

COVER SHEET

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SEC Registration Number

F I R S T M E T R O S A V E A N D L E A R N -
 B A L A N C E D F U N D , I N C
 (A n O p e n - E n d M u t u a l F u n d C o m p a n y)

(Company's Full Name)

1 8 t h F l o o r , P S B a n k C e n t e r , 7 7 7 P a
 s e o d e R o x a s c o r n e r S e d e ñ o S t r e e t
 M a k a t i C i t y

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

Edwin B. Valeroso

(Contact Person)

8891-2860

(Company Telephone Number)

1 2 3 1
 Month Day
 (Fiscal Year)

SEC 20-IS / Definitive
 (Form Type)

3rd Wednesday of June
 (Annual Meeting)

Investment Company
 (Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

4,319
 Total No. of Stockholders

Total Amount of Borrowings

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

 LCU

Document ID

 Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

FIRST METRO SAVE AND LEARN BALANCED FUND, INC. (SALBF)
ANNUAL STOCKHOLDERS' MEETING
Tuesday, June 18, 2024, 02:00PM via Zoom
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 22, 2023
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 2023
6. Election of the Members of the Board of Directors for the year 2024-2025
7. Renewal of the Management Distribution Agreement for the Year 2024
8. Appointment of External Auditor for the year 2024
9. Other Matters
 - a. Amendments to the Prospectus
10. Adjournment

Stockholders of record as of May 16, 2024 shall be entitled to vote at the meeting.

Pursuant to SEC regulations allowing holding of annual meetings online, there will be no physical venue for the 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 12, 2024. Due to the limitations of available technology, voting will not be possible during the livestream, but participants may send in questions or remarks via the livestream platform.

We are not soliciting proxy, however, if you cannot attend the meeting and you wish to be represented, you may designate your authorized representative by submitting a signed proxy document on or before June 12, 2024, through email at asm@fami.com.ph or mail to FAMI, 18th Floor, PS Bank Center, 777 Paseo de Roxas corner Sedeño St., Makati City..

This Agenda and 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 SAVE AND LEARN BALANCED 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 Tuesday, June 18, 2024 and at any of the adjournments thereof. The proxy may 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 22, 2023			
2. Annual Report to the Stockholders			
3. Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2023			
4. Election of the Members of the Board of Directors for the year 2024-2025	# of Votes		
Bro. Manuel V. de Leon, FMS, Chairman			
Dr. Victor A. Abola, President			
Ms. Karen Liza M. Roa, Director			
Ms. Rhodora Angela F. Ferrer, independent Director			
Mr. Jose C. Nograles, Independent Director			
	Yes	No	
5. Renewal of the Management Distribution Agreement for the Year 2024			
6. Appointment of External Auditor for the year 2024			
7. Other Matters: a. Amendments to the Prospectus			

PRINTED NAME OF STOCKHOLDER

SIGNATURE OF STOCKHOLDER/
AUTHORIZED SIGNATORY

DATE

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 12, 2024.
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 Metrobank Branches: Use Pouch Code 90020. This service is free of charge.

²If no name is provided; the Chairman of the Meeting will act as the proxy.

THIS PROXY NEED NOT BE NOTARIZED. IF THE STOCKHOLDER ATTENDS AND EXPRESSES HIS INTENTION TO VOTE,
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 SAVE AND LEARN BALANCED FUND, INC.
3. Province, Country or other jurisdiction of incorporation or organization;
Metro Manila, Philippines
4. SEC Identification number: **CS200701110**
5. BIR Tax Identification Code: **006-609-183-000**
6. Address of Principal Office:
18th Floor, PS Bank Center, 777 Paseo de Roxas, corner Sedeño St., Makati City
7. Telephone Number:
(632) 88912860
8. Date, time, place, of the meeting of security holders:
Date : June 18, 2024
Time : 2:00 p.m.
Place : Live via Zoom 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 27, 2024
10. In case of Proxy Solicitations:

We are not soliciting proxy.
11. 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 ₱1.00)
Common Shares	315,098,568 shares
12. 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 : Tuesday, June 18, 2024
Time : 02:00 p.m.
Place : Live via Zoom 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:

May 27, 2024

Item 2. Right of Appraisal:

There are no matters or proposed corporate actions which may give rise to a possible exercise by security holders of their appraisal rights under Title X of the Corporation Code of the Philippines.

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

- a. Other than election to office, there is no matter to be acted upon in which any director or executive officer is involved or had a direct, indirect or substantial interest.
- 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:

I. Class of Voting Shares :

Class of Voting Securities	Total Outstanding Shares	Votes Entitlement
Common Shares	315,098,568	One (1) vote per Share

II. Record Date

Stockholders of record as of May 16, 2024 are entitled to notice and to vote in the Annual Stockholders' Meeting.

III. Manner of Voting

A shareholder may vote in person, by proxy or by remote communication. Article III, Section 7 of the By-Laws of the Corporation provides that 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 entitled 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 entitled 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.

Pursuant to SEC Memorandum 6-2020, for the 2024 annual shareholders meetings, shareholders may opt to participate and vote through remote communication. The board in its meeting last March 22, 2024 approved to adopt the guidelines previously approved by the Board in 2020, for shareholders to participate via remote communication in the shareholder’s meeting.

Remote communication is defined under the said circular as participation through a telephone conference, video conference, audio conference, or computer conference.

The intention/notice to participate through remote communication shall only be valid for the particular meeting for which it is given, and shall not be considered for any subsequent meeting that may be called.

A participation by a shareholder in a meeting through remote communication automatically voids any proxy he/she has given for the particular meeting.

The Corporate Secretary shall validate the identity and attendance of shareholders who signified their intention to participate through remote communication, at least thirty minutes before the scheduled time of the meeting. Officers and other staff may be deputized to make such validations. The shareholders shall initially be required to confirm the following:

- Full name and date of birth;
- Location;
- Confirmation that he/she can hear the other attendees;
- Confirmation that he/she had received the notices and other materials for the meeting; and
- Specify the gadget being used.

Shareholders who are participating through remote communication will be considered present for purposes of voting. Those who have objections to matters that would require voting in the agenda shall confirm their objections through email or short messaging services within twenty-four hours from the time of the meeting. The Corporate Secretary shall note such objections in the Minutes.

In the election of Directors, cumulative voting is allowed. Article IV, Section 3 of the By-Laws states, in accordance with Section 23 of the Corporation Code, that at each meeting of stockholders for the election of directors, at which a quorum is present, the persons receiving the highest number of votes of the stockholders present in person or by proxy and entitled to vote shall be the directors. In each of any increase in the number of directors, the additional directors may be elected by the stockholders at the first annual meeting held, or at a special meeting called for the purpose after such increase has been approved.

IV. Security ownership of Certain Record and Beneficial Owners and Management:

The stockholder below owns more than 5% of the common voting securities as of May 16, 2024:

Title Class	Name and Address of Owner	Name of Beneficial Owner	Citizenship	No. of Shares Held	Percent to Outstanding Shares
Common Shares	Customer Account No. 00007/ Stockholder/ Makati City	Same	Filipino	20,000,000	6.35%
Common Shares	Customer Account No. 35304/ Stockholder/ Pasig City	Same	Filipino	15,921,145	5.05%

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

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 held by the corporation.

Security Ownership of Management:

Following are the securities owned by directors and officers of the Fund as of May 16, 2024:

Title of Class	Name of the Beneficial Owner	Amount and Nature of Ownership	Citizenship	Percent to Outstanding Shares
Common Shares	Bro. Manuel V. De Leon	1	Filipino	0.00%
Common Shares	Dr. Victor A. Abola	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	Jose C. Nograles*	1,815	Filipino	0.00%
Common Shares	Atty. Nimfa B. Pastrana	158,615	Filipino	0.05%

**Independent Directors*

Voting Trust Holders of 5% or More

The Corporation knows of no other persons holding more than 5% of a voting trust or similar arrangements.

Changes in Control

First Metro Save and Learn Balanced 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 ₱25,000,000.00 that was paid by First Metro Investment Corporation (First Metro). As of May 16, 2024, the percentage of ownership of First Metro is 6.35%.

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 SALBF'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 16, 2024 are as follows:

Name	Experience
Bro. Manuel V. de Leon, FMS Chairman	Bro. Manuel V. de Leon, FMS, 66, Filipino, term of office is one year. Bro. De Leon has been serving as a member of the Board of Director of the following companies since 2005 and elected as Chairman of the Board on March 22, 2011, namely: First Metro Save & Learn Fixed-Income Fund, Inc. (2005 to present), First Metro Save and Learn Equity Fund, Inc. (2005 to present), First Metro Save and Learn Balanced Fund, Inc. (2005 to present), First Metro Save and Learn Dollar Bond Fund, Inc. (2008 to present), and First Metro Asia Focus Equity Fund, Inc. (2010 to present).

	<p>He is also a director of First Metro Asset Management, Inc. (2005 to present). He is the Founding President and CEO of SAGIP KA 2000 Foundation, Inc. (2000-present). He is the President of Notre Dame of Dadiangas University since May 2021- present. He was the Provincial Superior of Marist Brothers of the Schools - East Asia Province (from 2007 to 2013). He was an awardee of the Ten Outstanding Young Men (TOYM) in 1992.</p> <p>Br. De Leon has masters and doctorate degrees in Education from University of the Philippines.</p>
<p>Dr. Victor A. Abola President</p>	<p>Dr. Victor A. Abola, 80, Filipino, term of office is one year.</p> <p>Dr. Abola currently serves as director and president First Metro Save and Learn Balanced Fund, Inc. (since August 2012), First Metro Save and Learn Equity Fund, Inc. (since August 2012), First Metro Save & Learn Fixed-Income Fund, Inc. (since August 2012), and First Metro Save and Learn Dollar Bond Fund, Inc. (since June 2022).</p> <p>Dr. Abola is the current Program Director of the Strategic Business Economics Program (SBEP) of the University of Asia and the Pacific (UA&P). He is the Executive Director of the UA&P-FMIC Capital Market Research Center and the Corporate Secretary of Research, Education and Institutional Development Foundation, Inc. (REID).</p> <p>He gives lectures on Macroeconomic Policy at the graduate school level of the School of Economics. He was a lecturer in Macroeconomics and Introduction to Money, Banking and Finance in the Management Associates Program of the Development Bank of the Philippines (2006-2010). He was the Chief of Party of the Fiscal Policy Analysis Activity of the Department of Finance, a project funded by the USAID in order to enhance policy analysis and revenue forecasting capabilities of DOF's Domestic Finance Group. This work involved completing one of Asia's first Microsimulation Models for major taxes. He finished his doctorate degree in Development Management from the University of Asia and the Pacific, where he also received his M.S. in Industrial Economics. After obtaining his Bachelor of Arts and Bachelor of Science in Commerce (major in Accounting) from the De La Salle University, he obtained his CPA certificate. Prior to this, he spent 15 years in Hong Kong as a Consultant to PCI Capital Asia, Ltd. and later became the Executive Director of the Philippine Research Center (HK), Limited. He has authored numerous articles that have appeared in local and foreign newspapers and periodicals, and UA&P's research publications. He co-authored with Dr. Bernardo M. Villegas the textbooks, Economics An Introduction (now in its 6th edition) and Basic Economics (2nd ed. 2010). He is the author of the text/reference book Money, Banking and Finance (2006).</p>
<p>Karen Liza M. Roa Director</p>	<p>Ms. Karen Roa, 55, Filipino, term of office is one year.</p> <p>Ms. Roa currently serves as director of First Metro Save and Learn Equity Fund, Inc. (since June 2022), First Metro Save & Learn Fixed-Income Fund, Inc. (since June 2022), First Metro Save and Learn Dollar Bond Fund, Inc. (since June 2022), First Metro Asia Focus Equity Fund, Inc. (since June 2022), First Metro Consumer Fund, Inc.</p>

	<p>(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, 56, Filipino, term of office is one year.</p> <p>Ms. Ferrer is an Independent Director of First Metro Philippine Equity Exchange Traded Fund, Inc. (since June 2023) 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>Mr. Jose C. Nograles Independent Director</p>	<p>Mr. Jose C. Nograles, 74, Filipino, term of office is one year.</p> <p>He currently serves as the Independent Director for First Metro Save and Learn Balanced Fund, Inc. (since June 2022), First Metro Asia Focus Equity Fund, Inc. (since June 2022). He's also an independent director of Bank of Commerce since April 2015 and Amalgamated Investment Bancorporation, Inc. since January 2019.</p>

	<p>He was an Independent Director of First Metro Asset Management, Inc. since June 2011. He was past President and Vice Chairman of the Board of Directors of the Philippine Deposit Insurance Corporation (Jan. 2008 to June 2011).</p> <p>He held various key positions with the Land Bank of the Philippines from 1995 to 2007. Mr. Nograles was also concurrently the Vice Chairman and President of the Land Bank Insurance Brokerage Inc. (2000 to 2007), and Vice Chairman of the Executive Committee (2002 to 2007). He joined the UCPB Board in March 2008 to Jan. 2011 where he was appointed as Chairman of the Audit Committee and member of the Executive Committee. He was also the Chairman of the Audit Committee and member of the Executive Council of the International Association of Deposit Insurers (Oct. 2008 to May 2011).</p> <p>He pursued collegiate studies at the Ateneo de Manila University, earning an AB degree in Economics and graduating as Cum Laude. He also completed a Master's Degree in Business Administration from the Asian Institute of Management. He is a government Career Executive Service Officer III; and was a Fellow of the Institute of Corporate Directors.</p>
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The two (2) independent directors, namely, Ms. Rhodora Angela F. Ferrer and Mr. Jose C. Nograles, have possess the qualifications and none of the disqualifications of an independent director. They have submitted their respective Certification for Independent Directors, attached to this SEC 20-IS.

Executive Officers

Name	Experience
Mr. Mauro B. Placente Treasurer	<p>Mr. Mauro Placente, 58, Filipino, term of office is one year.</p> <p>He is a Vice President and Treasurer of First Metro Investment Corporation. He 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 & 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 F.O.C.C.U.S Dynamic Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc., First Metro Consumer Fund, Inc. and First Metro Save & Learn Philippine Index Fund, Inc.</p> <p>He graduated from National College of Business and Arts with a degree of BSBA-Accounting.</p> <p>He is a Certified Public Accountant. He joined First Metro on September 1, 2000.</p>
Atty. Nimfa B. Pastrana Corporate Secretary	<p>Atty. Nimfa B. Pastrana, 62, Filipino, term of office is one year.</p> <p>Atty. Nimfa has served as Corporate Secretary from January 29, 2007 up to present. She is First Vice President and Corporate Secretary of First Metro Investment Corporation. She is also the Corporate Secretary of First Metro Save and Learn Balanced Fund, Inc., First</p>

	<p>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 F.O.C.C.U.S. 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, 69, Filipino, term of office is one year.</p> <p>He has served as Compliance Officer from January 29, 2007 up to present. 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., First Metro Consumer Fund, Inc. and First Metro Asset Management, Inc. (from May 2005 to present). He was Vice President and Chief Compliance Officer of the investment banking arm of Metrobank. 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.</p>

The principal officers are appointed or elected annually by the Board of Directors at its first meeting following the Annual Meeting of Stockholders.

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 persons listed below have been nominated to become directors for 2024-2025. All directors are elected for a term of one year and until their successors shall have been elected and qualified.

- Bro. Manuel V. de Leon, FMS Chairman
- Dr. Victor A. Abola, President
- Ms. Karen Liza M. Roa, Director
- Ms. Rhodora Angela F. Ferrer*
- Mr. Jose C. Nograles*

**Independent Directors*

The nominees are incumbent directors of First Metro Save and Learn Balanced Fund, Inc. All five (5) nominees have confirmed and accepted their nomination to become directors.

Independent Directors

In accordance with Rule 38 of the Implementing Rules and Regulations of the Securities Regulations Code, First Metro Save and Learn Balanced Fund, Inc. (SALBF) 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 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 Mr. Jose C. Nograles are nominees for independent directors of First Metro Save and Learn Balanced Fund, Inc. and they were recommended to the Nominations Committee for election of independent directors by Sheila Reyes, stockholder, in accordance with the foregoing rules. Sheila Reyes has no relations with any nominees.

The current members of the Nomination Committee are Bro. Manuel V. De Leon as the Chairman, Ms. Karen Liza M. Roa and Ms. Rhodora Angela F. Ferrer as members of the Committee.

Legal Proceedings

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.

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 the Directors, Officers or persons nominated or chosen by the registrant to become director or executive officers.

Relationships and Related Transactions

The Fund has business relationships and transactions with related parties. Transactions with such parties are made in the ordinary course of business and on substantially the same terms, as those prevailing at the time for similar transactions with other parties. These transactions also did not involve more than the normal risk of collectability and did not present conditions unfavorable to the Fund.

Except for the related party transactions stated in the notes to financial statements of the Fund as of and for the years ended December 31, 2023 and 2022, there has been no material transaction during the last two years nor is there any material transaction currently proposed to which the Fund was, or is a party, or in which any director or executive officer of the Fund, any nominee for election, any owner of more than five (5.00%) percent of the Fund's voting shares, or any member of the immediate family of any such director or officer, 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, 2023, 2022 and 2021 are as follows:

	Per Diem			
	2024 (Estimated)	2023	2022	2021
Directors	₱200,000	₱160,000	₱178,000	₱227,500
Executive Officers	32,000	32,000	32,000	32,000
Aggregate Annual Per Diem	<u>₱232,000</u>	<u>₱192,000</u>	<u>₱210,000</u>	<u>₱259,500</u>

Per diem of Directors, Corporate Secretary and Officers of the Fund amounting to ₱10,000.00, ₱3,000.00 and ₱2,500.00, respectively, are given during their Annual Stockholders' and regular board meetings.

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 the Fund is Sycip, Gorres, Velayo and Company. (SGV & Co.). The reports of said auditors on the financial statements of the company for the years ended December 31, 2023 and 2022 contained unqualified opinions.

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 2024, SALBF will still be engaging the services of SGV & Co.

Representatives of SGV are expected to be present at the stockholders meeting on June 18, 2024. 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.

In compliance with the Revised SRC Rule 68, par. 3 (B) (ix), the signing partner of the auditing firm is rotated every after five (5) years of engagement. A two-year cooling-off period shall be observed in the re-engagement of the same signing partner or individual auditor. Redgienald G. Radam signed the independent auditors' report for the year 2023, 2022 and 2021 and Janet Paraiso for the year 2020 and 2019. The reports of auditors on the financial statements of the company for the years ended December 31, 2023, 2022 and 2021 contained unqualified opinions.

Audit and Audit-related Fees

The aggregate fees paid for the professional services rendered by SGV & Co. for the audit of our Financial Statements are ₱281,512 and ₱265,815 for the years 2023 and 2022, 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.

Audit Committee's Approval Policies and Procedures

The financial statements as audited by the external auditor are presented to and reviewed by the Audit Committee, which endorses it to the Board of Directors for approval.

SALBF's Audit Committee is chaired by Mr. Jose C. Nograles, with Dr. Victor A. Abola and Ms. Rhodora Angelica F. Ferrer as members.

The confirmation of the appointment of the external auditor shall be included in the agenda of the annual stockholders' meeting.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. 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 proposed amendments to the prospectus include changes in the relevant policies and procedures to ensure alignment with actual requirements and current processes as well as updated summary financial information of the Fund.

Item 18. Other Proposed Item

1. Approval of the Minutes of the Annual Stockholders' Meeting held on June 22, 2023
2. Annual Report to the Stockholders
3. Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2023
4. Election of the Members of the Board of Directors for the year 2024-2025
5. Confirmation of the Renewal of the Management Distribution Agreement for the Year 2024
6. Confirmation of the Appointment of External Auditor for the year 2024
7. Other Matters
 - a. Amendments to the Prospectus

During the Annual Stockholders' Meeting

The Fund conducted its last Annual Stockholders' Meeting (ASM) via remote communication on June 22, 2023, to provide the Directors, stockholders, and other stakeholders a safer mode of attendance and participation in the ASM and to comply with the Revised Corporation Code of the Philippines and SEC Memorandum Circular No. 6, Series of 2020. The items to be voted on were indicated in the Definitive Information Statement and sent to the shareholders at least 15 business days before the virtual meeting.

During the ASM, the host flashed the items to be voted on the screen, and voting was done through a poll mechanism and counted automatically.

All members of the Board, the Chairperson of the Board, the President and representatives of the external auditors, and other key officers attended the virtual ASM. The Chairperson of the Board formally opened the 2023 ASM. The Corporate Secretary certified the existence of a quorum for a valid transaction of business at the meeting. There were no questions raised prior, during and after the ASM. The Corporate Secretary was responsible for the validation of proxies and counting of votes for the matters presented for approval of the stockholders at last year's ASM.

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 2023 meetings and the ratification/approval of the acts and resolutions of the Board, the renewal of the management and distribution agreement 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 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 SAVE AND LEARN BALANCED FUND, INC. YEAR 2023 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 Balanced Fund, Inc.
45th Floor GT Tower International
Ayala Avenue corner H.V. de la Costa 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 27, 2024.

FIRST METRO SAVE AND LEARN BALANCED 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 Save and Learn Balanced Fund, Inc. (the Fund) is an open-end investment company, which was incorporated on January 29, 2007 and subsequently registered under the Philippine Investment Company Act (Republic Act No. 2629) on May 10, 2007. As an open-end mutual fund, the company is engaged in selling its capital to the public and investing the proceeds in selected high-grade stocks and fixed-income securities.

Initially, the Fund had paid-up capital of ₱25.00 million out of ₱100.00 million authorized capital stock composed of 100.00 million common shares with a par value of ₱1.00 per share. Due to the increase in subscriptions being received by the Fund, as of December 31, 2016, the authorized capital of the Fund was increased to ₱1.00 billion composed of 1.00 billion common shares with a par value of ₱1.00 per share. The price at which the shares are being offered is based on the net asset value per share computed on a daily basis plus a front-end sales load fee.

The Fund earned some awards and recognitions based on its performance from Philippine Investment Fund Association (PIFA) since 2010 as shown below:

- In 2010, the Fund's performance ranked first for both 1-year return and 3-year return categories.
- In 2011, the Fund ranked first place in the 1-year return and second place for the 3-year return categories.
- In 2012, the Fund ranked second for 1-year return and first for 3-year return and 5-year return categories.
- In 2013, the Fund ranked third place, second place and first place in the 1-year, 3-year and 5-year categories, respectively.
- In 2014, the Fund got first place in the 5-year category.
- In 2016, the Fund ranked second place in the 10-year return category.
- In 2017, the Fund performed 14.50% net for 2017.
- In 2019, the Fund ranked first place in the 10-year return category and taking third place in the 1-year return category.
- In 2021, the Fund ranked second place for the 5-year return category.
- In 2022, the Fund ranked second place for the 1-year return and 5-year return category and third place for the 3-year return category.

Competition

The competitive environment for the Fund's products includes not only the products and services offered by the other Mutual Fund players, but all other investment instruments that the target market has access to. The Philippine mutual fund industry is still a relatively young industry compared to those of other countries. However, it is growing at a fast rate.

The registrant's main competitors are the other mutual funds in the Balance Fund category of Philippine mutual funds. It considers the funds of Sunlife and Philam, as its main competitors. As of December 31, 2023, these two competitor Funds represent around 81.47% of the total funds in this category. The Fund will be competing initially in terms of return on investment (ROI) and later on in terms of Fund size. Philam and Sunlife have big sales force and they have life insurance companies as affiliates which they also tap to market their mutual funds. They have big multinational financial institutions as their parent companies. They have longer track record and experience not only in the mutual fund industry but also in other financial products and services. The top three competitors substantially capture the local industry's market share.

The Fund will compete with other Balanced Funds which at present are also few. It will target potential clients all over the country with concentration in the major cities. The Fund believes that the competition is

in the area of investment performance and client services. It will be competing more in the terms of investment performance. It will adopt active investment strategies and tactics. It will fully utilize its present network, database, and available technology to its advantage.

The institutional funds of the target market (especially the bigger ones) evidently have access to almost all types of instruments locally available such as common trust funds (now unit investment trusts), pre-need plans, universal life products and other bank products. The retail funds and smaller institutional funds, however, are limited to simple bank products. Appropriately formulated marketing strategies, sales tactics and promotional activities will be employed to present the Fund and ultimately close the sale and maintain the account.

Principal Suppliers and Major Clients

The Fund has no raw materials for its business nor has any major existing supply contracts.

Dependence to a Single Customer or Few Customers

The Fund is not dependent to a single client or few customers for its business.

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.

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, the level of interest rates, and of liquidity needs.

Moreover, the Fund's investment activities are also guided 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 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:
 - i. 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%);
 - ii. Five percent (5%) of the NAV shall be invested to liquid assets to meet all payment and delivery obligations;
 - iii. 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 Save and Learn Balanced 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 12, 2024. No director or officer of the Company was found in violation of the Manual.

Major Risks Involved

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.

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 is 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).

Liquidity risk. Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with the financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated.

The Fund is exposed to daily cash redemptions of redeemable shares. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund has the ability to borrow in the short term to ensure settlement. No borrowings have arisen during the year.

Credit risk. Credit risk (also called default risk) is the risk that the issuer of the security will not be able to make principal and interest payment on a debt issue. The credit ratings of issuers can change and affect the Fund's returns. To manage the risk, SEC-registered and investment grade fixed-income securities will be selected.

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 the market or 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 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.

No single fund is intended to be a complete investment program, but individual funds, such as this Fund, can be an important part of a balanced and diversified investment program. Mutual funds have the following general risks: returns may vary, the investor may lose money, and the investor cannot be certain that the Fund will achieve its investment objective.

Risk of dilution. Being an open-end mutual fund, investors may effectively subscribe any amount of shares of the Fund. As such, investors face the risk of their investments being diluted as more investors subscribe to shares. The influence that the investors can exert over the control and management of the Fund decreases proportionally.

PART III - SECURITIES OF THE REGISTRANT

Market Price of and Dividends on the Issuer's Common Equity and Related Stockholder Matters

A. Market Information

Below is the list of the highest and lowest Net Asset Value per Share (NAVPS) of the Fund for the first quarter of 2024, and for the year 2023, 2022 and 2021:

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2024	High	2.6169	—	—	—
	Low	2.4939	—	—	—
2023	High	2.6376	2.5583	2.5544	2.5078
	Low	2.4787	2.4966	2.4062	2.3766
2022	High	2.7350	2.6805	2.5931	2.5550
	Low	2.5994	2.4507	2.3356	2.3356
2021	High	2.6648	2.6166	2.6545	2.7366
	Low	2.4654	2.4501	2.4584	2.6211

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. Shareholders

As of March 31, 2024, there are 4,350 shareholders of the Fund's common stock. In addition, the Fund is 99.82% owned by Filipinos and 0.18% by Non-Filipinos. Retail and Institution investors owned 62.73% and 37.27%, respectively. Shown below are the top twenty (20)* shareholders, including the number of shares and percentages of ownership held by each.

No.	Client No.	No. of Shares	Percentage of Ownership
1	00007	20,000,000	6.28%
2	35304	16,145,537	5.07%
3	06030	15,589,538	4.90%
4	00430	12,813,997	4.03%
5	05393	7,319,180	2.30%
6	49026	5,601,646	1.76%
7	61543	5,377,964	1.69%
8	27623	3,711,369	1.17%
9	56020	3,707,769	1.17%
10	48366	3,640,367	1.14%
11	22464	3,312,633	1.04%
12	06024	3,075,333	0.97%
13	03046	3,000,000	0.94%
14	05542	2,375,916	0.75%
15	23182	2,229,452	0.70%
16	26454	2,179,850	0.69%
17	00051	2,000,000	0.63%
18	09219	1,921,382	0.60%
19	33522	1,757,655	0.55%
20	21778	1,726,842	0.54%

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

C. 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.

Recent Sale of Unregistered Securities

There are no securities of the registrant sold by it during the year which were not registered under the Code.

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 POSITION AND RESULTS OF OPERATIONS

The Fund's Statements of Financial Position and Statements of Comprehensive Income as of March 31, 2024 and for the years ended December 31, 2023 and 2022 are presented below:

Statements of Financial Position

	As of March 31, 2024 (Unaudited)	As of December 31 (Audited)		Increase (Decrease)			
		2023	2022	2024 vs. 2023		2023 vs. 2022	
				Amount	%	Amount	%
ASSETS							
Cash and cash equivalents	₱29,425,179	₱24,824,116	₱45,703,187	₱4,601,063	18.53%	(₱20,879,071)	(45.68%)
Financial assets							
FVTPL	590,121,458	717,602,870	752,786,435	(127,481,412)	(17.76%)	(35,183,565)	(4.67%)
Amortized Cost	206,825,000	206,825,000	261,794,711	–	–	(54,969,711)	(21.00%)
Receivables	9,783,644	3,793,937	3,194,882	5,989,707	157.88%	599,055	18.75%
Other asset	3,129,152	3,129,152	3,407,009	–	–	(277,857)	(8.16%)
	₱839,284,433	₱956,175,075	₱1,066,886,224	(₱116,890,642)	(12.22%)	(₱110,711,149)	(10.38%)
LIABILITIES							
Accounts payable and accrued expenses	₱13,457,221	₱4,658,732	₱6,084,922	₱8,798,489	188.86%	(₱1,426,190)	(23.44%)
EQUITY							
Capital stock	318,258,918	381,102,225	423,398,552	(62,843,307)	(16.49%)	(42,296,327)	(9.99%)
Additional paid-in capital	516,126,362	609,308,418	681,592,107	(93,182,056)	(15.29%)	(72,283,689)	(10.61%)
Retained earnings (deficit)	(8,558,068)	(38,894,300)	(44,189,357)	30,336,232	78.00%	5,295,057	(11.98%)
	825,827,212	951,516,343	1,060,801,302	(125,689,131)	(13.21%)	(109,284,959)	(10.30%)
	₱839,284,433	₱956,175,075	₱1,066,886,224	(116,890,642)	(12.22%)	(₱110,711,149)	(10.38%)

Statements of Comprehensive Income

	Jan 1 – March 31		Jan 1 – December 31		Increase (Decrease)			
	(Unaudited)		(Audited)		2024 vs. 2023		2023 vs. 2022	
	2024	2023	2023	2022	Amount	%	Amount	%
INVESTMENT INCOME								
Trading and securities gains (losses)	₱36,178,507	₱91,845	(₱6,395,554)	(₱51,454,777)	₱36,086,662	39290.95%	₱45,059,223	87.57%
Dividend income	4,402,980	8,862,038	17,384,503	14,854,812	(4,459,058)	(50.32%)	2,529,691	17.03%
Interest income	3,537,897	4,193,740	19,606,276	16,566,431	(655,843)	(15.64%)	3,039,845	18.35%
Miscellaneous income	–	–	321,115	–	–	–	321,115	100.00%
	44,119,384	13,147,623	30,916,340	(20,033,534)	30,971,761	235.57%	50,949,874	254.32%
OPERATING EXPENSES								
Management and retainer's fees	4,858,039	5,647,020	22,383,492	23,807,875	(788,981)	(13.97%)	(1,424,383)	(5.98%)
Brokers' commission	1,508,350	1,152,054	5,289,804	5,618,051	356,296	30.93%	(328,247)	(5.84%)
Custodian and clearing fees	102,890	134,039	361,890	543,602	(31,149)	(23.24%)	(181,712)	(33.43%)
Professional fees	68,292	67,541	273,918	273,918	751	1.11%	–	–
Directors' and officers' fees	56,000	76,315	192,000	210,000	(20,315)	(26.62%)	(18,000)	(8.75%)
Transaction charges	54,031	41,145	84,355	189,902	12,886	31.32%	(105,547)	(55.58%)
Taxes and licenses	51,235	41,696	107,308	203,714	9,539	22.88%	(96,406)	(47.32%)
Miscellaneous	38,680	40,035	202,907	372,564	(1,355)	(3.38%)	(169,657)	(45.54%)
	6,737,517	7,199,845	28,895,674	31,219,626	(462,328)	(6.42%)	(2,323,952)	(7.44%)
NET INVESTMENT INCOME								
(LOSS) BEFORE TAX	37,381,867	5,947,778	2,020,666	(51,253,160)	31,434,089	528.50%	53,273,826	103.94%
PROVISION FOR FINAL TAX	2,252,927	2,603,662	6,447,049	8,441,493	(350,735)	(13.47%)	(1,994,444)	(23.63%)
NET INVESTMENT INCOME								
(LOSS) / TOTAL COMPREHENSIVE INCOME	₱35,128,940	₱3,344,116	(₱4,426,383)	(₱59,694,653)	₱31,784,824	950.47%	₱55,268,270	92.58%

Financial Position (March 31, 2024 vs. December 31, 2023)

As of March 31, 2024, the Fund's total assets ended at ₱839.28 million, 12.22% or ₱116.90 million lower than the ₱956.18 million as of December 31, 2023. Total liabilities increased by 188.86% or ₱8.80 million from ₱4.66 million to ₱13.46 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 account and time deposits in local banks. Cash in banks earn interest at the respective bank deposit rates. Time deposits have maturities of five (5) days with interest rates of 4.075% in 2024 and from 0.88% to 3.88% in 2023. The increase of 18.53% or ₱4.61 million from ₱24.82 million to ₱29.43 million was mainly due to higher time deposit balances as of reporting date.

2. Financial assets

Financial assets at FVTPL consist of investments in government securities and private debt and equity securities. The decrease of ₱127.48 million or 17.76% from ₱717.60 million to ₱590.12 million was due to sale of securities and result of fair value changes of investments during the period. As of March 31, 2024 and December 31, 2023, this account includes fair value gain of ₱33.75 million and ₱12.05 million, respectively.

Financial assets at AC remained at ₱206.83 million as of the reporting date and this is consist of investments in quoted private debt securities.

3. Receivables

This account consists of receivables from brokers, accrued interest receivable and dividend receivable. The increase of ₱5.99 million or 157.88% from ₱3.79 million to ₱9.78 million was due to increase in receivables from brokers from the sale of equity securities collections of which are due within two (2) working trading days following the settlement convention and dividend receivables as of reporting date.

4. Other assets

This account remained at ₱3.13 million as of March 31, 2024 and December 31, 2023 which pertains to creditable withholding taxes of the Fund.

5. Accounts payable and accrued expenses

This account consists of due to brokers, accounts payable, payable to FAMI, accrued expenses, withholding tax payable and documentary stamp tax (DST) payable. The increase of 188.86% or ₱8.80 million from ₱4.66 million to ₱13.46 million was due to higher payable to brokers resulting from the purchase of equity securities as of the reporting date.

6. Equity

The Fund's equity is comprised of its capital stock, additional paid-in capital and deficit. The decrease of 13.21% or ₱125.69 million from ₱951.52 million to ₱825.83 million was mainly due to net redemptions and results of operations during the period.

Capital Stock ended at ₱318.26 million, a decrease of 16.49% or ₱62.84 million from ₱381.10 million, mainly due to net redemptions during the period. The Fund's authorized capital stock remained at ₱1.00 billion with par value of ₱1.00 per share. As of March 31, 2024, and December 31, 2023, the total issued and outstanding shares were 318,258,918 and 381,102,225, respectively, while the total number of holders of redeemable common shares are 4,350 and 4,451, respectively.

Additional paid in capital decreased by 15.29% or ₱93.18 million from ₱609.31 million to ₱516.13 million due to net redemptions during the period.

Deficit decreased by 78.00% or ₱30.34 million from ₱38.89 million to ₱8.56 million due to results of operations during the period.

Results of Operations (January 1– March 31, 2024 vs. January 1– March 31, 2023)

For the period ended March 31, 2024, the Fund realized a net income of ₱35.13 million, an improvement of ₱31.79 million or 950.47% from same period last year's net income of ₱3.34 million. Detailed discussions on the changes in the statement of income accounts are as follows:

1. *Trading and securities gains*

This account includes realized and unrealized gains from debt and equity securities trading portfolio. The increase of ₱36.09 million from same period last year's ₱0.09 million to ₱36.18 million this year was mainly due to the market recovery during the period.

2. *Dividend income*

This is recognized when the Fund's right to receive cash dividend is established. Dividend income dropped by 50.32% or ₱4.46 million from ₱8.86 million to ₱4.40 million mainly due to the lower cash dividends earned from equity securities during the period.

3. *Interest income*

This account includes interest income earned from cash and cash equivalents, investments in government and private debt securities. Interest income decreased by 15.64% or ₱0.65 million from same period last year's ₱4.19 million to ₱3.54 million this period due to lower investments in private debt securities during the period.

4. *Management and retainer's fee*

This account represents management fees, fund admin fees and other professional fees incurred by the Fund. This account dropped by ₱0.79 million or 13.97% from ₱5.65 million to ₱4.86 million mainly due to the decline in management fees and fund admin fees relative to the decrease in daily average asset under management of the Fund 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 increase of 30.93% or ₱0.36 million from ₱1.15 million to ₱1.51 million was mainly due to higher volume of securities trading during the period.

6. *Custodian and clearing fees*

This account pertains to payment to the custodian of the Fund. This account decreased by 23.24% or ₱0.03 million from ₱0.13 million to ₱0.10 million for the period ended March 31, 2024 due to lower fees paid during the period.

7. *Professional fees*

This account represents audit fees incurred by the Fund and totaled ₱0.07 million for the period ended March 31, 2024 and 2023.

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 ₱0.02 million or 26.62% from ₱0.08 million for the same period last year to ₱0.06 million for the period ended March 31, 2024 was due to fewer members attended the meetings held during the period.

9. *Transaction charges*

This account pertains to the payment of stock trading charges. The increase of 31.32% or ₱0.01 million from ₱0.04 million to ₱0.05 million was due to higher volume of securities trading during the period.

10. *Taxes and licenses*

This account totaled ₱0.05 million and ₱0.04 million for the period ended March 31, 2024, and 2023, respectively. This pertains to taxes other than income tax, such as DST and local taxes. The increase of ₱0.01 million or 22.88% was due to higher DST paid relative to the increase in subscription during the period.

11. Miscellaneous expenses

This account totaled ₱0.04 million for the period ended March 31, 2024 and 2023, and this comprised of bank charges and miscellaneous expenses paid by the Fund during the period.

Financial Position (December 31, 2023 vs. December 31, 2022)

The Fund ended the year 2023 with audited total assets at ₱0.96 billion, lower by ₱0.11 billion or 10.38% from ₱1.07 billion as of December 31, 2022. Total liabilities decreased by ₱1.42 million or 23.44% from ₱6.08 million to ₱4.66 million this year.

The changes in total assets and liabilities are primarily due to the movements in the following accounts:

1. Cash and cash equivalents

This account represents the Fund's savings and checking accounts and time deposits in local banks. Cash in banks earn interest at the respective bank deposit rates. Time deposits bear annual interest rates ranging from 0.875% to 3.875% in 2023 and 0.125% to 0.875% in 2022. This account decreased by ₱20.88 million or 45.68% from ₱45.70 million to ₱24.82 million mainly due to the lower balances of current accounts and time deposits as of reporting date.

2. Financial assets

Financial assets at FVTPL consists of investments in government securities and private debt and equity securities. The decrease of ₱35.18 million from ₱752.78 million to ₱717.60 million was mainly due to sale of equity securities during the year. Quoted government and private debt securities bears nominal annual interest rates ranging from 2.625% to 8.125% and 3.38% to 8.63% in 2023 and 2022, respectively. This account includes fair value loss of ₱12.05 million and fair value loss of ₱25.89 million in 2023 and 2022, respectively.

Financial assets at Amortized Cost consists of investments in quoted private debt securities. The decrease of ₱54.96 million or 21.00% from ₱261.79 million to ₱206.83 million was due to maturity of securities during the year. These securities earn annual effective interest rates ranging from 2.95% to 5.25% in 2023 and 3.36% to 5.25% in 2022.

3. Receivables

This account consists of receivables from brokers, accrued interest receivable and dividend receivable. The increase of ₱0.60 million or 18.75% from ₱3.19 million to ₱3.79 million was mainly due to higher outstanding balances of amount collectible for the sale of equity securities, accrued interest receivable and dividend receivable as of reporting date.

4. Other asset

This pertains to creditable withholding taxes and other assets of the Fund. This account ended at ₱3.13 million and ₱3.41 million as of December 31, 2023 and 2022, respectively. The decrease of ₱0.28 million or 8.16% was due to decrease in other miscellaneous asset of the Fund.

5. 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 decrease of ₱1.42 million or 23.44% from ₱6.08 million to ₱4.66 million this year was mainly due to lower unsettled purchase of equity securities and accounts payable as of reporting date.

6. Equity

The Fund's equity is comprised of its capital stock, additional paid-in capital and retained earnings. The decrease of ₱0.11 billion or 10.30% from ₱1.06 billion to ₱0.95 billion was mainly due to net redemptions made and result of operations during the year.

Capital Stock ended at ₱381.10 million, a decrease of ₱42.30 million or 9.99% from ₱423.40 million last year, mainly due to redemptions during the year. The Fund's authorized capital stock remained at

₱1.00 billion with par value of ₱1.00 per share. As of December 31, 2023 and 2022, the total issued and outstanding shares were 381,102,225 and 423,398,552, respectively, while the total number of holders of redeemable common shares are 4,451 and 4,739, respectively.

Additional paid in capital went down by ₱72.28 million or 10.61% from ₱681.59 million to ₱609.31 million due to net redemptions made during the year.

Deficit decreased by ₱5.30 million or 11.98% from ₱44.19 million to ₱38.89 million mainly due to redemptions made during the year.

Results of Operations (January 1– December 31, 2023 vs. January 1– December 31, 2022)

For the year ended December 31, 2023, the Fund realized a net loss of ₱4.43 million, a decrease of ₱55.27 million or 92.58% from last year's net loss of ₱59.69 million.

The highlights of the results of operations for the year are as follows:

1. Trading and securities loss

This account includes realized and unrealized loss from trading of investments in debt and equity securities. The decrease of 87.57% or ₱45.05 million from last year's ₱51.45 million to ₱6.40 million this year was mainly due to lower realized loss from the sale and lower unrealized loss from changes in fair value of debt and equity securities held for trading during the year.

2. Interest income

This account includes interest income earned from cash and cash equivalents, investments in government and private debt securities. The increase of ₱3.04 million or 18.35% from last year's income of ₱16.57 million to ₱19.61 million was mainly due to higher interest income earned from debt securities during the year.

3. Dividend income

This is recognized when the Fund's right to receive cash dividend is established. This account increased by ₱2.53 million or 17.03% from last year's ₱14.85 million to ₱17.38 million due to higher cash dividends received from equity securities during the year.

4. Management and retainer's fees

This account dropped by ₱1.43 million or 5.98% from last year's ₱23.81 million to ₱22.38 million mainly due to the decline in management fees relative to the decrease in the Fund's net assets.

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 ₱0.33 million or 5.84% from last year's ₱5.62 million to ₱5.29 million was mainly due to lower volume of trades during the year.

6. Custodian and clearing fees

Custodian and clearing fees pertain to payment made to the custodian of the Fund. This account decreased by ₱0.18 million or 33.43% from last year's ₱0.54 million to ₱0.36 million mainly due to lower custody fees paid during the year.

7. Professional fees

This pertains to payment of audit fee and other professional services acquired during the year. This account remained at ₱0.27 million in 2023 and 2022.

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 during the year. This account decreased by ₱0.02 million or 8.57% from last year's ₱0.21 million to ₱0.19 million mainly due to lower attendees on meetings held during the year.

9. Taxes and licenses

This account pertains to taxes other than income tax, such as DST and local taxes. The decrease of ₱0.09 million or 47.32% from last year's ₱0.20 million to ₱0.11 million was mainly due to lower DST and local taxes paid during the year.

10. Transaction Charges

Transaction charges decreased by ₱0.11 million from last year's ₱0.19 million to ₱0.08 million mainly due to lower transaction cost incurred in the purchase and sale of equity and fixed income securities during the year.

11. Miscellaneous Expense

This account decreased by ₱0.17 million or 45.54% from last year's ₱0.37 million to ₱0.20 million mainly due to lower membership fee and dues, notarial fees, bank charges and other miscellaneous expenses paid by the Fund during the year.

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

The Fund ended the year 2022 with audited total assets at ₱1.07 billion, lower by ₱0.26 billion or 19.79% from ₱1.33 billion as of December 31, 2021. Total liabilities decreased by ₱32.97 million or 84.42% from ₱39.06 million to ₱6.08 million this year.

The changes in total assets and liabilities are primarily due to the movements in the following accounts:

1. Cash and cash equivalents

This account represents the Fund's savings and checking accounts and time deposits in local banks. Cash in banks earn interest at the respective bank deposit rates. Time deposits bear annual interest rates ranging from 0.125% to 0.875% in 2022 and 2021. This account decreased by ₱139.72 million or 75.35% from ₱185.42 million to ₱45.70 million mainly due to the lower balances of current accounts and time deposits as of reporting date.

2. Financial assets

Financial assets at FVTPL consists of investments in government securities and private debt and equity securities. The decrease of 10.47% or ₱0.09 billion from ₱0.84 billion to ₱0.75 billion was mainly due to sale of equity securities during the year. Quoted government and private debt securities bears nominal annual interest rates ranging from 3.375% to 8.625% and 3.625% to 8.13% in 2022 and 2021, respectively. This account includes fair value loss of ₱25.89 million and fair value loss of ₱1.31 million in 2022 and 2021, respectively.

Financial assets at Amortized Cost consists of investments in quoted private debt securities. The decrease of ₱10.00 million from ₱271.79 million to ₱261.79 million was mainly due to maturity of debt security during the year. These securities earn annual effective interest rates ranging from 3.361% to 5.25% and 2.375% to 3.6875% in 2022 and 2021, respectively.

3. Receivables

This account consists of receivables from brokers, accrued interest receivable and dividend receivable. The decrease of ₱25.77 million or 88.97% from ₱28.96 million to ₱3.19 million was mainly due to lower outstanding balances of amount collectible for the sale of equity securities, accrued interest receivable and dividend receivable as of reporting date.

4. Other asset

This pertains to creditable withholding taxes and other assets of the Fund. This account ended at ₱3.41 million and ₱3.13 million as of December 31, 2022 and 2021, respectively. The increase of ₱0.28 million or 8.88% was due to increase in other miscellaneous asset of the Fund.

5. 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 decrease of ₱32.98 million or 84.42%

from ₱39.06 million to ₱6.08 million this year was mainly due to lower unsettled purchase of equity securities and accounts payable as of reporting date.

6. Equity

The Fund's equity is comprised of its capital stock, additional paid-in capital and retained earnings. The decrease of ₱0.23 billion or 17.84% from ₱1.29 billion to ₱1.06 billion was mainly due to the redemptions during the year.

Capital Stock ended at ₱423.40 million, a decrease of ₱63.50 million or 13.04% from ₱486.90 million last year, mainly due to redemptions during the year. The Fund's authorized capital stock remained at ₱1.00 billion with par value of ₱1.00 per share. As of December 31, 2022 and 2021, the total issued and outstanding shares were 423,398,552 and 486,900,879, respectively, while the total number of holders of redeemable common shares are 4,739 and 4,956, respectively.

Additional paid in capital went down by ₱78.91 million or 10.38% from ₱760.50 million to ₱681.59 million due to redemptions made during the year.

Retained earnings decreased by ₱87.85 million or 201.20% from ₱43.67 million earnings to ₱44.18 million deficit mainly due to redemptions made and results of operations recognized during the year.

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

For the year ended December 31, 2022, the Fund realized a net loss of ₱59.69 million, a decrease of ₱74.38 million or 506.42% from last year's net income of ₱14.69 million.

The highlights of the results of operations for the year are as follows:

1. Trading and securities gains (losses)

This account includes realized and unrealized gains earned from trading investments in debt and equity securities. The decrease of 281.36% or ₱79.82 million from last year's ₱28.37 million gain to ₱51.45 million loss this year was mainly due to lower realized gain from the sale and unrealized loss from changes in fair value of debt and equity securities held for trading during the year.

2. Interest income

This account includes interest income earned from cash and cash equivalents, investments in government and private debt securities. The decrease of ₱2.53 million or 13.28% from last year's income of ₱19.10 million to ₱16.57 million was mainly due to lower interest income earned from debt securities during the year.

3. Dividend income

This is recognized when the Fund's right to receive cash dividend is established. This account increased by ₱1.93 million or 14.94% from last year's ₱12.92 million to ₱14.85 million due to higher cash dividends received from equity securities during the year.

4. Management and retainer's fees

This account dropped by ₱4.75 million or 16.65% from last year's ₱28.56 million to ₱23.81 million mainly due to the decline in management fees relative to the decrease in the Fund's net assets.

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 ₱0.08 million from last year's ₱5.70 million to ₱5.62 million was mainly due to lower volume of trades during the year.

6. Custodian and clearing fees

Custodian and clearing fees pertain to payment made to the custodian of the Fund. This account totaled at ₱0.54 million for the year ended December 31, 2022 and 2021.

7. Professional fees

This pertains to payment of audit fee and other professional services acquired during the year. This account totaled ₱0.27 million for the year ended December 31, 2022 and 2021.

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 during the year. This account increased by ₱0.14 million or 195.80% from last year's ₱0.07 million to ₱0.21 million mainly due to higher per diem paid during the year.

9. Taxes and licenses

This account pertains to taxes other than income tax, such as DST and local taxes. The decrease of ₱0.02 million or 7.15% from last year's ₱0.22 million to ₱0.20 million was mainly due to lower DST and local taxes paid during the year.

10. Transaction Charges

Transaction charges decreased by ₱0.01 million from last year's ₱0.20 million to ₱0.19 million mainly due to lower transaction cost incurred in the purchase and sale of equity and fixed income securities during the year.

11. Miscellaneous Expense

This account increased by ₱0.32 million or 706.49% from last year's ₱0.05 million to ₱0.37 million mainly due to higher membership fee and dues, notarial fees, bank charges and other miscellaneous expenses paid by the Fund during the year.

Plan of Action

FAMI is the principal distributor of the Fund's shares of stock. It is licensed by SEC to act as the Investment Company Adviser/Manager, Administrator and Principal Distributor. It intends to increase its marketing network and accredit sub-dealers or agents to sell the Fund's share.

Subsequent Events

There were no subsequent events that took place after the period ended March 31, 2024.

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

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

- *Net Asset Value Per Share* – Net Asset Value per share amounted to ₱2.5948 as of March 31, 2024, higher by ₱0.0981 from ₱2.4967 as of December 31, 2023. The Fund's net asset value dropped by ₱125.69 million or 13.21% from ₱951.52 million as of December 31, 2023 to ₱825.83 million as of March 31, 2024.

- *Sales for the period ended* – The Fund’s total sales of ₱8.15 million for the period ended March 31, 2024 was 25.67% or ₱1.66 million higher than ₱6.49 million sales for the same period last year.
- *Redemptions for the period ended* – Total redemptions of the Fund amounting to ₱168.97 million for the period ended March 31, 2024 was ₱154.51 million higher than ₱14.46 million redemptions for the same period last year.
- *Net Income vs. Benchmark* – The Fund earned ₱35.13 million net income for the period ended March 31, 2024, ₱31.79 million or 950.47% higher than ₱3.34 million net income for the same period last year.
- *Market Share vs. Benchmark* – As of March 31, 2024, the Fund garnered 5.77% share in the Balanced Funds category while 0.36% share among all mutual funds in terms of net assets. On the basis of account holders, the Fund has 4,350 account holders or 4.75% of the total accounts in this Fund category.

The following basic ratios measure the financial performance of the Fund for the period ended March 31, 2024 and for the years ended 2023 and 2022:

PERFORMANCE INDICATORS	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	December 31, 2022 (Audited)
Return on assets ^{1/}	15.65%	(0.44%)	(4.98%)
Return on equity ^{2/}	15.81%	(0.44%)	(5.08%)
Cost to income ratio ^{3/}	15.27%	93.46%	(155.84%)
Net asset value per share ^{4/}	₱2.5498	₱2.4967	₱2.5054
Earnings (Loss) per share ^{5/}	₱0.1022	(₱0.0110)	(₱0.1366)

^{1/} Average assets for year ended December 31 were computed based on the average of the beginning and ending balances, over the net income for the year.

^{2/} Likewise, average equity for year ended December 31 was computed based on the average of the beginning and ending balances, over the net income for the year.

^{3/} Operating expenses for the cost-to-income ratios do not include provision for probable losses and provision for income taxes.

^{4/} Net asset value per share 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.

^{5/} Net income divided by weighted average number of common shares.



Item 7. Financial Statements

1. Statement of Management’s Responsibility for Financial Statements
2. Audited 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 27, 2024.

FIRST METRO SAVE AND LEARN BALANCED FUND, INC.

By:


MAURO B. PLACENTE
 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 Save and Learn Balanced Fund, Inc. on June 18, 2024 and have been its independent director since 2016;
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.	June 21, 2023 - Present	Independent Director
First Metro Consumer Fund, Inc.	October 18, 2019 - Present	Independent Director
Private Education Assistance Committee (PEAC)	since 2014 to present	Executive Director

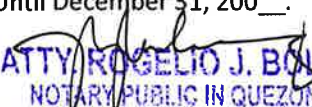
3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of First Metro Save and Learn Balanced Fund, Inc. as provided for in Section 38 of the Securities and Regulation Code, its Implementing Rules and other SEC issuances;
4. I am NOT related to any director/officer/substantial 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 Save and Learn Balanced Fund, Inc. of any changes in the above mentioned information within five (5) days from its occurrence.

Done this MAY 21 2024 day of May 2024. Makati City, **QUEZON CITY**


Rhodora Angela F. Ferrer
Independent Director

SUBSCRIBED AND SWORN to before me on MAY 21 2024 day of May 2024 in Makati City, **QUEZON CITY**, Philippines, affiant exhibiting to me her TIN No. 116-066-828.

NOTARY PUBLIC ✓
Until December 31, 200__.


ATTY. ROGELIO J. BOLIVAR
NOTARY PUBLIC IN QUEZON CITY
Commission No. Adm. Matter No. NP 549 (2023-2024)
IBP O.R. No. 180815 2023 & IBP O.R. No. 180816 2024
PTR O.R. No. 4127771 D 01/03/2024 / Roll No. 33832 / TIN # 129-871-009-000

Doc. No. 244
Page No. 50 ;
Book No. 10 ;
Series of 2024.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, JOSE C. NOGRALES, Filipino of legal age and resident of 35 San Martin Village, Magallanes, 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 Save and Learn Balanced Fund, Inc. on June 18, 2024 and have been its independent director since June 29, 2022;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organizations	Period of Service	Position/Relationship
Bank of Commerce	April 2015 - Present	Independent Director
Amalgamated Investment Bancorporation, Inc.	January 2019 - Present	Independent Director
First Metro Asia Focus Equity Fund, Inc.	June 29, 2022 - Present	Independent Director

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of First Metro Save and Learn Balanced Fund, Inc. as provided for in Section 38 of the Securities and Regulation Code, its Implementing Rules and Regulations 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 the subject of any pending criminal or administrative investigation or proceeding;
6. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities 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 Save and Learn Balanced Fund, Inc. of any changes in the abovementioned information within five (5) days from its occurrence.

Done this MAY 24 2024 day of May **QUEZON CITY**, Makati City.


JOSE C. NOGRALES
Independent Director

SUBSCRIBED AND SWORN to before me on MAY 24 2024 day of May 2024 in **QUEZON CITY**, Philippines, affiant exhibiting to me his Senior Citizen ID No. 72343 issued on February 1, 2008 at Quezon City.

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NOTARY PUBLIC
Until December 31, 200
ATTY. ROGELIO J. BOLIVAR
NOTARY PUBLIC IN QUEZON CITY
Commission No. Adm. Matter No. NP 549 (2023-2024)
IBP O.R. No. 180815 2023 & IBP O.R. No. 130815 2024
PTR O.R. No. 4127771 D 01/03/2024 / Roll No. 33832 / TIN # 125-871-009-000
MCLE No. 728 FROM APRIL 15, 2023 UNTIL APRIL 14, 2027

Certification

I, Nimfa G. Balmes-Pastrana, the Corporate Secretary of First Metro Save and Learn Balanced Fund, Inc. a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS200701110 and with principal office at 18th floor PSBank Center, Paseo de Roxas corner Sedeno St. Makati City, on oath state:

- 1) That I have caused this Definitive Information Statement (SEC Form 20-IS) to be prepared on behalf of First Metro Save and Learn Balanced Fund, Inc.
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company First Metro Save and Learn Balanced Fund, Inc. will comply with the requirements set forth in SEC Notice dated February 23, 2024 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that the submitted documents require pre-evaluation and/or payment of processing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28 , s. 2020 shall be used by the company in its online submission to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of May, 2024.



Nimfa G. Balmes-Pastrana
Affiant

SUBSCRIBED AND SWORN to before me this 24th day of May, 2024, in Makati City, Philippines.

QUEZON CITY

Nimfa B. Pastrana Unified Multi-Purpose ID No. CRN-0003-9622436-3

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Series 2024.


ATTY. ROGELIO J. BOLIVAR
NOTARY PUBLIC IN QUEZON CITY
Commission No. Adm. Matter No. NP 549 (2023-2024)
IBP O.R. No. 980816 2023 & IBP O.R. No. 130816 2024
PTR O.R. No. 412771 D 31/05/2024 / Roll No. 33632 / TIN # 123-871-000-4500
MCLE No. 7&8 FROM APRIL 15, 2023 UNTIL APRIL 14, 2028
Address: 31-F Harvard St. Cubao, Q.C.