08 million from ₱508.25 million to ₱525.33 million was mainly due to the net income recognized during the period.

*Capital Stock* ended at ₱7.79 million, increased by ₱0.04 million from ₱7.83 million due to net redemptions during the period. The Fund's authorized capital stock remained at ₱10.00 million with par value of ₱0.01 per share. As of March 31, 2023 and December 31, 2022, the total issued and outstanding shares were 779,463,890 and 783,639,811, respectively, while the total number of holders of redeemable common shares is 1,417 and 1,444, respectively.

*Additional paid in capital* also decreased ₱3.72 million from ₱645.19 million to ₱641.47 million due to redemptions made during the year.

*Deficit* decreased by 14.40% or ₱20.85 million from ₱144.78 million to ₱123.93 million mainly due to net income recognized during the year.

**RESULTS OF OPERATION (January 1 - March 31, 2023 vs January 1 - March 31, 2022)**

For the period ended March 31, 2023, the Fund realized a net income of ₱19.95 million, increased by ₱75.53 million or 135.88% from last year's net loss of ₱55.58 million. Detailed discussions on the changes in the statement of income accounts are as follows:

**a. Trading and securities gain (loss)**

This account includes realized and unrealized gains/(loss) earned from trading investments in equity securities. The increase of 142.09% or ₱73.97 million from ₱52.06 million loss to ₱21.91 million gain was due to higher realized gain from the sale and result of changes in fair value of equity securities held during the period.

**b. Dividend income**

This is recognized when the Fund's right to receive cash dividend is established. The increase of 37.74% or ₱0.73 million from ₱1.93 million to ₱2.66 million was mainly due to the higher cash dividends earned from equity securities during this period.

**c. Interest income**

This account decreased by ₱0.351 million or 99.22% from ₱0.354 million to ₱0.003 million as of March 31, 2023 due to lower interest earned from Fund's cash equivalent this year.

**d. Management fee and retainer's fees**

This account decreased by ₱0.13 million from ₱2.76 million to ₱2.63 million mainly due to lower management fees and retainer's fees incurred during the period.

**e. Transaction charges**

This account pertains to the payment of stock trading charges. The decrease of 32.21% or ₱0.50 million from ₱1.56 million to ₱1.06 million was due to lower volume of trades during the period.

**f. 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 41.23% or ₱0.51 million from ₱1.23 million to ₱0.72 million was mainly due to lower brokers' commission incurred during the period.

**g. 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 9.70% or ₱0.01 million from last year's ₱0.08 million to ₱0.07 million was mainly due to lower per fees paid during the period.

**h. Fund admin fees**

This account pertains to payment of the fund admin fee during the period. The increase of 81.06% or ₱0.02 million from ₱0.02 million to ₱0.04 million was due to higher payment of fund admin fee relative to the increase of the Fund's net asset during the period.

**i. Custodian and Clearing fees**

This account remained at ₱0.04 million as of March 31, 2023 and 2022.

**j. Taxes and licenses**

This account pertains to taxes other than income tax, such as DST and local taxes paid by the Fund. The account remained at ₱0.02 million as of March 31, 2023 and 2022.

**k. Professional fees**

This account represents audit fees incurred by the Fund amounting to ₱0.01 million as of March 31, 2023 and 2022.

**l. Miscellaneous expense**

This account increased by 162.07% or ₱0.02 million from last year's ₱0.02 million to ₱0.04 million mainly due to higher membership fee and dues and bank charges paid by the Fund during the period.

## 2022

### Financial Position (December 31, 2022 vs. December 31, 2021)

Total assets of the Fund ended at ₱509.45 million as of December 31, 2022, a decrease of 13.48% or ₱79.36 million from ₱588.81 million as of December 31, 2021. Liabilities of the Fund also went down by ₱0.12 million or 9.53% from ₱1.32 million to ₱1.20 million this year. The changes in total assets and total liabilities are primarily due to the movements in the following accounts:

**a. Cash in banks**

Cash and cash equivalents decreased by ₱90.90 million or 81.59% from ₱111.41 million to ₱20.51 million as of December 31, 2022 and 2021, respectively, due to redemptions for the period. This account represents the Fund's savings and checking accounts. Cash in banks earn interest at the respective bank deposit rates.

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

This account totaled ₱488.29 million as of December 31, 2022, an increase of ₱18.94 million mainly due to purchases and price appreciation of various equity securities during the year. As of December 31, 2022, the Fund recognized a trading loss amounting to ₱78.83 million.

c. Receivables

As at December 31, 2022, this account pertains to dividend receivables from quoted equity securities and other receivables amounting to ₱0.64 million. This account decreased by 92.01% or ₱7.41 million from last year's ₱8.05 million due to lower receivables from brokers as of reporting date.

d. 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 ₱0.12 million or 9.53% from ₱1.32 million to ₱1.20 million this year was due to lower accounts payable during the year.

e. Capital stock

The Fund's authorized and issued capital stock follow:

	December 31, 2022		December 31, 2021	
	Shares	Amount	Shares	Amount
Authorized	1,000,000,000	₱10,000,000	200,000,000	₱2,000,000
Issued and outstanding	783,639,811	7,836,399	171,551,244	1,715,513

The initial authorized capital of the Fund amounting to ₱2.00 million which is divided into 200 million common redeemable shares of ₱0.01 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 ₱0.01 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 ₱344.70 million and ₱245.92 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, 2022 and 2021, total DFSS amounted to nil and ₱485.81 million representing 593.21 million shares, respectively.

The total number of holders of redeemable common shares is 1,444 and 1,547 as of December 31,

2022 and 2021, respectively.

On January 10, 2022, the SEC approved the Fund's application to increase its authorized capital stock from ₱2.00 million divided into 200 million shares to ₱10.00 million divided into 1.0 billion shares. In January 2022, FMCF already paid the fee for the increase of Authorized Capital stock amounting to ₱689,391.74.

**f. Additional paid-in capital**

This account increased by ₱491.81 million or 320.65% from ₱153.38 million to ₱645.19 million this year mainly due to issuance of deposit for future stock subscriptions during the year.

**g. Deposit for future stock subscriptions**

This account ended at nil in 2022 from ₱485.81 million last year due to issuance during the year. This pertains 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.

**h. Deficit**

This account went up by ₱91.37 million or 171.06% from ₱53.41 million to ₱144.78 million mainly due to Fund's result of operations during the year.

**Results of Operations (January 1- December 31, 2022 vs. January 1- December 31, 2021)**

For the period ended December 31, 2022, the Fund realized a net loss of ₱92.77 million, ₱109.95 million or 639.95% lower than net income of ₱17.18 million posted in 2021 mainly due to market decline in equities securities this year.

The highlights of the results of operations for the period ended December 31, 2022 are as follows:

**a. 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 ₱78.83 million loss, ₱107.13 million or 378.47% lower than last year's ₱28.31 million income mainly due to the decrease in fair market value of equity securities during the year.

**b. Dividend income**

Dividend income totaled ₱4.69 million, ₱1.03 million or 17.95% lower than last year's ₱5.72 million mainly due to higher cash dividends received from equity securities during the year.

**c. Interest income**

Interest income increased by ₱1.80 million or 3953.88% from ₱0.04 million to ₱1.84 million due to higher investments in fixed deposits during the year.

**d. Management fee and retainer's fees**

This account includes management fees paid to FAMI, incentive fees and retainer's fees. The increase of ₱0.38 million from ₱10.11 million to ₱10.50 million this year was mainly due to the increase in retainer's fee of the Fund during the year.

**e. Brokers' commission**

This account pertains to the fees paid to brokers for executing trade transactions of the Fund. The increase of ₱0.79 million or 25.64% from last year's ₱3.11 million to ₱3.90 million this year was mainly due to higher volume of trades during the year.

- f. Taxes and licenses**  
This account includes filing fees, DST and local taxes. The increase of ₱0.75 million or 5329.76% was primarily due to higher tax paid by the Fund during the year. This account ended at ₱0.76 million and ₱0.01 million as of December 31, 2022 and 2021, respectively.
- g. Directors' and officers' fees**  
This account pertains to payment of directors' and officers' per diem and bonus for the period. The 276.11% or ₱0.16 million increase was due to higher attendees during the year.
- h. Custodian and Clearing fees**  
Custodian and clearing fees pertain to custodianship fee paid by the Fund which remained at ₱0.16 million in 2022 and 2021.
- i. Transaction charges**  
Transaction charges pertain to the trading charges incurred by the Fund. The increase of ₱0.03 million or 29.84% from last year's ₱0.11 million to ₱0.14 million this year was mainly due to higher volume of trades during the year.
- j. Fund administration fee**  
This pertains to payment of the fund accounting fee during the year. This account totaled ₱0.14 million and ₱0.04 million as of December 31, 2022 and 2021, respectively. The increase of ₱0.10 million or 217.52% was due to higher fees paid during the quarter.
- k. Professional fees**  
This account totaled ₱0.13 million for the year 2022. The increase of ₱0.09 million or 258.49% from ₱0.04 million in 2021 was due to higher audit fees paid during the year.
- l. Miscellaneous expense**  
Miscellaneous expenses consist of various operational expenses of the Fund. This account increased by ₱0.28 million or 609.86% due to higher miscellaneous expenses incurred during the year. This account totaled ₱0.32 million and ₱0.04 million as of December 31, 2022 and 2021, respectively.

## **2021**

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

Total assets of the Fund ended at ₱588.81 million as of December 31, 2021, an increase of ₱108.22 million from ₱480.59 million as of December 31, 2020. Liabilities of the Fund went down by ₱0.12 million or 8.15% from ₱1.44 million to ₱1.32 million this year. The changes in total assets and total liabilities are primarily due to the movements in the following accounts:

- a. Cash in banks**  
Cash and cash equivalents increased by ₱72.73 million or 187.99% from ₱38.69 million to ₱111.41 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.
- b. Financial assets at fair value through profit or loss**  
This account totaled ₱469.34 million as of December 31, 2021, an increase of ₱36.91 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 ₱28.31 million.

c. Receivables

As at December 31, 2021, this account pertains to dividend receivables from quoted equity securities and other receivables amounting to ₱8.05 million. This account decreased by 15.02% or ₱1.42 million due to lower receivables from brokers as of reporting date.

d. 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 ₱0.12 million or 8.15% from ₱1.44 million to ₱1.32 million this year was due to lower accounts payable during the year.

e. Capital stock

The Fund's authorized and issued capital stock follow:

	December 31, 2021		December 31, 2020 (as restated)	
	Shares	Amount	Shares	Amount
Authorized	200,000,000	₱2,000,000	200,000,000	₱2,000,000
Issued and outstanding	171,551,244	1,715,513	172,379,879	1,723,799

The initial authorized capital of the Fund amounting to ₱2.00 million which is divided into 200 million common redeemable shares of ₱0.01 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 ₱0.01 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 ₱344.70 million and ₱245.92 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 ₱485.81 million representing 593.21 million shares and ₱394.01 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 ₱2.00 million divided into 200 million shares to ₱10.00 million divided into 1.0 billion shares. In January 2022, FMCF already paid the fee for the increase of Authorized Capital stock amounting to ₱689,391.74.

**f. Additional paid-in capital**

This account decreased by ₱0.73 million from ₱154.11 million to ₱153.38 million this year mainly due to redemptions during the year.

**g. Deposit for future stock subscriptions**

This account increased by ₱91.80 million or 23.30% from ₱394.01 million to ₱485.81 million and this pertains 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.

**h. Deficit**

This account went down by ₱17.27 million or 24.44% mainly due to Fund's result of operations during the year.

**Results of Operations (January 1- December 31, 2021 vs. January 1- December 31, 2020)**

For the period ended December 31, 2021, the Fund realized a net income of ₱17.18 million, ₱74.69 million or 129.88% higher than ₱57.51 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:

**a. 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 ₱28.31 million income, ₱76.21 million or 159.09% higher than last year's ₱47.90 million loss mainly due to the increase in fair market value of equity securities during the year.

**b. Dividend income**

Dividend income totaled ₱5.72 million, ₱0.49 million or 9.39% higher than last year's ₱5.23 million mainly due to higher cash dividends received from equity securities during the year.

**c. Interest income**

Interest income declined by ₱0.04 million or 46.40% due to lower investments in fixed deposits during the year.

**d. Management fee and retainer's fees**

This account includes management fees paid to FAMI and retainer's fees. The increase of ₱1.82 million or 21.79% from ₱8.34 million to ₱10.16 million this year was mainly due to the increase in asset under management of the Fund during the year.

**e. Brokers' commission**

This account pertains to the fees paid to brokers for executing trade transactions of the Fund. The increase of ₱0.54 million or 20.92% from last year's ₱2.57 million to ₱3.11 million this year was mainly due to higher volume of trades during the year.

**f. Directors' and officers' fees**

This account pertains to payment of directors' and officers' per diem and bonus for the period. The 80.63% or ₱0.24 million decrease was due to lower attendees during the year.

- g. Custodian and Clearing fees**  
Custodian and clearing fees pertain to custodianship fee paid by the Fund which remained at ₱0.16 million in 2021 and 2020.
- h. Transaction charges**  
Transaction charges pertain to the trading charges incurred by the Fund. The decrease of ₱0.10 million or 47.21% from last year's ₱0.20 million to ₱0.11 million this year was mainly due to lower volume of trades during the year.
- i. Professional fees**  
This account totaled ₱0.04 million for the year 2021.
- j. Taxes and licenses**  
This account includes filing fees, DST and local taxes. The decrease of ₱0.02 million or 59.75% was primarily due to lower tax paid by the Fund during the year.
- k. Miscellaneous expense**  
Miscellaneous expense consists of various operational expenses of the Fund. This account decreased by ₱0.05 million or 52.55% 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 period ended March 31, 2023.

#### **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. (the Fund) was incorporated in the Philippines and registered with the Securities and Exchange Commission (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 ₱0.6740 as of March 31, 2023, increased by 3.92% from the ₱0.6486 as of December 31, 2022. The Fund's net asset value rose by ₱17.08 million from ₱508.25 million as of December 31, 2022 to ₱525.33 million as of March 31, 2023, respectively.
- *Sales for the period ended* - The Fund had total sales of ₱2.01 million for the period ended March 31, 2023, lower by 88.85% or ₱16.00 million from ₱18.01 million for the same period last year.
- *Redemptions for the period ended* - The Fund had total redemption of ₱4.87 million for the period ended March 31, 2023, lower by 51.78% or ₱5.22 million from ₱10.09 million for the same period last year.
- *Net Income vs. Benchmark* - The Fund posted a net income of ₱19.95 million for the period ended March 31, 2023, higher by 135.88% or ₱75.53 million from ₱55.58 million net loss for the same period last year.
- *Market Share vs. Benchmark* - As of March 31, 2023 the Fund garnered 0.75% share in the Equity Funds category while 0.20% share among all mutual funds in terms of net assets. On the basis of account holders, the Fund has 1,417 account holders or 0.21% of the total accounts in this Fund category.

The following basic ratios measure the financial performance of the Company for the period ended March 31, 2023 and for the years ended 2022 and 2021:

Performance Indicators	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)	December 31, 2021 (Audited)
Return on assets <sup>1/</sup>	15.18%	(16.89%)	3.21%
Return on equity <sup>2/</sup>	15.44%	(16.93%)	3.22%
Cost to income ratio <sup>3/</sup>	18.85%	(22.50%)	40.16%
Net asset value per unit (DFFS shares included) <sup>4/</sup>	₱0.6740	₱0.6486	₱0.7682
Net asset value per unit (DFFS shares excluded) <sup>4/</sup>	N/A	N/A	₱0.5927
Earnings (Loss) per share <sup>5/</sup>	₱0.0256	(₱0.1193)	₱0.0998

<sup>1/</sup> Net Income over average assets. Average assets for year ended December 31 were computed based on the average of the beginning and ending balances.

<sup>2/</sup> Net Income over average equity. Average equity for year ended December 31 was computed based on the average of the beginning and ending balances.

<sup>3/</sup> Operating expenses for the cost-to-income ratios do not include provision for probable losses and provision for income taxes.

<sup>4/</sup> Net asset value per unit by deducting total liabilities from total assets to come up with the Net Assets and dividing with the outstanding number of shares for the year.

<sup>5/</sup> Net income divided by weighted average number of common shares.

#### 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 May 26, 2023.

FIRST METRO CONSUMER FUND, INC.

By:

  
MARICEL L. MADRID

TREASURER

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Rhodora Angela F. Ferrer, Filipino of legal age and with office address at 25th Floor Philippine Axa Life Centre Sen. Gil Puyat Avenue corner Tindalo St. Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of First Metro Consumer Fund, Inc. on June 22, 2023 and have been its independent director since October 18, 2019;
2. I am affiliated with the following company/ies or organizations:

Company/Organizations	Period of Service	Position
First Metro Save and Learn Balanced Fund, Inc.	2016 to present	Independent Director
First Metro Save and Learn Dollar Bond Fund, Inc.	2014 to present	Independent Director
Private Education Assistance Committee (PEAC)	since 2014 to present	Executive Director


3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of First Metro Consumer Fund, Inc. as provided for in Section 38 of the Securities and Regulation Code, its Implementing Rules and other SEC issuances;
4. I am NOT related to any director/officer/substantial shareholder (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities and Regulation Code;
5. To the best of my knowledge, I am NOT subject of any pending criminal or administrative investigation or proceeding;
6. I shall faithfully and diligently comply with the duties and responsibilities as independent director under the Securities and Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances;
7. I shall inform the Corporate Secretary of First Metro Consumer Fund, Inc. of any changes in the above mentioned information within five (5) days from its occurrence.

Done this MAY 10 2023 day of May 2023, Makati City

  
Rhodora Angela F. Ferrer  
Independent Director

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_ day of May 2023 in Makati City, Philippines, affiant exhibiting to me her TIN No. 116-066-828.

Doc. No. 85  
Page No. 16  
Book No. 178  
Series of 2023.

  
NOTARY PUBLIC  
ATTY. ROBERTO B. BAYAN  
NOTARY PUBLIC IN QUEZON CITY  
Commission No. A.D. Matter No. NP 158 (2023-2024)  
ISP O.R. No. 180815 2023 & IBP O.R. No. 180815 2024  
PTR O.R. No. 3916609 D 01/03/2023 / Roll No. 33832 / TIN # 129-871-009-000  
MCLE No. 788 FROM APRIL 15, 2023 UNTIL APRIL 14, 2025  
Address: 31-F Harvard St. Cubao, Q.C.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Fr. Rafael K. Eloriaga, CM, Filipino of legal age and with office address at Provincial House, St. Vincent Seminary Complex 221 Tandang Sora Avenue, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of First Metro Consumer Fund, Inc. on June 22, 2023 and have been its independent director since 2018;
2. I am affiliated with the following company/ies or organizations:

Company/Organizations	Period of Service	Position
First Metro Philippine Equity Exchange Traded Fund, Inc.	October 18, 2019 – Present	Independent Director
First Metro Save and Learn Money Market Fund, Inc.	June 18, 2018 - Present	Independent Director
First Metro Save and Learn Equity Fund, Inc.	June 18, 2016 - Present	Independent Director
First Metro Save and Learn Fixed Income Fund, Inc.	June 18, 2016 - Present	Independent Director
Universidad de Sta. Isabel- Naga City	2016-present	Member, Board of Trustees
Adamson University	April 2016-present	Vice President for Finance

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of First Metro Consumer Fund, Inc. as provided for in Section 38 of the Securities and Regulation Code, its Implementing Rules and other SEC issuances;
4. I am NOT related to any director/officer/substantial shareholder (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities and Regulation Code;
5. To the best of my knowledge, I am NOT subject of any pending criminal or administrative investigation or proceeding;
6. I shall faithfully and diligently comply with the duties and responsibilities as independent director under the Securities and Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances;
7. I shall inform the Corporate Secretary of First Metro Consumer Fund, Inc. of any changes in the above mentioned information within five (5) days from its occurrence.

Done this MAY 19 2023 day of May 2023. Makati City.

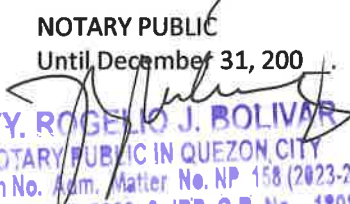
QUEZON CITY

  
Fr. Rafael K. Eloraga, CM  
Independent Director

SUBSCRIBED AND SWORN to before me on MAY 19 2023 day of May 2023 in Makati City, Philippines, affiant exhibiting to me her TIN No. 135-548-979.

QUEZON CITY

Doc. No. 109;  
Page No. 15;  
Book No. 28;  
Series of 2023.

NOTARY PUBLIC  
Until December 31, 200 .  
  
ATTY. ROGELIO J. BOLIVAR  
NOTARY PUBLIC IN QUEZON CITY  
Commission No. Adm. Matter No. NP 158 (2023-2024)  
IBP O.R. No. 180815 2023 & IBP O.R. No. 180816 2024  
PTR O.R. No. 3916669 D 01/03/2023 / Roll No. 33832 TIN # 129-871-009-000  
MCLE No. 7&8 FROM APRIL 15, 2023 UNTIL APRIL 14, 2025  
Address: 31-F Harvard St. Cubao, Q.C.