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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
E Q U I T Y 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-ISA / Definitive

(Form Type)

4th Friday of May

(Annual Meeting)

Investment Company

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

15,117

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 EQUITY FUND, INC. (SALEF)
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 EQUITY 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 shall be revoked only in writing and by informing the Corporate Secretary prior to the annual stockholders' meeting.

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

ITEMS	ACTIONS		
	Yes	No	Abstain
1. Approval of the Minutes of the Annual Stockholders' Meeting held on June 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			
Fr. Rafael K. Eloriaga, CM, Independent Director			
Mr. Edgar B. Solilapsi, 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 EQUITY FUND, INC.
3. Province, Country or other jurisdiction of incorporation or organization;
Metro Manila, Philippines
4. SEC Identification number: **CS200509328**
5. BIR Tax Identification Code: **238-518-996-000**
6. Address of Principal Office:
18th Floor, PS Bank Center, 777 Paseo de Roxas corner Sedeño St., Makati City
7. Telephone Numbers:
(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	787,959,784 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 one among the incumbent 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 & COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof:

a) Class of Voting Shares :

Class of Voting Securities	Total Outstanding Shares	Votes Entitlement
Common Shares	787,959,784	One (1) vote per share

b) Record Date

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

c) 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.

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

The following stockholder owns more than 5% of the common voting securities as of March 31, 2024:

Title of Class	Name and Address of Owner	Name of Beneficial Owner	Citizenship	No. of Shares Held	% of Holdings
Common Shares	<i>Social Security System (SSS)</i> 7F SSS Main Bldg., East Ave., Diliman, Quezon City	Same	Filipino	64,845,810	7.97%
Common Shares	<i>James Chiew Lee or Beverly Anne Chiew Yap or Arthur Brian Chiew Yap</i> Ecoland Davao	Same	Filipino	53,487,521	6.58%

**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 Directors/Management:

Following are the securities owned by directors and officers of the Fund as of March 31, 2024:

Title of Class	Name of Beneficial Owners	Amount and Nature of Ownership	Citizenship	Percent to Outstanding Shares
Common shares	Bro. Manuel V. De Leon, FMS	1	Filipino	0.00%
Common shares	Victor A. Abola	1	Filipino	0.00%
Common shares	Karen Liza M. Roa	75,835	Filipino	0.01%
Common shares	Raphael K. Eloriaga*	1	Filipino	0.00%
Common shares	Edgar B. Solilapsi*	1	Filipino	0.00%
Common shares	Nimfa B. Pastrana	128,009	Filipino	0.01%
Common shares	Jonathan Tabac	1,151,039	Filipino	0.12%

*Independent Director

Voting Trust Holders of 5% or More

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

Changes in Control

First Metro Save and Learn Equity Fund, Inc. is an open-end investment company engaged in selling its capital to the public and investing the proceeds in selected high-grade stocks. The Fund has an initial paid-up capitalization of ₱25,000,000 that was paid by First Metro. As of March 31, 2024, the percentage of ownership of First Metro is 2.58%.

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 SALEF'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). 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

	<p>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 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>Ms. Karen Liza M. Roa Director</p>	<p>Ms. Karen Liza M. 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 Balanced 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,</p>

	<p>Inc. (since June 2022), and First Metro Philippine Equity Exchange Traded Fund, Inc. (since June 2022).</p> <p>She has over 25 years of expertise in the field of finance with a career that spans both domestic and international banking operations, she has a wealth of experience that fuels her financial skills. Has worked with some of the most renowned global companies in banking and asset management, such as Chase Manhattan Bank, SunGard Asia Pacific, trust banking groups of Philam Bank, and Citibank NA. She also served as President and CEO of Philam Asset Management, Inc. (PAMI). She was also a lecturer at the country's top universities, Ateneo de Manila and UP, teaching business courses on strategy, investment management, and financial services. She is the currently the President and CEO of First Metro Asset Management, Inc. (FAMI).</p>
<p>Fr. Rafael K. Eloriaga, CM Independent Director</p>	<p>Fr. Rafael K. Eloriaga, 60, Filipino.</p> <p>Fr. Eloriaga is also the Independent Director for First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn Money Market Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc. and First Metro Consumer Fund, Inc.</p> <p>Fr. Eloriaga is currently the Vice-President for Financial Affairs of Adamson University (2016-present), a member of the Finance Committee, General Curia under the Congregation of the Mission (2013 to present) and joined as member of the Board of Trustees of the Universidad de Sta Isabel, Naga City (2016 to present). He was formerly the Cebu Business Center Head for Central and Eastern Visayas Senior Manager of BPI Family from 2005-2006 and the Provincial Econome, Philippine Province- Congregation of the Mission (2012- 2016).</p> <p>Fr. Eloriaga took up his AB Philosophy and Letters at Dela Salle University in 1983 and his BS Accountancy at Fr. Saturnino Urios University in 1994. He finished the Curriculum of Ordained Ministry and Masters in Pastoral Theology at St. Vincent School of Theology.</p>
<p>Mr. Edgar B. Solilapsi Independent Director</p>	<p>Mr. Edgar B. Solilapsi, 72, Filipino.</p> <p>He currently serves as the Independent Director for First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save and Learn Equity Fund, Inc., and First Metro Save and Learn Money Market Fund, Inc.</p> <p>Mr. Solilapsi served as the Executive Vice President (EVP) for Investments in the Social Security System (SSS) (2010 to 2014). Prior to his stint as EVP, he held various positions in SSS from 1988 to 2010. Prior to joining SSS, Mr. Solilapsi held various positions in other institutions, He was also Teacher for International School and a professional lecturer at the University of the Philippines College of Business Administration.</p> <p>Mr. Solilapsi received his Bachelor of Science in Mathematics degree from the University of the Philippines in 1973 and earned a master in business administration from the University of the</p>

	Philippines in 1981. He also took a course on Operations Research / Management Science, Fellow, Life Management, from the Institute of Atlanta, Georgia also in 1981.
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The two (2) independent directors, namely, Fr. Rafael K. Eloriga, CM and Mr. Edgar B. Solilapsi, possess the qualifications and none of the disqualifications of an independent director. They have submitted the Certification for Independent Directors.

Executive Officers

Name	Experience
Mr. Mauro B. Placente Treasurer	<p>Mr. Mauro B. Placente, 58 years old, 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 (SALPHIN), Inc.</p> <p>He graduated from National College of Business and Arts with a degree of BSBA-Accounting; Certified Public Accountant.</p> <p>Mr. Placente joined First Metro on September 1, 2000</p>
Atty. Nimfa B. Pastrana Corporate Secretary	<p>Atty. Nimfa B. Pastrana, 62, Filipino.</p> <p>Term of office is one year and has served as such from January 29, 2007 up to present. She is First Vice President and Asst. Corporate Secretary of First Metro Investment Corporation. She is also the Corporate Secretary of First Metro Save and Learn Balanced Fund, Inc., First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save and Learn Equity Fund, Inc. (from May 2005 to present), First Metro Save and Learn Dollar Bond Fund, Inc. (from 2008 to present), First Metro Asia Focus Equity Fund, Inc. (from 2010 to present), First Metro Consumer Fund, Inc., First Metro Save and Learn Money Market Fund, Inc., First Metro Save and Learn 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>

Mr. Jonathan T. Tabac Compliance Officer	Mr. Jonathan T. Tabac, 69, Filipino. Term of office is one year and has served as such from January 29, 2007 up to present. He is also the Compliance Officer of First Metro Securities Brokerage Corporation, First Metro Save & 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.
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Significant Employees

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

Nominee Directors

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

Br. Manuel V. De Leon, FMS, Chairman

Dr. Victor A. Abola, President

Ms. Karen Liza M. Roa, Director

Fr. Rafael K. Eloriaga, CM*

Mr. Edgar B. Solilapsi*

**Independent Directors*

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

Independent Directors

In accordance with SRC Rule 38(8), First Metro Save and Learn Equity Fund, Inc. (SALEF) has formulated its rules relative to the election of independent directors, as follows:

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

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

Mr. Edgar B. Solilapsi and Fr. Rafael K. Eloriaga are nominees for independent directors of SALEF and they were recommended to the Nominations Committee for election of independent directors by Ruth Chaneco, stockholder, in accordance with the foregoing rules. Ruth Chaneco has no relations with any nominees. No other persons were nominated.

The current members of the Nomination Committee are Br. Manuel V. De Leon as the Chairman, Fr. Rafael K. Eloriaga, CM and Ms. Karen Liza M. Roa as members of the Committee.

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.

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:

	2024	2023	2022	2021
Directors	₱200,000	₱190,000	₱211,000	₱47,993
Executive Officers	32,000	32,000	32,000	32,000
Aggregate Annual Per Diem	₱232,000	₱222,000	₱243,000	₱79,993

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

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

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

Item 7. Independent Public Accountants

The present auditor of 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, SALEF 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. Redginald 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 estimated fees to be paid for the professional services rendered by SGV & Co. for the audit of our Financial Statements for the year 2023 is ₱601,216 while the aggregate fees paid for 2022 and 2021 is ₱474,320 and ₱438,900, respectively. SGV & Co. conducted the audit in accordance with auditing standards generally accepted in the Philippines to obtain reasonable assurance about whether the financial statements are free of material misstatements. Their audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation.

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

In 2013, an agreed upon procedure was engaged with SGV & Co. pertinent to the increase in authorized capital stock.

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.

SALEF's Audit Committee is chaired by Fr. Rafael K. Eloriaga, CM with Mr. Edgar B. Solilapsi and Dr. Victor A. Abola 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. 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

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.

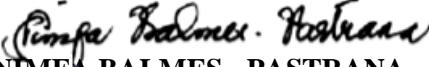
FIRST METRO SAVE AND LEARN EQUITY FUND, INC. YEAR 2023 ANNUAL REPORT ON SEC FORM 17-A WILL BE PROVIDED WITHOUT CHARGE TO EACH STOCKHOLDER UPON WRITTEN REQUEST ADDRESSED TO:

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

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City on May 27, 2024.

FIRST METRO SAVE AND LEARN EQUITY 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 Equity Fund, Inc. (the Fund) is an open-end investment company, which was incorporated on May 27, 2005 and subsequently registered under R.A. 2629 (Philippine Investment Company Act) on September 6, 2005. 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.

The Fund had an initial 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. As of December 31, 2016, the authorized capital of the Fund was ₱2.25 billion composed of 2.25 billion common shares with a par value of ₱1.00 per share. The shares are being offered at a price based on the net asset value per share computed on a daily basis plus a front-end sales load fee.

Below are some of the awards and recognitions earned by the Fund based on its performance from Philippine Investment Fund Association (PIFA) since 2010 as shown below:

- In 2010, the Fund's performance ranked first for 1-year return, 3-year return and 5-year return categories.
- In 2011, the Fund obtained the first place in both 5-year return and 3-year return while second for the 1-year return categories.
- In 2012, the Fund ranked first for both 1-year return and 5-year return categories.
- In 2013, the Fund was 2nd place in the 5-year category versus peers.
- In 2014, the Fund performed 17.44% net for 2014, and is the 2nd best performing Equity fund in the 5-year return category.
- In 2015, the Fund performed (5.28%) net for 2015, and is the 1st best performing Equity fund in the 10-year return category.
- First Metro Save and Learn Equity Fund performed (7.05%) net in 2016.
- First Metro Save and Learn Equity Fund performed 22.57% net in 2017.
- First Metro Save and Learn Equity Fund performed (12.30%) net in 2018.
- In 2020 and 2021, the Fund obtained second place for the 10-year return category.
- In 2022, the Fund obtained third place for the 10-year return category.

Competition

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

The registrant's main competitors are the other mutual funds in the Equity Fund category of Philippine mutual funds. It considers the funds of Sunlife, PAMI Equity, Philam, and Philippine Stock Index Fund Corp., as its main competitors. As of December 31, 2023, these four competitor Funds represent around 40.79% of the total funds in this category. The company will be competing initially in terms of return on investment (ROI) and later on in terms of Fund size.

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 incorporate relevant investment rules and regulations by regulators such as the Investment Company Act (ICA) and the Securities and Exchange Commission (SEC), among others.

Specifically, the Fund primarily invests in equity securities, however, as a tactical move, a portion of the Fund may also be invested in government securities and in SEC-registered commercial papers but taking precautions of the market conditions, 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 debt securities or money markets where the issuer or the guarantor is a government, sovereign or central bank with an international long-term issuer rating of investment grade may be increased to thirty five percent (35%) of the NAV, but only five percent (5%) is allowed for non-investment grade.
- e. The Fund manager is required to use a risk-management process that captures the risk associated with in the financial derivative instruments:
 - 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 counterparty 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's policy prescribes that at least 10.00% of its total assets is invested in any of the following:

- Treasury notes or bills, Certificates of Indebtedness issued by the Bangko Sentral ng Pilipinas which are short term, and other government securities or bonds and such other evidence of indebtedness or obligations, the servicing and repayment of which are fully guaranteed by the Republic of the Philippines;
- Tradable Long-Term Negotiable Certificate of Time Deposits
- Government debt securities where the issuer or the guarantor is a foreign government, sovereign or central bank with an international long-term issuer rating of investment grade;
- Savings or time deposits with government-owned banks or commercial banks, provided that in no case shall any such savings or time deposit accounts be accepted or allowed under a "bearer", "numbered" account or other similar arrangement.
- Money market instruments issued by Philippine regulated qualified issuers or those issued by an investment grade issuing body;
- Other collective schemes wholly invested in liquid/semi-liquid assets.

The Fund may borrow, on a temporary basis, for the purpose of meeting redemptions and bridging requirements provided that:

- the borrowing period should not exceed one month; and
- the aggregate borrowings shall not exceed ten percent (10%) of the net assets of the Investment Company

The Fund shall not incur any further debt or borrowing, unless at the time it is incurred or immediately thereafter, there is asset coverage of at least 300.00% for all its borrowings. In the event that such asset coverage shall at any time fall below 300.00%, the Fund shall, within three days thereafter, reduce the amount of borrowings to an extent that the asset coverage of such borrowings shall be at least 300.00%.

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 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 Equity 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.

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

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. The following are the risk factors in their order of importance:

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

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

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

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

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 history of Net Asset Value per Share (NAVPS) of the Fund the first quarter of 2024, and for the years 2023, 2022 and 2021:

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2024	High	4.9811	–	–	–
	Low	4.6283	–	–	–
2023	High	5.0076	4.7824	4.7948	4.6662
	Low	4.5460	4.5987	4.3757	4.3095
2022	High	5.3104	5.1592	4.8598	4.7917
	Low	4.9289	4.4474	4.1606	4.1606
2021	High	5.0585	4.9174	5.0580	5.2983
	Low	4.4997	4.4199	4.4745	4.9709

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 15,221 shareholders of the Company's common stock. In addition, the Fund is 99.18 % owned by Filipinos and 0.82% by Non-Filipinos. Retail and Institutional investors owned 66.14% and 33.86%, respectively. Shown below are the top twenty* (20) shareholders, including the number of shares and percentage of ownership held by each as of the same date.

No.	Account No.	No. of Shares	Percentage of Ownership*
1	66717	64,845,810	7.97%
2	66847	53,487,521	6.58%
3	00007	21,000,000	2.58%
4	58559	20,725,878	2.55%
5	00430	20,713,604	2.55%
6	34350	13,662,944	1.68%
7	35304	13,393,168	1.65%
8	59133	12,416,125	1.53%
9	65172	10,708,243	1.32%
10	64787	10,549,436	1.30%
11	62973	9,940,840	1.22%
12	20038	9,554,610	1.18%
13	65523	8,978,353	1.10%
14	45158	8,569,976	1.05%
15	66573	8,279,148	1.02%
16	26864	8,062,209	0.99%
17	16909	7,864,163	0.97%
18	36780	7,722,208	0.95%
19	00771	7,082,795	0.87%
20	62682	5,533,685	0.68%

**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	₱86,269,695	₱364,951,480	₱143,669,619	(₱278,681,785)	(76.36%)	₱221,281,861	154.02%
Financial assets							
FVTPL	3,974,643,759	4,002,731,474	4,063,319,239	(28,087,715)	(0.70%)	(60,587,765)	(1.49%)
Amortized Cost	–	–	52,890,500	–	–	(52,890,500)	(100.00%)
Receivables	44,777,423	3,420,783	2,899,802	41,356,640	1208.98%	520,981	17.97%
Other asset	1,477,983	1,477,983	1,914,002	–	–	(436,019)	(22.78%)
	₱4,107,168,860	₱4,372,581,720	₱4,264,693,162	(₱265,412,860)	(6.07%)	₱107,888,558	2.53%
LIABILITIES							
Accounts payable and accrued expenses	₱107,165,165	₱18,902,378	₱21,417,588	₱88,262,787	466.94%	(₱2,515,210)	(11.74%)
EQUITY							
Capital stock	813,414,885	940,290,337	912,506,191	(126,875,452)	(13.49%)	27,784,146	3.04%
Additional paid-in capital	3,152,787,921	3,651,193,903	3,577,409,085	(498,405,982)	(13.65%)	73,784,818	2.06%
Retained earnings (deficit)	33,800,889	(237,804,898)	(246,639,702)	271,605,787	114.21%	8,834,804	3.58%
	4,000,003,695	4,353,679,342	4,243,275,574	(353,675,647)	(8.12%)	110,403,768	2.60%
	₱4,107,168,860	₱4,372,581,720	₱4,264,693,162	(₱265,412,860)	(6.07%)	₱107,888,558	2.53%

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)	₱268,988,466	(₱21,132,473)	(₱4,879,724)	(₱299,796,270)	₱290,120,939	(1372.87%)	₱294,916,546	(98.37%)
Dividend income	31,299,611	55,977,923	114,449,367	87,110,546	(24,678,312)	(44.09%)	27,338,821	31.38%
Interest income	1,302,963	2,979,895	15,125,752	8,408,359	(1,676,932)	(56.27%)	6,717,393	79.89%
Miscellaneous income	–	–	2,700,207	–	–	–	2,700,207	100.00%
	301,591,040	37,825,345	127,395,602	(204,277,365)	263,765,695	697.33%	331,672,967	162.36%
OPERATING EXPENSES								
Management and retainer's fees	22,359,984	22,444,474	87,181,718	88,362,528	(84,490)	(0.38%)	(1,180,810)	(1.34%)
Brokers' commission	8,949,703	6,256,976	33,096,776	25,298,361	2,692,727	43.04%	7,798,415	30.83%
Taxes and licenses	604,137	216,530	1,484,084	1,500,777	387,607	179.01%	(16,693)	(1.11%)
Fund accounting fee	448,449	358,967	1,968,194	1,189,024	89,482	24.93%	779,710	65.53%
Transaction charges	320,656	223,463	301,605	841,379	97,193	43.49%	(539,774)	(64.15%)
Custodian and clearing fees	257,084	335,771	1,147,851	1,361,739	(78,687)	(23.43%)	(213,888)	(15.71%)
Professional fees	117,118	115,787	663,075	469,579	1,331	1.15%	193,496	41.21%
Directors' and officers' fees and allowances	69,000	76,315	222,000	243,000	(7,315)	(9.59%)	(21,000)	(8.64%)
Miscellaneous	54,055	57,759	263,125	314,013	(3,704)	(6.41%)	(50,888)	(16.21%)
	33,180,186	30,086,042	126,328,428	119,580,400	3,094,144	10.28%	6,748,028	5.64%
NET INVESTMENT INCOME								
(LOSS) BEFORE TAX	268,410,854	7,739,303	1,067,174	(323,857,765)	260,671,551	3368.15%	324,924,939	(100.33%)
PROVISION FOR FINAL TAX	10,804,942	9,081,164	11,209,746	24,691,141	1,723,778	18.98%	(13,481,395)	(54.60%)
NET INVESTMENT INCOME (LOSS) / TOTAL COMPREHENSIVE INCOME (LOSS)								
	₱257,605,912	(₱1,341,861)	(₱10,142,572)	(₱348,548,906)	₱258,947,773	(19297.66%)	₱338,406,334	(97.09%)

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

As of March 31, 2024, the Fund's total assets reached ₱4.11 billion, lower by ₱0.26 billion or 6.07% from ₱4.37 billion as of December 31, 2023. Total liabilities increased by ₱88.27 million or 466.94% from ₱18.90 million to ₱107.17 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 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 rate of 3.575% in 2024 and interest rates ranging from 3.00% to 3.83% in 2023. The decrease of 76.36% or ₱278.68 million from ₱364.95 million as of December 31, 2023 to ₱86.27 million was due lower balances of time deposit placements as of reporting date.

2. Financial assets at fair value through profit or loss

This account consists of investments in equity securities. The decrease of ₱0.03 billion from ₱4.00 billion to ₱3.97 billion was due to the sale of various securities. As of March 31, 2024 and December 31, 2023, this account includes unrealized fair value gain of ₱265.95 million and ₱70.39 million, respectively.

3. Receivables

This account consists of due from brokers, accrued interest receivable, dividend receivable and accounts receivable. The increase of ₱41.36 million from ₱3.42 million to ₱44.78 million was due to increase in receivable from brokers which pertains to the amount collectible for the sale of equity securities which collections are due within two (2) working trading days following the settlement convention and dividend receivables as of reporting date.

4. Other asset

Other asset pertains to creditable withholding tax from interest income of the Fund. This account remained at ₱1.48 million as of March 31, 2024 and December 31, 2023.

5. Accounts payable and accrued expenses

Accounts payable and accrued expenses consist of due to brokers, accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The increase of P88.27 million or 466.94% from P18.9 million to P107.17 million was mainly due to higher amount of unpaid purchases of equity securities for which payments are due within two (2) working trading days following the settlement convention 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 ₱0.35 billion or 8.12% from ₱4.35 billion to ₱4.00 billion was mainly due to the net redemptions and results of operations during the period.

Capital Stock ended at ₱813.41 million, a decrease of ₱126.88 million or 13.49% from ₱940.29 million, mainly due to net redemptions during the period. The Fund's authorized capital stock remained at ₱2.25 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 813,414,885 and 940,290,337, respectively, while the total number of holders of redeemable common shares are 15,221 and 15,536, respectively.

Additional paid in capital decreased by ₱0.50 billion from ₱3.65 billion as of December 31, 2023 to ₱3.15 billion as of March 31, 2024, due to net redemptions during the period.

Retained earnings increased by ₱271.60 million or 114.21% from a deficit of ₱237.80 million to earnings of ₱33.80 million mainly due to results of operations and net redemptions recorded during the year.

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 loss of ₱0.57 million, lower by 103.85% or ₱15.29 million from the same period last year's net income of ₱14.72 million. Detailed discussions on the changes in the statement of income accounts are as follows:

1. Trading and securities gain (loss)

This account includes realized and unrealized gains from equity securities trading portfolio. The increase of ₱290.12 million from ₱21.13 million loss during the same period last year to ₱268.99 million gain this year was mainly due to the market recovery during the period.

2. Dividend income

This account decreased by ₱24.68 million or 44.09% from ₱55.98 million to ₱31.30 million mainly due to lower cash dividends earned from the shares of stocks held during the period.

3. Interest income

This account totaled ₱1.30 million, 56.27% or ₱1.68 million lower than last year's ₱2.98 million mainly due to lower interest income earned from time deposits during the period on account of decreased time deposits volume and yields.

4. Management and retainer's fees

This account decreased by ₱0.08 million from ₱22.44 million to ₱22.36 million mainly due 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 securities being traded. The increase of 43.04% or ₱2.69 million from ₱6.26 million to ₱8.95 million was mainly due to higher volume of equity trades during the period.

6. Taxes and licenses

This account pertains to taxes other than income tax, such as DST and local taxes. The increase of 179.01% or ₱0.38 million from ₱0.22 million to ₱0.60 million was due to higher DST payment made by the Fund during the period.

7. Fund accounting fee

This account pertains to payment of the fund admin fee during the period. The increase of 24.93% or ₱0.09 million from ₱0.36 million for the same period last year to ₱0.45 million this year was due to higher fees paid in 2024 due to the increase in daily average asset under management of the Fund during the early part of the period.

8. Transaction charges

This account pertains to the payment of stock trading charges. The increase of 43.49% or ₱0.10 million from ₱0.22 million to ₱0.32 million was due to higher volume of equity trades during the period.

9. Custodian and clearing fees

This account pertains to payment to the custodian of the Fund. This account decreased by 23.43% or ₱0.08 million from ₱0.34 million to ₱0.26 million was due to lower fees paid during the period.

10. Professional fees

This account represents audit fees and other professional fees incurred by the Fund. This ended at ₱0.12 million for the period ended March 31, 2024 and 2023.

11. 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 ₱0.01 million or 9.59% from ₱0.08 million to ₱0.07 million was due to fewer members attended the meetings held during the period.

12. Miscellaneous expense

This account decreased by 6.41% from last year's ₱0.06 million to ₱0.05 million mainly due to lower bank charges and other miscellaneous expenses paid by the Fund during the period.

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

The total resources of the Fund increased by ₱0.11 billion from ₱4.26 billion in 2022 to ₱4.37 billion as of December 31, 2023. Liabilities went down by ₱2.52 million or 11.74% from ₱21.42 million in 2022 to ₱18.90 million in 2023.

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

1. Cash and cash equivalents

Cash and cash equivalents represent the Fund's savings, checking accounts and time deposits in local banks. This account increased by ₱221.28 million or 154.02% from ₱143.67 million in 2022 to ₱364.95 million in 2023 due to higher cash in banks and higher placements in time deposit this year.

Cash in banks earn interest at the respective bank deposit rates which remains at 0.13% to 0.50% in 2023 and 2022. Cash equivalents which consist of time deposits earns an annual interest rate ranging from 3.00% to 3.83% and nil in 2023 and 2022, respectively.

2. Financial assets at fair value through profit or loss (FVTPL)

This account consists of investment in equity securities. This account represents 91.54% and 95.28% of the total assets in 2023 and 2022, respectively. It declined by ₱0.06 billion from ₱4.06 billion in 2022 to ₱4.00 billion at the end of the year due to the sale of various securities.

Financial assets at FVTPL includes unrealized fair value gain of ₱70.39 million and fair value loss of ₱115.62 million as of December 31, 2023 and 2022, respectively.

3. Financial assets at amortized cost

Financial assets at amortized cost consist of private debt securities amounting to ₱52.89 million as of December 31, 2022. This investment bears annual interest rate of 3.875% and had already matured in February 2023.

4. Receivables

Receivables amounted to ₱3.42 million and ₱2.90 million as of December 31, 2023 and 2022, respectively. The increase of ₱0.52 million or 17.97% was mainly due to the increase in accrued cash dividends from equity securities.

5. Other asset

This account pertains to prepaid creditable withholding tax and other miscellaneous assets of the Fund. Decreased by ₱0.43 million or 22.78% from ₱1.91 million as of December 31, 2022 to ₱1.48 million as of December 31, 2023 due to reversal of long outstanding miscellaneous assets.

6. Accounts payable and accrued expenses

Accounts payable amounted to ₱18.90 million and ₱21.42 million as of December 31, 2023 and 2022, respectively. The decrease of ₱2.52 million or 11.74% was mainly due to the lower unsettled redemptions of clients.

This account also includes payable to FAMI, accrued expenses, withholding tax payable and documentary stamp tax payable.

7. Equity

Total stockholders' equity increased by ₱110.40 million mainly due to the net subscription and result of operations during the year.

Capital Stock

The Fund's authorized and issued capital stock follow:

	2023	2022
Authorized	2,250,000,000 shares	2,250,000,000 shares
Issued and outstanding	940,290,337 shares	912,506,191 shares

The BOD approved on March 14, 2012 and ratified by the stockholders on August 4, 2012 the increase in authorized capital stock from ₱1.00 billion (1.00 billion redeemable common shares) to ₱1.25 billion (1.25 billion redeemable common shares) with a par value of ₱1.00 per share. The application for increase in authorized capital stock was presented for filing with the SEC on November 13, 2012 and was approved by the SEC on January 24, 2013. The 0.25 billion shares of stock were registered with SEC on May 15, 2015.

The next tranche of the increase in authorized capital stock was approved by the BOD and stockholders on February 25, 2013 and July 13, 2013, respectively, from ₱1.25 billion (1.25 billion redeemable common shares) to ₱3.00 billion (3.00 billion redeemable common shares) with a par value of ₱1.00 per share. The BOD adopted a resolution that the increase in the authorized capital stock to ₱3.00 billion be made in several tranches. The authorized capital stock will be initially increased by ₱1.00 billion while the succeeding increases will be executed upon determination and approval of the BOD without the need of going back to the stockholders for approval. The first tranche of increase in authorized capital stock from ₱1.25 billion to ₱2.25 billion was approved by the SEC on December 29, 2014. The 1.00 billion shares of stock were registered with SEC on June 15, 2015.

As of December 31, 2023 and 2022, the total number of holders of redeemable common shares are 15,536 and 16,329, respectively.

Additional paid-in capital totaled ₱3.65 billion and ₱3.58 billion in 2023 and 2022, respectively, increased by ₱0.07 billion mainly due to the net subscriptions during the year.

Deficit decreased by ₱8.84 million from ₱246.64 million in 2022 to ₱237.80 million this year mainly due to the result of Fund's operation 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 incurred a net loss of ₱10.14 million from a net loss of ₱348.55 million in 2022. Substantial improvement in the Fund's operating performance is primarily due to higher trading and securities gains on sale of equity securities and dividend income during the year.

The highlights of the results of operations for the year ended December 31, 2023 are as follows:

1. *Trading and securities losses*

For the year 2023, the Fund recognized trading and securities loss amounting to ₱4.88 million, 98.37% or ₱294.92 million lower than last year's loss of ₱299.80 million due to improvement in the equity shares prices during the year. This account represents realized loss from the sale and unrealized loss from the change in fair value of debt and equity securities held for trading during the year.

2. *Dividend income*

Dividend income is recognized when the Fund's right to receive payment is established. The increase of ₱27.34 million or 31.38% from last year's ₱87.11 million to ₱114.45 million this year was mainly due to higher cash dividends earned from shares of stocks held during the year.

3. *Interest income*

Interest income earned from cash and cash equivalents and financial assets at FVTPL investments rose by ₱6.72 million or 79.89% from ₱8.41 million to ₱15.13 million this year due to increase in the financial assets at FVTPL investments during the year.

4. **Management and retainer's fee**
This account includes management fees and retainer's fees of the Fund. Decreased by ₱1.18 million from last year's ₱88.36 million to ₱87.18 million this year due to decline in daily average asset under management of the Fund this year.
5. **Brokers' commission**
Broker's commission amounting to ₱33.10 million and ₱25.30 million for the year ended December 31, 2023 and 2022, respectively. The increase of ₱7.80 million or 30.83% was due to higher volume of trades during the year.
6. **Fund accounting fee**
This pertains to payment of the fund admin fee during the year. This account totaled ₱1.97 million and ₱1.19 million for the year ended December 31, 2023 and 2022, respectively. The increase of ₱0.78 million or 65.53% was due to higher fees paid in 2023 during the transition period to the new service provider.
7. **Taxes and licenses**
This account includes filing fees, local taxes and documentary stamp taxes which decreased by ₱0.02 million from ₱1.50 million to ₱1.48 million this year due to lower DST paid during the year.
8. **Custodian and clearing fees**
This account pertains to payment to the custodian of the Fund. This account decreased by ₱0.21 million or 15.71% from last year's ₱1.36 million to ₱1.15 million this year due to lower fees paid during the year.
9. **Professional fees**
This account represents audit fees and other professional fees incurred by the Fund. This account increased by ₱0.19 million or 41.21% from last year's ₱0.47 million to ₱0.66 million this year mainly due to higher audit fees paid during the year.
10. **Transaction charges**
This account pertains to the payment of stock trading and over-the-counter charges of the Fund. The decrease of ₱0.54 million or 64.15% from ₱0.84 million to ₱0.30 million this year was mainly due to lower volume of sale of trades during the year.
11. **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 8.64% from ₱0.24 million in 2022 to ₱0.22 million in 2023 was due to fewer members attended the meetings held during the year.
12. **Miscellaneous expense**
Miscellaneous expenses consist of bank charges, insurance premiums, notarial fees and membership fees and dues. This account decreased by ₱0.05 million or 16.21% from ₱0.31 million to ₱0.26 million mainly due to lower other operating expenses incurred during the year.

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

The total resources of the Fund declined by ₱0.20 billion from ₱4.46 billion in 2021 to ₱4.26 billion as of December 31, 2022. Liabilities also went down by ₱121.19 million or 84.98% from ₱142.61 million in 2021 to ₱21.42 million in 2022.

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

1. Cash and cash equivalents

Cash and cash equivalents represent the Fund's savings, checking accounts and time deposits in local banks. This account decreased by ₱376.56 million or 72.38% from ₱520.23 million in 2021 to ₱143.67 million in 2022 due to lower cash in banks and nil placements in time deposit this year.

Cash in banks earn interest at the respective bank deposit rates remains at 0.125% to 0.50% in 2022 and 2021. Cash equivalents which consist of time deposits earns an annual interest of nil and from 0.125% to 0.875% in 2022 and 2021, respectively.

2. Financial assets at fair value through profit or loss (FVTPL)

This account consists of investment in equity securities. This account represents 95.28% and 83.56% of the total assets in 2022 and 2021, respectively. It rose by ₱329.00 million or 8.81% from ₱3.73 billion in 2021 to ₱4.06 billion at the end of the year due to the purchase of various securities.

Financial assets at FVTPL includes fair value loss of ₱115.62 million and fair value gain of ₱109.09 million as of December 31, 2022 and 2021, respectively.

3. Financial assets at amortized cost

This account consists of investment in private debt securities. This account ended at ₱52.89 million and nil as of December 31, 2022 and 2021, respectively. This investment bears annual interest of 3.875% and will mature on February 2023.

4. Receivables

Receivables amounted to ₱2.90 million and ₱212.85 million as of December 31, 2022 and 2021, respectively. The decrease of ₱209.95 million or 98.64% was mainly due to the decrease in receivable from brokers which pertains to the amount collectible for the sale of equity securities which collections are due within three (3) working trading days following the settlement convention.

This also includes dividend receivable that pertains to cash dividends declared but not yet collected as of financial position date.

5. Other asset

Other asset increased by ₱0.43 million or 29.50% from ₱1.48 million as of December 31, 2021 to ₱1.91 million as of December 31, 2022, respectively. This account pertains to prepaid creditable withholding tax and other miscellaneous asset of the Fund.

6. Accounts payable and accrued expenses

Accounts payable amounted to ₱21.42 million and ₱142.61 million as of December 31, 2022 and 2021, respectively. The decrease of ₱121.19 million or 84.98% was mainly due to the lower unpaid purchases of stock which payments are due within three (3) working trading days following the settlement convention.

This account also includes accounts payable, payable to FAMI, accrued expenses, withholding tax payable and documentary stamp tax payable.

7. Equity

Total stockholders' equity decreased by ₱82.99 million mainly due to the net subscriptions and result of operations during the year.

Capital Stock

The Fund's authorized and issued capital stock follow:

	2022	2021
Authorized	2,250,000,000 shares	2,250,000,000 shares
Issued and outstanding	912,506,191 shares	855,951,046 shares

The BOD approved on March 14, 2012 and ratified by the stockholders on August 4, 2012 the increase in authorized capital stock from ₱1.00 billion (1.00 billion redeemable common shares) to ₱1.25 billion (1.25 billion redeemable common shares) with a par value of ₱1.00 per share. The application for increase in authorized capital stock was presented for filing with the SEC on November 13, 2012 and was approved by the SEC on January 24, 2013. The 0.25 billion shares of stock were registered with SEC on May 15, 2015.

The next tranche of the increase in authorized capital stock was approved by the BOD and stockholders on February 25, 2013 and July 13, 2013, respectively, from ₱1.25 billion (1.25 billion redeemable common shares) to ₱3.00 billion (3.00 billion redeemable common shares) with a par value of ₱1.00 per share. The BOD adopted a resolution that the increase in the authorized capital stock to ₱3.00 billion be made in several tranches. The authorized capital stock will be initially increased by ₱1.00 billion while the succeeding increases will be executed upon determination and approval of the BOD without the need of going back to the stockholders for approval. The first tranche of increase in authorized capital stock from ₱1.25 billion to ₱2.25 billion was approved by the SEC on December 29, 2014. The 1.00 billion shares of stock were registered with SEC on June 15, 2015.

As of December 31, 2022 and 2021, the total number of holders of redeemable common shares are 16,329 and 16,679, respectively.

Additional paid-in capital totaled ₱3.58 billion and ₱3.36 billion in 2022 and 2021, respectively, increased by ₱0.22 billion or 6.56% mainly due to the net subscriptions during the year.

Retained earnings decreased by ₱359.73 million or 318.10% due to the result of Fund's operation 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 incurred a net loss of ₱348.55 million from a net income of ₱143.56 million in 2021. The decrease of ₱492.11 million or 342.79% is primarily due to lower trading and securities gains on sale of equity securities during the year.

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

1. *Trading and securities gains (losses)*

For the year 2022, the Fund incurred trading and securities loss amounting to ₱299.80 million, 236.09% or ₱520.09 million lower than last year's gains of ₱220.29 million. This account represents realized gain (loss) from the sale and unrealized gain (loss) from changes in fair value of debt and equity securities held for trading during the year.

2. *Dividend income*

Dividend income is recognized when the Fund's right to receive payment is established. The increase of ₱19.77 million or 29.35% from last year's ₱67.34 million to ₱87.11 million this year was mainly due to higher cash dividends earned from shares of stocks held during the year.

3. *Interest income*

Interest income earned from cash and cash equivalents and financial assets at FVTPL investments rose by ₱6.17 million or 275.52% from ₱2.24 million to ₱8.41 million this year due to increase in the financial assets at FVTPL investments during the year.

4. *Management and retainer's fee*

This account includes management fees and retainer's fees of the Fund. This account decreased by ₱3.29 million from last year's ₱91.66 million to ₱88.36 million this year, due to decrease in asset under management of the Fund this year.

5. **Brokers' commission**

Broker's commission amounting to ₱25.30 million and ₱23.06 million for the year ended December 31, 2022 and 2021, respectively. The increase of ₱2.24 million or 9.69% was due to higher volume of trades during the year.

6. **Taxes and licenses**

This account includes filing fees, local taxes and documentary stamp taxes which decreased by ₱1.33 million or 47.06% from ₱2.84 million to ₱1.50 million this year due to lower DST paid during the year.

7. **Custodian and clearing fees**

This account pertains to payment to the custodian of the Fund. This account totaled at ₱1.36 million for the year ended December 31, 2022 and 2021.

8. **Fund accounting fee**

This pertains to payment of the fund admin fee during the year. This account totaled ₱1.19 million and ₱0.46 million for the year ended December 31, 2022 and 2021, respectively. The increase of ₱0.73 million or 156.38% was due to higher fees paid during the year.

9. **Transaction charges**

This account pertains to the payment of stock trading and over-the-counter charges of the Fund. The increase of ₱0.06 million or 7.03% from ₱0.79 million to ₱0.84 million this year was mainly due to higher volume of trades during the year.

10. **Professional fees**

This account represents audit fees and other professional fees incurred by the Fund. This account remained at ₱0.47 million for the year ended December 31, 2022 and 2021, respectively.

11. **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 increase of ₱0.16 million or 203.78% from ₱0.08 million in 2021 to ₱0.24 million in 2022 was due to higher number of meetings held during the year.

12. **Miscellaneous expense**

Miscellaneous expenses consist of bank charges, insurance premiums, notarial fees and membership fees and dues. This account increased by ₱0.21 million or 215.68% from ₱0.10 million to ₱0.31 million mainly due to higher other operating expenses incurred during the year.

Plan of Action

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

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

Subsequent Events

There were no material subsequent events that occurred after the period ended March 31, 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 ₱4.9175 as of March 31, 2024, higher by ₱0.2874 or 6.21% from ₱4.6301 as of December 31, 2023. The Fund’s net asset value decreased by ₱0.35 billion or 8.12% from ₱4.35 billion as of December 31, 2023 to ₱4.00 billion as of March 31, 2024.
- *Sales for the period* – The Fund’s total sales of ₱281.68 million for the period ended March 31, 2024, was 226.30% or ₱195.36 million higher than ₱86.32 million sales for the same period last year.
- *Redemptions for the period* – Fund’s total redemptions amounted to ₱892.96 million for the period ended March 31, 2024, was 906.47% or ₱804.24 million higher than ₱88.72 million redemptions for the same period last year.
- *Net Income vs. Benchmark* - The Fund recognized a net income of ₱257.61 million for the period ended March 31, 2024, higher by ₱258.95 million from same period last year’s net loss of ₱1.34 million.
- *Market Share vs. Benchmark* – As of March 31, 2024, the Fund garnered 5.75% share in the Equity Funds category while 1.72% share in terms of net assets. On the basis of account holders, the Fund has 15,221 account holders or 1.62% of the total accounts in the Equity Funds category.

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

PERFORMANCE INDICATORS	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	December 31, 2022 (Audited)
Return on assets ^{1/}	24.30%	(0.23%)	(7.98%)
Return on equity ^{2/}	24.67%	(0.24%)	(8.13%)
Cost to income ratio ^{3/}	11.00%	99.16%	(58.54%)
Net asset value per share ^{4/}	₱4.9175	₱4.6301	₱4.6501
Earnings(Loss) per share ^{5/}	₱0.3045	(₱0.0114)	(₱0.3943)

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

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

^{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 unit by deducting total liabilities from total assets to come up with the Net Assets and dividing with the outstanding number of shares for the year.

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

Item 7. Financial Statements

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

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City on May 27, 2024.

FIRST METRO SAVE AND LEARN EQUITY FUND, INC.

By:


MAURO B. PLACENTE
TREASURER 

CERTIFICATION OF INDEPENDENT DIRECTOR

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

1. I am a nominee for independent director of First Metro Save and Learn Equity 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.	October 18, 2019 – Present	Independent Director
First Metro Consumer Fund, Inc.	June 30, 2018 - Present	Independent Director
First Metro Save and Learn Money Market Fund, Inc.	June 18, 2018 - Present	Independent Director
First Metro Save and Learn Fixed Income Fund Inc.	June 18, 2016 - Present	Independent Director
Universidad de Sta. Isabel- Naga City	2016-present	Member, Board of Trustees
Adamson University	April 2016-present	Vice President for Finance

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of First Metro Save and Learn Equity 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 Equity Fund Inc. of any changes in the above mentioned information within five (5) days from its occurrence.


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


Fr. Rafael K. Eloriaga, CM
Independent Director

SUBSCRIBED AND SWORN to before me on MAY 24 2024 day of May 2024 in Makati City, Philippines, affiant exhibiting to me her TIN No. 135-548-979. **QUEZON CITY**

NOTARY PUBLIC
Until December 31, 200__.

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ATTY. ROGELIO J. BOLIVAR
NOTARY PUBLIC IN QUEZON CITY
Commission No. Adm. Matter No. NP 549 (2023-2024)
IBP O.R. No. 180816 2023 & IBP O.R. No. 180816 2024
PTR O.R. No. 4127771 D 04/03/2024 / Roll No. 33832 / TIN # 129-871-009-000
MCLE No 7&8 FROM APRIL 15, 2023 UNTIL APRIL 14, 2025
Address: 31-F Harvard St. Cubao, Q.C.

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S. S.
QUEZON CITY

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Edgar B. Solilapsi, Filipino of legal age and with office address at #11 Illinois St., Cubao, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director First Metro Save and Learn Equity 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 Save and Learn Money Market Fund, Inc.	June 18, 2018 - Present	Independent Director
First Metro Save and Learn Fixed Income Fund Inc.	June 18, 2016 - 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 Equity 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 Equity Fund Inc. of any changes in the above mentioned information within five (5) days from its occurrence.

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


Edgar B. Solilapsi
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 TIN No. 118-455-840.

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NOTARY PUBLIC
ATTY. ROGELIO J. BOLIVAR
Until December 31, 2000
NOTARY PUBLIC IN QUEZON CITY
Commission No. Adm. Matter No. NP 249 (2023-2024)
IBP O.R. No. 580615 2023 & IBP O.R. No. 160316 2024
PTR O.R. No. 4127771 D 04/03/2024 / Roll No. 33832 / TIN # 125-871-888-000
MCLE No. 7&8 FROM APRIL 15, 2023 UNTIL APRIL 14, 2027
Address: 31-F Harvard St. Cubao, Q.C.

Certification

I, Nimfa G. Balmes-Pastrana, the Corporate Secretary of First Metro Save and Learn Equity Fund, Inc. a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS200509328 and with principal office at 18th floor PSBank Center, Paseo de Roxas corner Seden 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 Equity 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 Equity 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 **QUEZON CITY** Philippines.

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

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ATTY. ROGELIO J. BOLIVAR
NOTARY PUBLIC IN QUEZON CITY
Commission No. 4917 Order No. NP 549 (2023-2024)
IBP O.R. No. 180915 2023 & BSP O.R. No. 180816 2024
PTR O.R. No. 4127771 O.D. 0000024 / Roll No. 33832 / TIN # 129-871-009-000
MCLE No. 7&8 FROM APRIL 15, 2023 UNTIL APRIL 14, 2025
Address: 31-F Harvard St. Cubao, Q.C.