

# COVER SHEET

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SEC Registration Number

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

(Company's Full Name)

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

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

**Edwin B. Valeroso**

(Contact Person)

**8891-2860**

(Company Telephone Number)

1 2      3 1

*Month      Day*  
(Fiscal Year)

**SEC 20-IS / Definitive**

(Form Type)

**4<sup>th</sup> Friday of May**

(Annual Meeting)

**Investment Company**

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

**233**

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

**FIRST METRO SAVE AND LEARN F.O.C.C.U.S. DYNAMIC FUND, INC.**  
**(SALFOCCUS)**  
**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](mailto:asm@fami.com.ph) or mail to FAMI, 18<sup>th</sup> 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 F.O.C.C.U.S. DYNAMIC 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		
Mr. Eduardo R. Carreon, Chairman			
Mr. Robert T. Yu, President			
Ms. Karen Liza M. Roa, Director			
Dr. Bernardo M. Villegas, Independent Director			
Atty. Abelardo V. Cortez, 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

<sup>1</sup> Please fill-out and sign the proxy form and return via mail/email/Metrobank Branches on or before 5:00 p.m. on June 12, 2024.  
Via Mail: To the Corporate Secretary, 18<sup>th</sup> Floor, PS Bank Center, 777 Paseo de Roxas corner Sedeño St., Makati City  
Via Email: asm@fami.com.ph  
Via Metrobank Branches: Use Pouch Code 90020. This service is free of charge.

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

**THIS PROXY NEED NOT BE NOTARIZED. IF THE STOCKHOLDER ATTENDS 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 F.O.C.C.U.S. DYNAMIC FUND, INC.**
3. Province, Country or other jurisdiction of incorporation or organization;  
**Metro Manila, Philippines**
4. SEC Identification number: **CS201821017**
5. BIR Tax Identification Code: **010-145-586-000**
6. Address of Principal Office:  
**18<sup>th</sup> Floor, PS Bank Center, 777 Paseo de Roxas corner Sedeño St., Makati City**
7. Telephone Number:  
**(632) 88912860**
8. Date, time, place, of the meeting of security holders:  
**Date : June 18, 2024**  
**Time : 2:00 p.m.**  
**Place : Live via Zoom at the link provided in**  
**<https://fami.com.ph/>**
9. Approximate date on which the Information Statement is first to be sent or given to security holders:  
**May 27, 2024**
10. In case of Proxy Solicitations:  
  
We are not soliciting proxy.
11. Securities registered pursuant to Sections 4 and 8 of the RSA:  

Title of each class	Number of Shares of Common Stock Outstanding (Par value of ₱0.01)
<b>Common Shares</b>	<b>388,280,892 shares</b>
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

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

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

May 27, 2024

#### Item 2. Right of Appraisal:

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

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

- a. Other than election to office, there is no matter to be acted upon in which any director or executive officer is involved or had a direct, indirect or substantial interest.
- b. No director has informed the registrant, in writing or otherwise, that he intends to oppose any action to be taken by the registrant at the Meeting.

### B. CONTROL & COMPENSATION INFORMATION

#### Item 4. Voting Securities and Principal Holders Thereof:

##### I. Class of Voting Shares:

Class of Voting Securities	Total Outstanding Shares	Votes Entitlement
Common Shares	<b>388,280,892</b>	One (1) vote per Share

##### II. Record Date

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

##### III. Manner of Voting

A shareholder may vote in person, by proxy or by remote communication. Article III, Section 7 of the By-Laws of the Corporation provides that each stockholder shall at every meeting of the stockholders be entitled to one vote, in person or by proxy, for each share with voting right held by such stockholder. At all meetings of the stockholders, all elections and all questions, except in cases where other provision is made by statute or by these By-laws, shall be decided by the plurality vote of stockholders present in

person or by proxy and entitled to vote thereat, a quorum being present. Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting, and entitled to vote thereat, the vote on any question need not be by ballot. On a vote ballot, each ballot shall be signed by the stockholder voting, or in his name by his proxy if there be such proxy, and shall state the number of shares voted by him.

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

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

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

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

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

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

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

In the election of Directors, cumulative voting is allowed. Article V, 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 increases in the number of directors, the additional directors may be elected by the stockholders at the first annual meeting held, or at a special meeting called for the purpose after such increase has been approved.

**IV. Security Ownership of Certain Record and Beneficial Owners and Management:**

The following stockholders own more than 5% of the common voting securities as of May 16, 2024:

<b>Title Class</b>	<b>Name and Address of Owner</b>	<b>Name of Beneficial Owner</b>	<b>Citizenship</b>	<b>No. of Shares Held</b>	<b>Percent to Outstanding Shares</b>
Common Shares	<i>James Chiew Lee or Beverly Anne Chiew Yap or Arthur Brian Chiew Yap Ecoland Davao</i>	Same	Filipino	401,376,315	28.11%

Common Shares	<i>Catholic Educational Association of the Philippines (CEAP)</i> 7 Rd 16, Bagong Pag-asa, Quezon City, Metro Manila	Same	Filipino	131,414,022	9.20%
Common Shares	<i>Manila Ecclesiastical Province School Systems Association (MAPSA) Inc.</i> 6th Flr. St. John Bldg. 1521 Paz St., Paco, Metro Manila	Same	Filipino	115,570,563	8.09%
Common Shares	<i>Norbert Bangloy Comafay</i> #06 Saffron St Mahogany Place 3 Acacia Estates Brgy. Bambang, Taguig, Metro Manila	Same	Filipino	106,709,385	7.47%
Common Shares	<i>Gino Felino Fernandez Salvador or Karl Antonius De Pio</i> 123 Maplewood Court, South Hills Subdivision Tisa, Cebu City	Same	Filipino	75,686,291	5.30%

James Chiew Lee or Beverly Anne Chiew Yap or Arthur Brian Chiew Yap are the owners and will vote their shares.

Catholic Educational Association of the Philippines (CEAP) is the registered owner of the shares in the books of the Company. The Board of Trustees of CEAP has the right to appoint actual person or persons acting individually or jointly to direct the voting or disposition of the shares held by the corporation. The person who will exercise the voting powers over the shares of CEAP is Sr. Ma. Marissa R. Viri, RVM or any officers appointed by the Board.

Manila Ecclesiastical Province School Systems Association (MAPSA) Inc. is the registered owner of the shares in the books of the Company. The Board of Trustees of MAPSA has the right to appoint actual person or persons acting individually or jointly to direct the voting or disposition of the shares held by the corporation. The person who will exercise the voting powers over the shares of MAPSA is Rev. Fr. Albert Nacua Delvo, Ph.D. and Daniel Llanto Estacio, or any officers appointed by the Board.

Norbert Bangloy Comafay is the owner and will vote his shares.

Gino Felino Fernandez Salvador or Karl Antonius De Pio are the owners and will vote their shares.

#### **Security Ownership of Directors/Management:**

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

<b>Title of Class</b>	<b>Name of Beneficial Owners</b>	<b>Amount and Nature of Ownership</b>	<b>Citizenship</b>	<b>Percent to Outstanding Shares</b>
Common Shares	Eduardo R. Carreon	4,000	Filipino	0.00%
Common Shares	Robert T. Yu	4,000	Filipino	0.00%
Common Shares	Karen Liza M. Roa	4,000	Filipino	0.00%
Common Shares	Bernardo M. Villegas*	4,000	Filipino	0.00%
Common Shares	Atty. Abelardo V. Cortez*	4,000	Filipino	0.00%

\*Independent Directors

### **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 F.O.C.C.U.S Dynamic Fund, Inc. is an open-end investment company engaged in selling its capital to the public and investing the proceeds in selected high-grade stocks. The Fund has an initial paid-up capitalization of ₱25,000,000.00 that was paid by First Metro Asset Management, Inc. (FAMI). As of May 16, 2024, the percentage of ownership of FAMI is nil.

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 SALFOCCUS'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:

<b>Name</b>	<b>Experience</b>
Mr. Eduardo S. Carreon Chairman	<p>Mr. Eduardo R. Carreon, 75, Filipino, term of office is one year.</p> <p>Mr. Carreon has been serving as a member of the Board of Director of First Metro Philippine Equity Exchange Traded Fund, Inc. since June 2013, First Metro Save and Learn Money Market Fund, Inc. since June 2018, and First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. (since June 2022).</p> <p>He is also the President of Jempan Development Corporation since 2009. He served in various positions with Maybank Philippines since 1999. He was Consultant (2008-2009), and prior, Senior Vice President of the Enterprise Financial Services (2003-2008). He was also Country Manager for Dow Jones Philippines (1995-1998); General Manager, Philippine Finance and Investment Company, Hong Kong (1979-1981); Assistant Vice President, PCIBank – 1974-1979; and Pro Manager, Citibank from 1970-1973.</p> <p>Mr. Carreon graduated from the Ateneo de Manila University in 1969 with a Bachelor of Arts degree. He is also an MBA candidate from the Ateneo Graduate School of Business.</p>
Mr. Robert T. Yu President	<p>Mr. Robert T. Yu, 77 years old, Filipino, President, term of office is one year.</p> <p>Mr. Yu has been serving as a member of the Board of Director and President of First Metro Consumer Fund, Inc., First Metro Save &amp; Learn</p>



	<p>Philippine Index Fund (SALPHIN), Inc. Since 2017, and First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. (since June 2022).</p> <p>He was formerly the Vice Chairman of First Metro Securities Brokerage Corporation. He was also appointed as Director in 2011 after his stint as the company's President in 2010. He concurrently serves as Adviser to the Board of AXA Philippines and Executive Director of PG Progress Marketing Corporation. He previously served at the Senior Management level in various industrial corporations.</p> <p>Mr. Robert Yu has a Bachelor's Degree in Commerce from the University of the East.</p>
<p>Dr. Bernardo M. Villegas Independent Director</p>	<p>Dr. Bernardo M. Villegas, Ph.D., 85, Filipino, term of office is one year.</p> <p>He has been serving as a member of the Board of Director of First Metro Save and Learn Dollar Bond Fund, Inc. since June 2023, First Metro Save and Learn Money Market Fund, Inc. since June 2021, and First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. (since June 2022).</p> <p>He serves as University Professor and Vice President of the University of Asia and the Pacific. He is a columnist for Manila Bulletin and Business World. He has served as Independent Director for Transnational Diversified, Inc. from 2000 to the present. He has been the Chairman of Filipino Fund since June 2012. He has been the Chairman of the Board of the Benguet Corporation since 2010. He was in the boards of BPI, Globe Telecom, Insular Life, McDonalds, IBM, Rolls Royce, AES, and Alaska Milk. He is a member of the boards of director of leading NGOs such as Dualtech Foundation and the Philippine Foundation for Cultural and Educational Development.</p> <p>He also served as Chairman of Filipino Fund Inc. until February 2007, Co-Chairman until November 30, 2007 and served as its President. He served as Chairman, Department of Economics-De La Salle University Manila and Director, Economic Research Bureau and Graduate School of Business-De La Salle University Manila. He has been an Independent Director of Benguet Corp. since June 25, 1998. He has been a Director of Alaska Milk Corp. since August 2008. He served as Director of Bank of Philippine Islands from 1980 to 2000. He served as a Director of the Filipino Fund Inc., from June 1995 to November 30, 2007. He served as a Non-Executive Independent Director of Uniwide Holdings Inc. since September 11, 1994. He served as an Independent Director of Alaska Milk Corp. from 1999 to 2006.</p> <p>Dr. Villegas holds a Ph.D. in Economics and M.A. in Economics from Harvard University. He obtained his Bachelor's Degree in Commerce and the Humanities (both Summa Cum Laude) from De La Salle University.</p>

<p>Atty. Abelardo V. Cortez Independent Director</p>	<p>Atty. Abelardo V. Cortez, 78, Filipino, term of office is one year.</p> <p>Atty. Cortez has been serving as a member of the Board of Directors of First Metro Philippine Equity Exchange Traded Fund, Inc. since May 2014 and First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. (since June 2022).</p> <p>He has over 30 years of banking experience both in the local and international banking industry, concentrating in the treasury, trust, and private banking side of the business. Over this banking period, he held the following posts: Money Market Head- Rizal Banking Corporation (1978 to 1980); Vice President-Treasury Operations, Bank of the Philippine Island (1980 to 1986); Managing Director and CEO for 8 long years at BPI International Finance Ltd. (Hongkong) from 1987 to 1995; Vice President, Head/Private Banking Group- Bank of the Philippine Island (1995 to 1996); Director for Trust and Investments, ATR Kim Eng Capital Partners, Inc. (1996 to 2011); Independent Board Director, First Metro Investment Corporation (2012).</p> <p>He was national FINEX President in 2007 (the country's biggest associations of financial executives), and Co-Chairman of the country's Capital Market Development Council in 2008; he was a former director/trustee of FINEX Foundation.</p> <p>At present, he is Board Director and Executive Committee member of IAFEI (International Association of Financial Institutes), in charge of the treasury. IAFEI is a more than 50-year-old global financial organization, largely based in Europe.</p> <p>Currently, he sits as Independent Director of First Metro Securities Brokerage Corp.</p>
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The two (2) independent directors, namely, Dr. Bernardo M. Villegas and Atty. Abelardo V. Cortez possess the qualifications and none of the disqualifications of an independent director. They have submitted the Certification for Independent Directors.

**Executive Officers**

Name	Experience
<p>Mr. Mauro B. Placente Treasurer</p>	<p>Mr. Mauro B. Placente, 58, Filipino.</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 &amp; 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 &amp; 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>
<p>Atty. Nimfa B. Pastrana Corporate Secretary</p>	<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 &amp; Learn Fixed-Income Fund, Inc., First Metro Save and Learn Equity Fund, Inc. (from May 2005 to present), First Metro Save and Learn Dollar Bond Fund, Inc. (from 2008 to present), First Metro Asia Focus Equity Fund, Inc. (from 2010 to present), First Metro Consumer Fund, Inc., First Metro Save and Learn Money Market Fund, Inc., First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc., First Metro Securities Brokerage Corporation, First Metro Asset Management, Inc., PBC Capital Investment Corporation, Prima Ventures Development Corporation, Resiliency (SPC), Inc., SBC Properties, Inc., FMIC Equities, Inc., and First Metro Insurance Brokers, Corp.</p> <p>She graduated from the University of the Philippines with a degree A.B. Philosophy and from San Beda College with a Bachelor of Laws degree. She joined First Metro Investment Corporation in February 2002.</p>
<p>Mr. Jonathan T. Tabac Compliance Officer</p>	<p>Mr. Jonathan T. Tabac, 69, Filipino.</p> <p>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 &amp; 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 &amp; Compliance Officer of Citystate Savings Bank (2002-2003), Vice President of Maybank Philippines (formerly PNB Republic Planters Bank)-1997-2001 and Chairman of the Board of RPB Provident Fund, Inc. (1997-2001). Mr. Tabac finished BSC-Accounting from University of Baguio. He is a Certified Public Accountant.</p>

### **Significant Employees**

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

Mr. Eduardo R. Carreon  
 Mr. Robert T. Yu  
 Ms. Karen Liza M. Roa  
 Dr. Bernardo M. Villegas\*  
 Atty. Abelardo V. Cortez\*  
 \*Independent Directors

The nominees, with the exception of Ms. Karen Liza M. Roa are incumbent directors of First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. All five (5) nominees have confirmed and accepted their nomination to become directors.

**Nominee**

<p>Ms. Karen Liza M. Roa          Director</p>	<p>Ms. Karen Liza M. Roa, 55, Filipino.</p> <p>Ms. Roa currently serves as director of First Metro Save and Learn Equity Fund, Inc. (since June 2022), First Metro Save &amp; Learn Fixed-Income Fund, Inc. (since June 2022), First Metro Save and Learn Balanced Fund, Inc. (since June 2022), First Metro Save and Learn Dollar Bond Fund, Inc. (since June 2022), First Metro Asia Focus Equity Fund, Inc. (since June 2022), First Metro Consumer Fund, Inc. (since June 2022), and First Metro Philippine Equity Exchange Traded Fund, Inc. (since June 2022).</p> <p>She has over 25 years of expertise in the field of finance with a career that spans both domestic and international banking operations, she has a wealth of experience that fuels her financial skills. Has worked with some of the most renowned global companies in banking and asset management, such as Chase Manhattan Bank, SunGard Asia Pacific, trust banking groups of Philam Bank, and Citibank NA. She also served as President and CEO of Philam Asset Management, Inc. (PAMI). She was also a lecturer at the country’s top universities, Ateneo de Manila and UP, teaching business courses on strategy, investment management, and financial services. She is the currently the President and CEO of First Metro Asset Management, Inc. (FAMI).</p>
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**Independent Directors**

In accordance with SRC Rule 38(8), First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. (SALFOCCUS) has formulated its rules relative to the election of independent directors, as follows:

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

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

Dr. Bernardo M. Villegas and Atty. Abelardo V. Cortez are nominees for independent directors of SALFOCCUS and they were recommended to the Nominations Committee for election of independent directors by Sharon Abbasi, stockholder, in accordance with the foregoing rules. Sharon Abbasi has no relations with any nominees. No other persons were nominated.

The current members of the Nomination Committee are Mr. Eduardo R. Carreon as the Chairman and Mr. Robert T. Yu and Atty. Abelardo V. Cortez 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 directors, executive officers, or persons nominated or chosen by the registrant to become director or executive officers.

### **Relationships and Related Transactions**

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

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

## Item 6. Compensation of Executive Officers and Directors

Per Diem payments to directors and officers for the year ended December 31, 2023, 2022 and 2021 are as follows:

	Per Diem			
	2024 (Estimated)	2023	2022	2021
Directors	₱200,000	₱170,000	₱232,000	₱275,500
Executive Officers	32,000	32,000	202,039	32,000
Aggregate Annual Per Diem	₱232,000	₱202,000	₱434,039	₱307,500

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 board meetings.

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

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

## Item 7. Independent Public Accountants

The present auditor of the Fund is Sycip, Gorres, Velayo and Company (SGV & Co.). The reports of said auditors on the financial statements of the company for the year 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, SALFOCCUS will still be engaging the services of SGV & Co.

Representatives of SGV & Co. are expected to be present at the stockholders' meeting on June 18, 2024. They will have the opportunity to make a statement if they desire to do so and they are expected to be available to respond to appropriate questions.

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

## Audit and Audit-Related Fees

The aggregate fees paid for the professional services rendered by SGV & Co. for the audit of our Financial Statements are ₱73,920 and ₱63,325 for the years 2023 and 2022, respectively. SGV & Co. conducted the audit in accordance with auditing standards generally accepted in the Philippines to obtain reasonable assurance about whether the financial statements are free of material misstatements. Their audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation.

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

#### **Audit Committee's Approval Policies and Procedures**

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

SALFOCCUS's Audit Committee is chaired by Atty. Abelardo V. Cortez with Dr. Bernardo M. Villegas as member.

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 to 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.



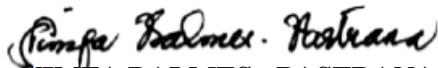
**FIRST METRO SAVE AND LEARN F.O.C.C.U.S. DYNAMIC FUND, INC. YEAR 2023 ANNUAL REPORT ON SEC FORM 17-A WILL BE PROVIDED WITHOUT CHARGE TO EACH STOCKHOLDER UPON WRITTEN REQUEST ADDRESSED TO:**

**Atty. Nimfa Balmes-Pastrana**  
Corporate Secretary  
First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc.  
18<sup>th</sup> Floor, PS Bank Center  
777 Paseo de Roxas, corner Sedeño St., Makati City

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

**FIRST METRO SAVE AND LEARN F.O.C.C.U.S. DYNAMIC 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 F.O.C.C.U.S. Dynamic Fund, Inc. (the Fund) was incorporated in the Philippines on September 25, 2018 and subsequently registered under the Philippine Investment Company (Republic Act No. 2629) on July 1, 2019 as an open-end mutual fund company engaged in selling its capital to the public and investing the proceeds in selected high-grade equity securities in the Philippines. As an open-end mutual fund company, shares are redeemable at the holder's option at net asset value (NAV) at the time of redemption.

First Metro Asset Management, Inc. (FAMI) serves as the investment manager and principal distributor of the Fund. Metropolitan Bank & Trust Company - Trust Banking Group (MBTC-TBG) serves as the Fund's stock and transfer agent. The Fund is a subsidiary of First Metro Investment Corporation (First Metro or the Parent Company) and the ultimate parent company is Metropolitan Bank & Trust Company (Metrobank), the parent company of First Metro.

The registered office address of the Fund is at 18th Flr. PSBank Center, Paseo de Roxas corner Sedeño St., Makati City.

The Fund ranked 2nd place on 1-year return category in 2021 based on its performance from Philippine Investment Fund Association (PIFA).

### **Competition**

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

The registrant's main competitors are the other mutual funds in the Balance Fund category of Philippine mutual funds. It considers the funds of Sunlife and ATRAM, as its main competitors. As of December 31, 2023, these two competitor Funds represent around 55.31% of the total funds in this category. The Fund will be competing initially in terms of return on investment (ROI) and later on in terms of Fund size. ATRAM and Sunlife have big sales force and they have life insurance companies as affiliates which they also tap to market their mutual funds. They have big multinational financial institutions as their parent companies. They have longer track record and experience not only in the mutual fund industry but also in other financial products and services. The top two competitors substantially capture the local industry's market share.

The Fund will compete with other Balanced Funds which at present are also few. It will target potential clients all over the country with a concentration in the major cities. The Fund believes that the competition is in the area of investment performance and client services. It will be competing more in terms of investment performance. It will adopt active investment strategies and tactics. It will fully utilize its present network, database, and available technology to its advantage.

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

## **Principal Suppliers and Major Clients**

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

## **Dependence to a Single Customer or Few Customers**

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

## **Effect of existing governmental regulation**

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

The Fund primarily invests in fixed income instruments and securities such as but not limited to, government treasury notes and bills, private debt securities, short-term placements and other fixed income instruments or securities.

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

- a. Maximum investment in any single enterprise is allowed but only up to fifteen percent (15.00%) of the Fund's NAV, except for investments in securities issued by the Philippine Government or its instrumentalities and, in no case, shall the total investment of the Fund exceed ten percent (10.00%) of the outstanding securities of any one investee company.
- b. The Fund must not invest, in aggregate, more than twenty percent (20%) of its net assets in transferrable securities, money market securities, deposits and financial derivatives issued by a single entity or issuer. Deposit should not exceed twenty percent (20%) of its net assets in a single bank/non-bank with quasi bank license.
- c. The investments of the Fund in deposits, debt securities or money market placements, over-the-counter financial derivatives placed in non-investment grade or unrated deposit taking institution, including unlisted shares issued by a related party, should not exceed five percent (5%) of its net assets and shall not exceed ten percent (10%) in aggregate amount.
- d. Investments in foreign government debt securities or money markets where the issuer or the guarantor is a government, sovereign or central bank with an international long-term issuer rating of investment grade may be increased to thirty five percent (35%) of the NAV, but only five percent (5%) is allowed for non-investment grade.
- e. The Fund manager is required to use a risk-management process that captures the risk associated with in the financial derivative instruments:
  - Total exposure should not exceed ten percent (10%) of the net assets or five percent (5%) if the derivatives are not investment grade, unless used for efficient portfolio management which the aggregate shall not be more than twenty percent (20%);
  - Five percent (5%) of the NAV shall be invested to liquid assets to meet all payment and delivery obligations;
  - The Fund Manager shall not act as a 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 Investment Company shall not engage in short selling.

The Fund believes that government regulations are intended to grow the mutual fund industry while protecting the interests of the investing public, thus, it will comply with the regulations imposed or to be imposed by government regulators. Also, the passage of the Personal Equity Retirement Account (PERA) and 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 F.O.C.C.U.S. Dynamic 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.

**Stock market risk.** Investing in shares of stock is generally riskier because of the volatility of the stock market. Changes in prices of equity securities that compose the Fund's portfolio may substantially vary in a short span of time. The performance of the companies whose shares are included in the portfolio of the Fund is very much dependent on the people behind those companies. Added to that, stock prices are sensitive to political and economic conditions that normally change from time to time. To manage the risk, the stocks included in the portfolio will be cautiously selected by the investment manager based on

their soundness and long-term profitability. Diversification of the stockholdings (not only in terms of the number of stocks but also in the different sectors and industries) of the portfolio will be done to reduce its impact.

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

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

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

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

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

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

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

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

## PART III - SECURITIES OF THE REGISTRANT

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

#### A. Market Information

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

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2024	High	0.2096	–	–	–
	Low	0.1904	–	–	–
2023	High	0.2054	0.1990	0.1973	0.1908
	Low	0.1931	0.1920	0.1867	0.1821
2022	High	0.2142	0.2091	0.1992	0.1989
	Low	0.2016	0.1894	0.1829	0.1829
2021	High	0.2014	0.1961	0.1976	0.2090
	Low	0.1853	0.1836	0.1831	0.1969

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 224 shareholders of the Fund's common stock. In addition, the Fund is 97.70% owned by Filipinos and 2.30% by Non-Filipinos. Retail and Institutional investors owned 67.87% and 32.13%, respectively. Shown below are the top twenty\* (20) shareholders, including the number of shares and percentages of ownership held by each.

No.	Client No.	No. of Shares	Percentage of Ownership
1	66847	401,376,315	27.51%
2	04086	131,414,022	9.01%
3	64280	115,570,563	7.92%
4	62682	104,201,862	7.14%
5	59900	75,686,291	5.19%
6	61822	59,036,179	4.05%
7	52700	49,287,640	3.38%
8	63430	47,066,306	3.23%
9	64849	34,033,032	2.33%
10	64271	33,621,518	2.30%
11	57557	28,324,194	1.94%
12	59231	26,135,778	1.79%
13	65346	25,019,790	1.72%
14	64325	23,840,822	1.63%
15	64184	15,865,385	1.09%
16	04104	15,620,706	1.07%
17	65375	10,857,763	0.74%
18	15224	10,526,316	0.72%
19	61640	9,895,574	0.68%
20	63845	9,523,810	0.65%

*\*In lieu of names, the account numbers were reflected in this report for security reasons.*

### **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)			
				2024 vs. 2023		2023 vs. 2022	
		2023	2022	Amount	%	Amount	%
<b>ASSETS</b>							
Cash in bank	<b>₱18,111,894</b>	₱6,459,725	₱18,274,489	<b>₱11,652,169</b>	<b>180.38%</b>	(₱11,814,764)	(64.65%)
Financial assets at FVTPL	<b>295,664,866</b>	274,449,227	279,387,518	<b>21,215,639</b>	<b>7.73%</b>	(4,938,291)	(1.77%)
Receivables	<b>1,404,344</b>	431,627	876,378	<b>972,717</b>	<b>225.36%</b>	(444,751)	(50.75%)
	<b>₱315,181,104</b>	₱281,340,579	₱298,538,385	<b>₱33,840,525</b>	<b>12.03%</b>	(₱17,197,806)	(5.76%)
<b>LIABILITIES</b>							
Accounts payable and accrued expenses	<b>₱11,716,684</b>	₱723,427	₱1,143,937	<b>₱10,993,257</b>	<b>1519.61%</b>	(₱420,510)	(36.76%)
Deposit for future stock subscription	–	–	235,942,620	–	–	(235,942,620)	(100.00%)
	<b>11,716,684</b>	723,427	237,086,557	<b>10,993,257</b>	<b>1519.61%</b>	(236,363,130)	(99.69%)
<b>EQUITY</b>							
Capital stock	<b>3,914,284</b>	3,975,706	3,961,437	<b>(61,422)</b>	<b>(1.54%)</b>	14,269	0.36%
Additional paid-in capital	<b>79,351,002</b>	80,540,441	82,475,198	<b>(1,189,439)</b>	<b>(1.48%)</b>	(1,934,757)	(2.35%)
Deposit for future stock subscription	<b>212,751,326</b>	219,823,479	–	<b>(7,072,153)</b>	<b>(3.22%)</b>	219,823,479	100.00%
Retained earnings (deficit)	<b>7,447,808</b>	(23,722,474)	(24,984,807)	<b>31,170,282</b>	<b>131.40%</b>	1,262,333	5.05%
	<b>303,464,420</b>	280,617,152	61,451,828	<b>22,847,268</b>	<b>8.14%</b>	219,165,324	356.65%
	<b>₱315,181,104</b>	₱281,340,579	₱298,538,385	<b>₱33,840,525</b>	<b>12.03%</b>	(₱17,197,806)	(5.76%)

#### Statements of Comprehensive Income

	Jan 1– March 31 (Unaudited)		Jan 1– December 31 (Audited)		Increase (Decrease)			
					2024 vs. 2023		2023 vs. 2022	
	2024	2023	2023	2022	Amount	%	Amount	%
<b>INVESTMENT INCOME</b>								
Trading and securities gains (losses)	<b>₱22,565,890</b>	₱3,861,008	(₱5,082,921)	(₱20,005,489)	<b>₱18,704,882</b>	<b>484.46%</b>	₱14,922,568	74.59%
Dividend income	<b>5,962,098</b>	5,297,141	10,358,813	7,029,567	<b>664,957</b>	<b>12.55%</b>	3,329,246	47.36%
Interest income	<b>431,071</b>	448,425	3,399,500	3,320,457	<b>(17,354)</b>	<b>(3.87%)</b>	79,043	2.38%
Miscellaneous income	<b>9,100</b>	–	70,022	–	<b>9,100</b>	<b>100.00%</b>	70,022	100.00%
	<b>28,968,159</b>	9,606,574	8,745,414	(9,655,465)	<b>19,361,585</b>	<b>201.55%</b>	18,400,879	190.57%
<b>OPERATING EXPENSES</b>								
Management and retainer's fees	<b>1,540,200</b>	1,534,565	6,092,874	5,358,985	<b>5,635</b>	<b>0.37%</b>	733,889	13.69%
Brokers' commission	<b>757,046</b>	807,850	2,254,537	2,642,309	<b>(50,804)</b>	<b>(6.29%)</b>	(387,772)	(14.68%)
Taxes and licenses	<b>90,938</b>	12,731	52,428	285,622	<b>78,207</b>	<b>614.29%</b>	(233,194)	(81.64%)
Directors' and officers' fees	<b>56,000</b>	58,000	202,000	232,000	<b>(2,000)</b>	<b>(3.45%)</b>	(30,000)	(12.93%)
Custodian and clearing fees	<b>37,806</b>	43,003	139,165	127,155	<b>(5,197)</b>	<b>(12.09%)</b>	12,010	9.45%
Transaction charges	<b>27,037</b>	28,852	80,313	55,378	<b>(1,815)</b>	<b>(6.29%)</b>	24,935	45.03%
Fund administration fees	<b>22,003</b>	33,723	98,483	–	<b>(11,720)</b>	<b>(34.75%)</b>	98,483	100.00%
Professional fees	<b>13,822</b>	13,670	114,765	55,440	<b>152</b>	<b>1.11%</b>	59,325	107.01%
Miscellaneous	<b>31,151</b>	41,427	187,468	254,081	<b>(10,276)</b>	<b>(24.81%)</b>	(66,613)	(26.22%)
	<b>2,576,003</b>	2,573,821	9,222,033	9,010,970	<b>2,182</b>	<b>0.08%</b>	211,063	2.34%



NET INVESTMENT INCOME (LOSS) BEFORE TAX	26,392,156	7,032,753	(476,619)	(18,666,435)	19,359,403	275.27%	18,189,865	97.45%
PROVISION FOR FINAL TAX	825,116	1,297,722	3,092,251	2,938,830	(472,606)	(36.42%)	153,421	5.22%
NET INVESTMENT INCOME (LOSS) TOTAL COMPREHENSIVE INCOME (LOSS)*	₱25,567,040	₱5,735,031	(₱3,568,870)	(₱21,605,265)	19,832,009	345.80%	₱18,036,395	83.48%

\*There are no other comprehensive income items for the period ended March 31, 2024, December 31, 2023 and 2022, respectively.

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

As of March 31, 2024, the Fund's total assets ended at ₱315.18 million, increased by ₱33.84 million or 12.03% from ₱281.34 million as of December 31, 2023. Total liabilities increased by ₱11.00 million from ₱0.72 million to ₱11.72 million as of reporting date. The changes in total assets and liabilities are primarily due to the movements in the following accounts:

#### 1. Cash in bank

This account consists of the Fund's savings and checking accounts in local banks. Cash in banks earn interest at the respective bank deposit rates. The increase of 180.38% or ₱11.65 million from ₱6.46 million to ₱18.11 million was due to higher cash in bank balances as of reporting date relative to the sales of securities during the period.

#### 2. Financial assets at FVTPL

This account consists of investments in government securities and private debt and equity securities. The increase of 7.73% or ₱21.21 million from ₱274.45 million to ₱295.66 million was due to changes in fair value during the period. As of March 31, 2024 and December 31, 2023, this account includes fair value gain of ₱24.58 million and ₱1.23 million, respectively.

#### 3. Receivables

This account consists of receivables from brokers, accrued interest receivable and dividend receivable. The increase of 225.36% or ₱0.97 million from ₱0.43 million to ₱1.40 million was due to higher uncollected cash dividends as of reporting date.

#### 4. Accounts payable and accrued expenses

This account consists of due to brokers, accounts payable, payable to FAMI, accrued expenses, withholding tax payable and documentary stamp tax (DST) payable. The increase of ₱11.00 million from ₱0.72 million to ₱11.72 million was due to higher payable to broker as of reporting date.

#### 5. Equity

The Fund's equity is comprised of its capital stock, additional paid-in capital, retained earnings and deposit for future stock subscription. The increase of 8.14% or ₱22.85 million from ₱280.62 million to ₱303.46 million was mainly due to results of operations during the period.

*Capital Stock* ended at ₱3.91 million, a slight decrease of ₱0.07 million from ₱3.98 million, mainly due to redemptions during the period. The Fund's authorized capital stock remained at ₱4.00 million with par value of ₱0.01 per share. The number of holders of redeemable common shares are 224 and 236 as of March 31, 2024 and December 31, 2023, respectively.

*Additional paid in capital* decreased by ₱1.19 million from ₱80.54 million to ₱79.35 million due to redemptions during the period.

*Retained earnings (deficit)* increased by ₱31.17 million or 131.40% from ₱23.72 million deficit to ₱7.45 million earnings mainly due to results of operations during the period.

*Deposit for future stock subscription (DFFS)* ended at ₱212.75 million as of March 31, 2024, decreased by ₱7.07 million from ₱219.82 million as of December 31, 2023 mainly due to redemptions during the period.

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

For the period ended March 31, 2024, the Fund realized a net income of ₱25.57 million, increased by ₱19.83 million or 345.80% from the same period last year's net income of ₱5.74 million. Detailed discussions on the changes in the statement of income accounts are as follows:

**1. Trading and securities gains**

This account includes realized and unrealized gains earned from investments in debt and equity securities trading. The increase of ₱18.71 million or 484.46% from ₱3.86 million to ₱22.57 million was mainly due to the changes in fair value of debt and equity securities held for trading during the period.

**2. Dividend income**

This is recognized when the Fund's right to receive a cash dividend is established. Dividend income rose by ₱0.66 million or 12.55% from same period last year's ₱5.30 million to ₱5.96 million mainly due to the higher cash dividends earned from equity securities during the period.

**3. Interest income**

This account includes interest income earned from cash and cash equivalents and investments in government and private debt securities. Interest income totaled ₱0.43 million and ₱0.45 million for the period ended March 31, 2024 and 2023, respectively.

**4. Miscellaneous income**

This account totaled at ₱0.01 million and nil for the period ended March 31, 2024 and 2023, respectively. This consists of long outstanding unidentified items recognized as income.

**5. Management and retainer's fee**

This account represents management fees and other professional fees incurred by the Fund. This account totaled ₱1.54 million and ₱1.53 million for the period ended March 31, 2024 and 2023, respectively.

**6. Brokers' commission**

This account pertains to fees paid to brokers to execute a trade based on the volume of equity and debt securities being traded. The decrease of ₱0.05 million or 6.29% from ₱0.81 million to ₱0.76 million was mainly due to lower volume of trades during the period.

**7. Taxes and licenses**

This account pertains to taxes other than income tax, such as DST and local taxes amounting to ₱0.09 million for the period ended March 31, 2024. The increase of 614.29% or ₱0.08 million from same period last year's ₱0.01 million was mainly due to the increase in DST relative to the increase in the Fund's subscription during the period.

**8. Directors' and officers' fees**

This pertains to per diem of the Fund's officers and directors during board meetings and annual stockholders' meeting. This account totaled ₱0.06 million for the period ended March 31, 2024 and 2023.

**9. Custodian and clearing fees**

This account decreased by 12.09% or ₱0.005 million mainly due to lower volume of trades during the period. This account ended at ₱0.038 million and ₱0.043 million for the period ended March 31, 2024 and 2023.

**10. Transaction charges**

This account totaled ₱0.03 million and this pertains to the payment of stock trading charges. The decrease of 6.29% was due to lower volume of trades during the period.

**11. Fund admin fees**

This account totaled ₱0.02 million which pertains to payment of the fund admin fee during the period. The decrease of 34.75% or ₱0.01 million from ₱0.03 million was mainly due to lower average daily asset under management of the Fund during the period.

**12. Professional fees**

This account represents audit fees incurred by the Fund amounting to ₱0.01 million for the period ended March 31, 2024 and 2023.

**13. Miscellaneous expenses**

This account decreased by 24.81% or ₱0.01 million from same period last year's ₱0.04 million to ₱0.03 million for the period ended March 31, 2024 mainly due to lower other expenses incurred by the Fund during the period.

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

The Fund ended the year 2023 with audited total assets at ₱281.34 million, lower by ₱17.20 million or 5.76% from ₱298.54 million as of December 31, 2022. Total liabilities also decreased by ₱236.37 million or 99.69% from ₱237.09 million last year to ₱0.72 million this year.

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

**1. Cash in bank**

This account represents the Fund's savings and checking accounts. Cash in banks earn interest at the respective bank deposit rates. This account decreased by ₱11.81 million or 64.65% from last year's ₱18.27 million to ₱6.46 million as of December 31, 2023 mainly due to the net redemptions during the period.

**2. Financial assets at FVTPL**

*Financial assets at FVTPL* consist of investments in government securities and private debt and equity securities. The decrease of ₱4.94 million from ₱279.39 million to ₱274.45 million was mainly due to net effect of the sale and improvement in the price/yields of the securities during the year. Quoted government and private debt securities bears nominal annual interest rates ranging from 3.625% to 8.125% and 3.741% to 6.328% in 2023 and ranging from 4.00% to 8.625% and 3.741% in 2022, respectively.

**3. *Receivables***

This account consists of receivables from brokers, accrued interest receivable and dividend receivable. The decrease of ₱0.45 million or 50.75% from ₱0.88 million to ₱0.43 million was mainly due to lower outstanding balances of amount collectible for the sale of equity securities, accrued interest receivable and dividend receivable as of reporting date.

**4. *Accounts payable and accrued expenses***

This account consists of due to brokers, accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The decrease of ₱0.42 million or 36.76% from ₱1.14 million to ₱0.72 million this year was mainly due to lower unsettled accounts payable as of reporting date.

**5. *Equity***

The Fund's equity is comprised of its capital stock, additional paid-in capital, deposit for future stock subscription and retained earnings. The increase of ₱219.17 million or 356.65% from ₱61.45 million to ₱280.62 million was mainly due to the reclassification of deposit for future stock subscription from liability to equity.

*Capital Stock* ended at ₱3.98 million, a slight increase of ₱0.02 million from ₱3.96 million last year, mainly due to reclassification of issued shares from deposit for future stock subscription during the year. The Fund's authorized capital stock remained at ₱4.00 million with par value of ₱0.01 per share. As of December 31, 2023 and 2022, the total issued and outstanding shares is 397,570,618 and 396,143,671, respectively, while the total number of holders of redeemable common shares are 236 and 237, respectively.

*Additional paid in capital* went down by ₱1.94 million from ₱82.48 million to ₱80.54 million due to net redemptions made during the year.

*Deposit for future stock subscription (DFFS)* ended at ₱219.82 million as of December 31, 2023 mainly due to payment of redemptions during the period, decreased by 6.83% or ₱16.12 million from ₱235.94 million as of December 31, 2022.

*Deficit* decreased by ₱1.27 million or 5.05% from ₱24.99 million to ₱23.72 million mainly due to the results of operations recognized during the year.

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

For the year ended December 31, 2023, the Fund realized a net loss of ₱3.57 million, a decrease of ₱18.04 million or 83.48% from last year's net loss of ₱21.61 million. The highlights of the results of operations for the year are as follows:

**1. *Trading and securities loss***

This account includes realized and unrealized loss earned from investments in debt and equity securities. The decrease of ₱14.93 million or 74.59% from last year's ₱20.01 million to ₱5.08 million this year was mainly due to lower realized loss from the sale and higher unrealized gain from changes in fair value of debt and equity securities held for trading during the year.

**2. Dividend income**

This is recognized when the Fund's right to receive cash dividend is established. This account increased by ₱3.33 million or 47.36% from last year's ₱7.03 million to ₱10.36 million due to higher cash dividends earned from equity securities during the year.

**3. Interest income**

This account includes interest income earned from cash and cash equivalents, and investments in government and private debt securities. The increase of ₱0.08 million from last year's income of ₱3.32 million to ₱3.40 million was mainly due to higher interest income earned from debt securities during the year.

**4. Miscellaneous income**

This account ended at ₱0.07 million and nil for the years 2023 and 2022, respectively. This consists of long outstanding unidentified items reclassified to income.

**5. Management and retainer's fees**

This account increased by ₱0.73 million or 13.69% from last year's ₱5.36 million to ₱6.09 million mainly due to higher management fees relative to the increase in the Fund's net assets.

**6. Brokers' commission**

This account pertains to fees paid to brokers to execute a trade based on the volume of equity and debt securities being traded. The decrease of ₱0.39 million or 14.68% from last year's ₱2.64 million to ₱2.25 million was mainly due to lower volume of trades during the year.

**7. Directors' and officers' fees**

This account pertains to per diem of the Fund's officers and directors during board meetings and annual stockholders' meeting during the year. This account decreased by ₱0.03 million or 12.93% from last year's ₱0.23 million to ₱0.20 million this year due to lower attendees during the year.

**8. Custodian and clearing fees**

Custodian and clearing fees pertain to payment made to the custodian of the Fund. This account totaled at ₱0.14 million and ₱0.13 million for the year ended December 31, 2023 and 2022. The increase of ₱0.01 million or 9.45% was due to higher fees paid to the custodian of the Fund during the year.

**9. Professional fees**

This pertains to payment of audit fee and other professional services acquired during the year. This account totaled ₱0.11 million and ₱0.06 million for the year ended December 31, 2023 and 2022, respectively. The increase of ₱0.05 million was mainly due to increase in audit fee during the year.

**10. Fund administration fee**

This pertains to payment of the fund accounting fee during the year. This account totaled ₱0.10 million and nil for the year ended December 31, 2023 and 2022, respectively. The increase of ₱0.10 million was due to outsourcing of fund administration service in 2023.

**11. Transaction Charges**

Transaction charges increased by ₱0.02 million or 45.03% from last year's ₱0.06 million to ₱0.08 million mainly due to higher transaction cost incurred in the sale of equity securities during the year.

**12. Taxes and licenses**

This account pertains to taxes other than income tax, such as DST and local taxes. The decrease of ₱0.24 million or 81.64% from last year's ₱0.29 million to ₱0.05 million was mainly due to lower DST and local taxes paid during the year.

**13. Miscellaneous Expense**

This account decreased by ₱0.06 million or 26.22% from last year's ₱0.25 million to ₱0.19 million mainly due to lower membership fee and dues, notarial fees, bank charges and other miscellaneous expenses paid by the Fund during the year.

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

The Fund ended the year 2022 with audited total assets at ₱298.54 million, higher by ₱270.45 million or 962.74% from ₱28.09 million as of December 31, 2021. Total liabilities increased by ₱237.00 million from ₱0.09 million to ₱237.09 million this year.

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

**1. Cash in bank**

This account represents the Fund's savings and checking accounts. Cash in banks earn interest at the respective bank deposit rates. This account increased by ₱13.65 million or 295.80% from ₱4.62 million to ₱18.27 million mainly due to the higher balances of current accounts as of reporting date.

**2. Financial assets at FVTPL**

*Financial assets at FVTPL* consist of investments in government securities and private debt and equity securities. The increase of ₱256.23 million or 1106.37% from ₱23.16 million to ₱279.39 million was mainly due to purchase of securities during the year. Quoted government and private debt securities bears nominal annual interest rates ranging from 4.00% to 8.625% and 3.741% in 2022 and ranging from 3.375% to 8.00% and nil in 2021.

**3. Receivables**

This account consists of receivables from brokers, accrued interest receivable and dividend receivable. The increase of ₱0.57 million or 178.23% from ₱0.31 million to ₱0.88 million was mainly due to higher outstanding balances of accrued interest receivable and dividend receivable as of reporting date.

**4. Accounts payable and accrued expenses**

This account consists of due to brokers, accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The increase of ₱1.05 million or 1153.93% from ₱0.09 million to ₱1.14 million this year was mainly due to higher unsettled accounts payable as of reporting date.

**5. Deposit for future stock subscription**

This account totaled ₱235.94 million representing 1,141,025,782 shares as of reporting date and this pertains to total consideration received in excess of the authorized capital of the Fund with the purpose of applying the same as payment for future issuance of redeemable shares. However, as of March 22, 2023, the fund has yet to apply the increase in authorized capital stock in SEC.

## 6. *Equity*

The Fund's equity is comprised of its capital stock, additional paid-in capital and retained earnings. The increase of ₱33.45 million or 119.47% from ₱28.00 million to ₱61.45 million was mainly due to the net subscriptions during the year.

*Capital Stock* ended at ₱3.96 million, an increase of ₱2.60 million or 191.60% from ₱1.36 million last year, mainly due to subscriptions during the year. The Fund's authorized capital stock remained at ₱4.00 million with par value of ₱0.01 per share. As of December 31, 2022 and 2021, the total issued and outstanding shares were 396,143,671 and 135,850,650, respectively, while the total number of holders of redeemable common shares are 237 and 20, respectively.

*Additional paid in capital* went up by ₱52.09 million or 171.43% from ₱30.39 million to ₱82.48 million due to subscriptions made during the year.

*Deficit* increased by ₱21.24 million or 567.28% from ₱3.74 million to ₱24.98 million mainly due to the results of operations recognized during the year.

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

For the year ended December 31, 2022, the Fund realized a net loss of ₱21.61 million, a decrease of ₱22.50 million or 2531.14% from last year's net income of ₱0.89 million. The highlights of the results of operations for the year are as follows:

### 1. *Trading and securities gains (losses)*

This account includes realized and unrealized gains earned from trading investments in debt and equity securities. The decrease of 1167.38% or ₱21.88 million from last year's ₱1.87 million gain to ₱20.01 million loss this year was mainly due to lower realized gain from the sale and unrealized gain from changes in fair value of debt and equity securities held for trading during the year.

### 2. *Dividend income*

This is recognized when the Fund's right to receive cash dividend is established. This account increased by ₱6.59 million or 1512.37% from last year's ₱0.44 million to ₱7.03 million due to higher cash dividends received from equity securities during the year.

### 3. *Interest income*

This account includes interest income earned from cash and cash equivalents, investments in government and private debt securities. The increase of ₱2.95 million or 784.66% from last year's income of ₱0.37 million to ₱3.32 million was mainly due to higher interest income earned from debt securities during the year.

### 4. *Management and retainer's fees*

This account increased by ₱4.75 million or 785.53% from last year's ₱0.61 million to ₱5.36 million mainly due to higher management fees relative to the increase in the Fund's net assets.

### 5. *Brokers' commission*

This account pertains to fees paid to brokers to execute a trade based on the volume of equity and debt securities being traded. The increase of ₱2.37 million or 871.72% from last year's ₱0.27 million to ₱2.64 million was mainly due to higher volume of equity trades during the year.

**6. Taxes and licenses**

This account pertains to taxes other than income tax, such as DST and local taxes. The increase of ₱0.27 million or 1511.23% from last year's ₱0.02 million to ₱0.29 million was mainly due to higher DST and local taxes paid during the year.

**7. Directors' and officers' fees**

This account pertains to per diem of the Fund's officers and directors during board meetings and annual stockholders' meeting during the year. This account decreased by ₱0.08 million or 24.55% from last year's ₱0.31 million to ₱0.23 million this year due to lower attendees on meetings held during the year.

**8. Custodian and clearing fees**

Custodian and clearing fees pertain to payment made to the custodian of the Fund. This account totaled ₱0.13 million and ₱0.10 million for the year ended December 31, 2022 and 2021. The increase of ₱0.03 million or 24.38% was due to higher fees incurred during the year.

**9. Professional fees**

This pertains to payment of audit fee and other professional services acquired during the year. This account totaled ₱0.06 million for the year ended December 31, 2022 and 2021.

**10. Transaction Charges**

Transaction charges increased by ₱0.05 million or 473.81% from last year's ₱0.01 million to ₱0.06 million mainly due to higher transaction cost incurred in the purchase and sale of equity and fixed income securities during the year.

**11. Miscellaneous Expense**

This account increased by ₱0.22 million or 694.52% from last year's ₱0.03 million to ₱0.25 million mainly due to higher membership fee and dues, notarial fees, bank charges and other miscellaneous expenses paid by the Fund during the year.

**Plan of Action**

FAMI is 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 shares.

**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 ₱0.2080 as of March 31, 2024, higher by ₱0.0176 from ₱0.1904 as of December 31, 2023. The Fund’s net asset value increased by ₱22.85 million or 8.14% from ₱280.62 million as of December 31, 2023 to ₱303.46 million as of March 31, 2024.
- *Sales for the period ended* – The Fund’s total sales of ₱87.90 million for the period ended March 31, 2024 was higher by ₱78.23 million or 808.80% from ₱9.67 million for the same period last year.
- *Redemptions for the period ended* – Total redemptions of the Fund amounting to ₱90.62 million for the period ended March 31, 2024 was 113.03% or ₱48.08 million higher than the ₱42.54 million redemptions for the same period last year.
- *Net Income vs. Benchmark* – The Fund earned ₱25.57 million net income for the period ended March 31, 2024, ₱19.83 million or 345.80% higher than ₱5.74 million net income for the same period last year.
- *Market Share vs. Benchmark* – As of March 31, 2024, the Fund garnered 2.12% share in the Balanced Funds category while 0.36% share among all mutual funds in terms of net assets. On the basis of account holders, the Fund has 224 account holders or 0.24% of the total accounts in this Fund category.

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

PERFORMANCE INDICATORS	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	December 31, 2022 (Audited)
Return on assets <sup>1/</sup>	<b>11.43%</b>	(1.23%)	(13.23%)
Return on equity <sup>2/</sup>	<b>11.67%</b>	(2.09%)	(48.31%)
Cost to income ratio <sup>3/</sup>	<b>8.89%</b>	105.45%	(92.33%)
Net asset value per share <sup>4/</sup>	<b>₱0.2080</b>	₱0.1904	₱0.1935
Earnings (Loss) per share <sup>5/</sup>	<b>₱0.0650</b>	(₱0.0159)	(₱0.0526)

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

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

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

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

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

**Item 7. Financial Statements**

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

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

**FIRST METRO SAVE AND LEARN F.O.C.C.U.S. DYNAMIC FUND,  
INC.**

By:

  
**MAURO B. PLACENTE**  
TREASURER 

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Abelardo V. Cortez, Filipino of legal age and resident of 791 Pantaleon Mandaluyong, 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 FOCCUS Dynamic Fund, Inc. on June 18, 2024 and have been its independent director since June 29, 2022;
2. I am affiliated with the following company/ies or organizations:

Company/Organizations	Period of Service	Position/Relationship
First Metro Philippine Equity Exchange Traded Fund, Inc.	May 14, 2014 to present	Independent Director
First Metro Securities Brokerage Corporation	May 16, 2018 to 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 FOCCUS Dynamic Fund, Inc. as provided for in Section 38 of the Securities and Regulation Code, its Implementing Rules and Regulations and other SEC issuances;
4. I am NOT related to any director/officer/substantial shareholder (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities and Regulation Code;
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding;
6. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of First Metro Save and Learn FOCCUS Dynamic Fund, Inc. of any changes in the abovementioned information within five (5) days from its occurrence.

Done this MAY 24 2024 day of May 2024. Mandaluyong City,

**QUEZON CITY**

*Abelardo V. Cortez*  
Abelardo V. Cortez  
Independent Director

MAY 24 2024

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_ day of May 2024 in Makati City, Philippines, affiant exhibiting to me his TIN: 158-209-919.

**QUEZON CITY**

*Atty. Rogelio J. Tolivar*  
NOTARY PUBLIC  
ATTY. ROGELIO J. TOLIVAR  
NOTARY PUBLIC IN QUEZON CITY

Commission No. Adm. Order No. NP 549 (2023-2024)  
IBP O.R. No. 180815 2024 & EP O.R. No. 180816 2024  
PTR O.R. No. 4127771 D 01/03/2024 / Ref. No. 33832 / TIN # 129-871-009-000  
MCLE No. 786 FROM APRIL 15, 2023 UNTIL APRIL 14, 2026  
Address: 31-F Harvard St. Cubao, Q.C.

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Book No. 10  
Series of 2024.

**CERTIFICATION OF INDEPENDENT DIRECTOR**

I, Bernardo M. Villegas, Filipino of legal age and resident of 119 Aguirre Street, Legaspi Village, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of First Metro Save and Learn FOCCUS Dynamic Fund, Inc. on June 18, 2024 and have been its independent director since June 29, 2022;
2. I am affiliated with the following company/ies or organizations:

Company/Organizations	Period of Service	Position/Relationship
First Metro Save and Learn Dollar Bond Fund, Inc.	June 22, 2023	Independent Director
First Metro Save and Learn Money Market Fund, Inc.	June 16, 2021 to present	Independent Director
University of Asia and the Pacific	From 1995 to present	Senior Vice President Dean of the School of Economics /University Professor
Parents for Education Foundation Inc. ("PAREF"),	From 1976 to present	Educational Consultant
Transnational Diversified Inc.	From 2000 to present	Director
Alaska Milk Corporation	From 1999 to 2020	Independent Director
Insular Life	From 2000 to 2016	Member, Board of Trustees
Benguet Corporation	From 1998 to present	Independent Director
PHINMA Properties, Inc.	From 2000 to present	Independent Director
Filipino Fund, Inc.	From 2012 to present	Chairman
Manila Bulletin	From 1986 to present	Columnist
Philippine Daily Inquirer	From 2000 to present	Columnist

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

Done this MAY 24 2024 day of May 2024. Makati City.

QUEZON CITY

*Bernardo M. Villegas*  
Bernardo M. Villegas  
Independent Director

SUBSCRIBED AND SWORN to before me on MAY 24 2024 day of May 2024 in Makati City, Philippines.  
affiant exhibiting to me his TIN: 158-209-919.

QUEZON CITY

NOTARY PUBLIC  
Until December 31, 200  .

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Book No. 10;  
Series of 2024.

*Rogelio J. Bolivar*  
ATTY. ROGELIO J. BOLIVAR  
NOTARY PUBLIC IN QUEZON CITY

Commission No. Adm. Matter No. NP 549 (2023-2024)  
IBF O.R. No. 180815 2023 & IBP O.R. No. 180816 2024  
PTR O.R. No. 4127771 D 01/03/2024 / Roll No. 33832 / TIN # 129-871-009-000  
MCLE No. 788 FROM APRIL 15, 2023 UNTIL APRIL 14, 2025  
Address: 31-F Harvard St. Cubao, Q.C.

**Certification**

I, Nimfa G. Balmes-Pastrana, the Corporate Secretary of First Metro Save and Learn F.O.C.C.U.S Dynamic Fund, Inc. a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS201821017 and with principal office at 18<sup>th</sup> floor PSBank Center, Paseo de Roxas corner Sedeno St. Makati City, on oath state:

- 1) That I have caused this Definitive Information Statement (SEC Form 20-IS) to be prepared on behalf of First Metro Save and Learn F.O.C.C.U.S Dynamic 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 F.O.C.C.U.S Dynamic 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 24<sup>th</sup> day of May, 2024.

  
Nimfa G. Balmes-Pastrana  
Affiant

SUBSCRIBED AND SWORN to before me this 24<sup>th</sup> day of May, 2024, in Makati City, **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. Adm. Matter No. NF 549 (2023-2024)  
IBP O.R. No. 180816 2023 & IBP O.R. No. 180816 2024  
PTR O.R. No. 4127771 D 01/03/2024 / 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.