

COVER SHEET

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SEC Registration Number

F I R S T M E T R O S A V E & L E A R N P H I L L I P I
I N E I N D E X 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)

Maria Avalen A. Dianco (Contact Person) (0954) 337 3016; (0999) 885 3364 (Company Telephone Number)

1 2 3 1 SEC 20-IS / Definitive 3rd Wednesday of June
Month Day (Form Type) (Annual Meeting)
(Fiscal Year)

Investment Company
(Secondary License Type, If Applicable)

Dept. Requiring this Doc. Amended Articles Number/Section
Total Amount of Borrowings
476 Total No. of Stockholders Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number LCU
Document ID Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

FIRST SAVE METRO SAVE & LEARN PHILIPPINE INDEX FUND (SALPHIN), INC.
ANNUAL STOCKHOLDERS' MEETING
Tuesday, July 22, 2025, 02:00PM via Zoom
Link to ASM 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 18, 2024
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 2024, and subsequent Acts and Resolutions until 30 April 2025
6. Election of the Members of the Board of Directors for the year 2025-2026
7. Renewal of the Management Distribution Agreement for the Year 2025
8. Appointment of External Auditor for the year 2025
9. Other Matters
 - a. Amendments to the Prospectus
 - b. Amendment of Articles of Incorporation and By-Laws to reflect change of Corporate Name
 - c. Amendment of By-Laws to reflect delegation of authority to the Board of Directors to amend the By-Laws
10. Adjournment

Stockholders of record as of May 8, 2025 shall be entitled to vote at the meeting. Pursuant to SEC regulations allowing the 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 remote communication and may vote in absentia or by proxy. 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.

Stockholders who intend to participate in the meeting should register on or before 12:00 noon on July 8, 2025 via Zoom through the link https://bit.ly/FAMIFunds_ASM_July2025. All registrations shall be validated by the Corporate Secretary in coordination with the Stock and Transfer Agent. Upon registration, shareholders will receive instructions on how to access an online web address which will allow them to join the meeting and to cast votes *in absentia* or by proxy.

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 July 8, 2025, through email at asm@fami.com.ph. The validation of proxies submitted for the meeting will be conducted on July 8, 2025.

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.


MA. ALICIA G. PICAZO-SAN JUAN
Corporate Secretary

PROXY

The undersigned stockholder of **FIRST METRO SAVE & LEARN PHILIPPINE INDEX FUND, INC. (SALPHIN)**, hereby appoints _____, 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, July 22, 2025 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 18, 2024			
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 2024, and subsequent Acts and Resolutions until 30 April 2025			
4. Election of the Members of the Board of Directors for the year 2025-2026	# of Votes		
Bro. Manuel V. de Leon, FMS, Chairman			
Mr. Eduardo R. Carreon, President			
Mr. Manuel N. Tordesillas, Director			
Mr. Jose C. Nograles, Independent Director			
Ms. Rosalia A. Lagdameo, Independent Director			
	Yes	No	
5. Renewal of the Management Distribution Agreement for the Year 2025			
6. Appointment of External Auditor for the year 2025			
a. Other Matters:			
b. Amendments to the Prospectus			
c. Amendment of Articles of Incorporation and By-Laws to reflect change of Corporate Name			
d. Amendment of By-Laws to reflect delegation of authority to the Board of Directors to amend the By-Laws			

PRINTED NAME OF STOCKHOLDER

SIGNATURE OF STOCKHOLDER/
AUTHORIZED SIGNATORY

DATE

¹ Please fill-out and sign the proxy form and return via email through asm@fami.com.ph on or before 5:00 p.m. on July 8, 2025.

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 & LEARN PHILIPPINE INDEX FUND (SALPHIN), INC.
3. Province, Country or other jurisdiction of incorporation or organization;
Metro Manila, Philippines
4. SEC Identification number: **CS201307805**
5. BIR Tax Identification Code: **008-518-284-000**
6. Address of Principal Office:
18th Floor, PS Bank Center, 777 Paseo de Roxas corner Sedeño St., Makati City
7. Telephone Number:
(0954) 337 3016; (0999) 885 3364
8. Date, time, place, of the meeting of security holders:
Date : July 22, 2025
Time : 2:00 p.m.
Place : Live via Zoom through the link:
https://bit.ly/FAMIFunds_ASM_July2025
and at 4th Floor, Tower One & Exchange Plaza, Ayala Triangle,
Ayala Avenue, Makati City
9. Approximate date on which the Information Statement is first to be sent or given to security holders:
July 1, 2025
10. In case of proxy solicitations:

We are not soliciting proxy.
11. Securities registered pursuant to Sections 4 and 8 of the RSA:

Title of each class	Number of Shares of Common Stock Outstanding (Par value of ₱1.00)
Common Shares	99,897,347 shares
12. Are any or all of registrant's securities listed on the Philippine Stock Exchange?
No.

PART I - INFORMATION STATEMENT

A. GENERAL INFORMATION

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

Date : Tuesday, July 22, 2025
Time : 02:00 p.m.
Place : Live via Zoom through the following link: https://bit.ly/FAMIFunds_ASM_July2025
and at 4th Floor, Tower One & Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City

For the purposes of registration, participation and voting in absentia, you may access the information through the link:
<https://fami.com.ph/2025-annual-shareholders-meeting-of-first-metro-asset-management-inc-mutual-funds/>

Mailing Address of the Registrant

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

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

July 1, 2025

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	99,897,347	One (1) vote per share

II. Record Date:

Stockholders of record as of May 8, 2025 are entitled to notice and to vote in the Annual Stockholders Meeting

III. Manner of Voting

A shareholder may vote in absentia, by proxy or by remote communication. The Revised Corporation Code and 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, or in absentia, 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 the Revised Corporation Code and SEC Memorandum 6-2020, for the 2025 annual shareholders meetings, shareholders may opt to participate and vote through remote communication and to vote in absentia or by proxy. The board in its meeting last April 10, 2025 approved to adopt the guidelines previously approved by the Board in 2020, for shareholders to participate via remote communication in the shareholder's meeting and to vote in absentia or by proxy.

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 decision of the Corporate Secretary on the validity of the proxies shall be final and binding until and unless set aside by a court of competent jurisdiction.

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

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

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

The following stockholder owns more than 5% of the common voting securities as of May 8, 2025:

Title Class	Name and Address of Owner	Name of Beneficial Owner	Citizenship	No. of Shares Held	Percent to Outstanding Shares
Common Shares	Client No. 34350 / Stockholder / Butuan City	Same	Filipino	19,579,050	19.60%
Common Shares	Client No. 35304 / Stockholder / Pasig City	Same	Filipino	11,751,506	11.76%
Common	Client No. 59733 / Stockholder /	Same	Filipino	11,583,012	11.59%

Shares	Pasig City				
Common Shares	Client No. 57557 / Stockholder / Cebu City	Same	Filipino	7,415,767	7.42%

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

The respective registered owner(s) of the shares above has/have the right to appoint actual person or persons acting individually or jointly to direct the voting or disposition of the shares held by the corporation.

Security Ownership of Directors/Management

Following are the securities owned by directors and officers of the Fund as of May 8, 2025:

Title of Class	Name of Beneficial Owners	Amount and Nature of Ownership	Citizenship	Percent to Outstanding Shares
Common shares	Bro. Manuel V. de Leon	1	Filipino	0.00%
Common shares	Mr. Eduardo R. Carreon	1	Filipino	0.00%
Common shares	Mr. Manuel N. Tordesillas	1	Filipino	0.00%
Common shares	Mr. Jose C. Nograles*	103,628	Filipino	0.08%
Common shares	Ms. Rosalia A. Lagdameo*	1	Filipino	0.00%

**Independent Director*

Voting Trust Holders of 5% or More

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

Changes in Control

First Metro Save & Learn Philippine Index Fund (SALPHIN), 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 ₱25.00 million which was subscribed by Francisco J. Colayco (49.99%), Mary Anne B. Colayco (49.99%), Armand Q. Bengco (0.00%), Guita T. Gopalan (0.00%) and Charito Cole-Alfaro (0.00%).

As of December 31, 2024, there are no outstanding shares for Francisco J. Colayco, Mary Anne B. Colayco, Armand Q. Bengco, Guita T. Gopalan and Charito Cole-Alfaro.

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 SALPHIN'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 April 30, 2025 are as follows:

Name	Experience
<p>Bro. Manuel V. de Leon, FMS <i>Chairman</i></p>	<p>Bro. Manuel V. de Leon, FMS, 67, Filipino, term of office is one year.</p> <p>Bro. De Leon has been serving as a member of the Board of Director of the following companies since 2005 and elected as Chairman of the Board on March 22, 2011, namely: First Metro Save & Learn Fixed-Income Fund, Inc. (2005 to Jan 2025), First Metro Save and Learn Equity Fund, Inc. (2005 to present), First Metro Save and Learn Balanced Fund, Inc. (2005 to Jan 2025), First Metro Save and Learn Dollar Bond Fund, Inc. (2008 to Jan 2025) and First Metro Asia Focus Equity Fund, Inc. (2010 to present). He was elected as Chairman of the Board for First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc., First Metro Consumer Fund, Inc., and First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc. effective February 11, 2025.</p> <p>He is also a director of First Metro Asset Management, Inc. (2005 to present). He is the Founding President and CEO of SAGIP KA 2000 Foundation, Inc. (2000-present). He is the President of Notre Dame of Dadiangas University since May 2021- present. He was the Provincial Superior of Marist Brothers of the Schools - East Asia Province (from 2007 to 2013). He was an awardee of the Ten Outstanding Young Men (TOYM) in 1992.</p> <p>Br. De Leon has Master's and Doctorate degrees in Education from the University of the Philippines.</p>
<p>Eduardo R. Carreon <i>President</i></p>	<p>Mr. Eduardo R. Carreon, 76, Filipino, term of office is one year.</p> <p>Mr. Carreon has been serving as a member of the Board of Director and elected as Chairman of the Board of First Metro Philippine Equity Exchange Traded Fund, Inc. since June 2013 to Jan 2025, First Metro Save and Learn Money Market Fund, Inc. since June 2018 to Jan 2025 and First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. since June 2022 to Jan 2025. He was elected as President for First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc., First Metro Consumer Fund, Inc., First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc., First Metro Asia Focus Equity Fund, Inc., and First Metro Philippine Equity Exchange Traded Fund, Inc. effective February 11, 2025.</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 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>

<p>Manuel N. Tordesillas <i>Director</i></p>	<p>Mr. Manuel N. Tordesillas, 72, Filipino, term of office is one year.</p> <p>Mr. Tordesillas currently serves as the Chairman of First Metro Asset Management, Inc. since December 2024 and First Metro Philippine Equity Exchange Traded Fund, Inc. effective February 11, 2025. He was also elected to serve as Director for First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc., First Metro Consumer Fund, Inc. First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc. and First Metro Asia Focus Equity Fund, Inc. effective February 11, 2025.</p> <p>Mr. Tordesillas is the current President and a Director of ATR Holdings, Inc. (1995-present). He is the Vice-Chairman and a Director of ATR Kim Eng AMG Holdings, Inc. (1995-present). He is the Chairman and a Director of MET Holdings, Inc. (1999-present). He is the Vice Chairman and a Director of ATR Asset Management, Inc. (2004-present) and ATRAM Investment Management Partners Corp. (2013-present) and currently Chairman and Director of ATRAM Trust Corporation (2021-present). He is a Director of Assist America of the Philippines, Inc. (2006-present). He is the President of MGNT Consultants Corp. (2011-present). He is a Board Trustee and Director of East Bay Condominium Corp. (2016-present). He is a member of the Investment Committee of De La Salle University (since 2018). He is a Director of Urbasolar Philippines Corporation (2018-present).</p> <p>His past positions include having served as Chairman and President of AsianLife and General Assurance Corporation (from 2017 to 2019) and Senior Advisor and Director of Etiqa Life and General Assurance Philippines, Inc. (from 2019 to 2021). He served as Chairman of Maybank ATR Kim Eng Capital Partners, Inc. (from 2016 to 2018). He was the President and CEO of ATR Kim Eng Group of Companies (from 1998 to 2011). He was the President of the Investment House Association of the Philippines (from 2012 to 2018).</p> <p>Mr. Tordesillas received his Bachelor of Science degree in Industrial Engineering from De La Salle University in 1975 and his MBA from Harvard University in 1982.</p>
<p>Jose C. Nograles <i>Independent Director</i></p>	<p>Mr. Jose C. Nograles, 75, Filipino, term of office is one year.</p> <p>Mr. Nograles has been serving as the Independent Director for First Metro Save and Learn Balanced Fund, Inc. (June 2022 to Jan 2025), First Metro Philippine Equity Exchange Traded Fund, Inc. (June 2024 to Jan 2025), First Metro Asia Focus Equity Fund, Inc. since June 2022 and First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc. since June 2024. He was elected to serve as Independent Director for First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. and First Metro Consumer Fund, Inc. effective February 11, 2025.</p> <p>He was an Independent Director of First Metro Asset Management, Inc. since June 2011 up to June 2022. He was past President and Vice Chairman of the Board of Directors of the Philippine Deposit Insurance Corporation (Jan. 2008 to June 2011).</p>

	<p>He held various key positions with the Land Bank of the Philippines from 1995 to 2007. Mr. Nograles, was also concurrently the Vice Chairman and President of the Land Bank Insurance Brokerage Inc. (2000 to 2007), and Vice Chairman of the Executive Committee (2002 to 2007). He joined the UCPB Board in March 2008 to Jan. 2011 where he was appointed as Chairman of the Audit Committee and member of the Executive Committee. He was also the Chairman of the Audit Committee and member of the Executive Council of the International Association of Deposit Insurers (Oct. 2008 to May 2011). He's also an independent director of Bank of Commerce since April 2015 and Amalgamated Investment Bancorporation, Inc. since January 2019.</p> <p>He pursued collegiate studies at Ateneo de Manila University, earning an AB degree in Economics and graduating as Cum Laude. He also completed a Master's degree in Business Administration from the Asian Institute of Management. He is a government Career Executive Service Officer III; and was a Fellow of the Institute of Corporate Directors.</p>
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Accordingly, the Nomination Committee approved on June 4, 2025 the inclusion of Ms. Rosalia A. Lagdameo in the final list of candidates for election as an Independent Director during the upcoming Annual Stockholders' Meeting.

Ms. Rosalia A. Lagdameo <i>Independent Director</i>	<p>Ms. Rosalia A. Lagdameo, 68, Filipino, term of office is one year.</p> <p>Ms. Lagdameo was elected as Independent Director of First Metro Asset Management, Inc. last December 18, 2024, and Director of First Metro Philippine Equity Exchange Traded Fund, Inc. effective April 8, 2025.</p> <p>She is currently the Vice-Chairman of Executive Committee of Right Eight Security Agency Inc. (2011-Present) and Managing Director of Value Note Consulting Corp. (2010-2011) and ONL Consultants Inc. (2000-2010).</p> <p>Ms. Lagdameo worked with various financial institutions such as Peregrine Capital Philippines, Inc., Debt Business (1996-1997), Bank of America as Corporate Finance Head (1995), Citibank, N.A as Senior Corporate Finance Specialist (1983-1994), Citicorp Investment Philippines as Account Officer (1981-1983) and Standard & Poor's Corp. New York as a Financial Analyst Trainee (1980-1981).</p> <p>Ms. Lagdameo received her Bachelor of Science in Business Administration Major in Finance from University of the Philippines. She finished her MBA Finance and Management from Wharton, University of Pennsylvania.</p>
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The two (2) independent directors, namely, Mr. Jose C. Nograles, and Ms. Rosalia A. Lagdameo, have possess the qualifications and none of the disqualifications of an independent director.

Executive Officers

Name	Experience
<p>Ma. Alicia G. Picazo-San Juan <i>Corporate Secretary</i></p>	<p>Ma. Alicia Picazo-San Juan, 54, Filipino, term of office is one year.</p> <p>Ms. Picazo-San Juan is a practicing lawyer and Partner of Picazo Buyco Tan Fider Santos & Dee Law Offices and Corporate Secretary of more than 45 Philippine companies, including, SSI Group, Inc., Max's Group, Inc., The Real American Doughnut Co., Inc., Teriyaki Boy Group, Inc., Max's Kitchen, Inc., IBM Philippines, Inc., IBM Business Services, Inc., IBM Solutions Delivery, Inc., IBM Global Financing Philippines, Inc., AXA Asian Markets Services Philippines, Inc., ADA Digital Philippines, Inc., ATR Asset Management, Inc., First Metro Asset Management, Inc., ATR Financial Holdings, Inc., ATRAM Investment Management Partners Corp., Seedbox Technologies, Inc., Seedbox Securities, Inc., Solutions Exchange, Inc., and Cartera Interchange, Inc., and several mutual fund companies.</p> <p>She graduated magna cum laude with the degree of Bachelor of Science in Management, Major in Legal Management, from Ateneo de Manila University in 1992, and graduated cum laude with the degree of Bachelor of Laws from the University of the Philippines in 1996. She has over 28 years of experience in corporate, banking and securities law practice.</p>
<p>Maria Avalen A. Dianco <i>Treasurer</i></p>	<p>Ms. Maria Avalen A. Dianco, 46 years old, Filipino, term of office is one year.</p> <p>She is Vice President and Treasurer of First Metro Asset Management, Inc. (FAMI) effective December 2024. She also serves as the Treasurer of First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn Balanced Fund, Inc., First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save and Learn Dollar Bond Fund, Inc., First Metro Save & Learn Money Market Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc., First Metro Save and Learn F.O.C.C.U.S Dynamic Fund, Inc., First Metro Consumer Fund, Inc., First Metro Save & Learn Philippine Index Fund, Inc. and First Metro Asia Focus Equity Fund, Inc. effective February 2025. She is also the Treasurer of First Metro Insurance Agency, Inc.</p> <p>Prior to FAMI, she also served various roles in the Controllershship Group of First Metro Investment Corporation (April 2002 to May 2022).</p> <p>She is a Certified Public Accountant and graduated cum laude with the degree of Bachelor of Science in Accountancy from Pamantasan ng Lungsod ng Maynila. She has also passed Level I of the CFA Program.</p>

<p>Sydney S. Reyes <i>Compliance Officer</i></p>	<p>Ms. Sydney S. Reyes, 32 years old, Filipino, term of office is one year.</p> <p>Ms. Reyes currently serves as Compliance Officer of First Metro Asset Management, Inc., effective March 27, 2025, First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc., First Metro Consumer Fund, Inc., First Metro Save & Learn Philippine Index Fund, Inc., First Metro Asia Focus Equity Fund, Inc., First Metro Save and Learn Balanced Fund, Inc., First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save & Learn Money Market Fund, Inc., and First Metro Save and Learn Dollar Bond Fund, Inc. effective February 11, 2025.</p> <p>She also serves as Compliance Officer and Corporate Information Officer of First Metro Philippine Equity Exchange Traded Fund, Inc. effective February 11, 2025.</p> <p>Over the past five years, Sydney S. Reyes has built a robust career in the legal and regulatory compliance field, holding progressively responsible roles including Senior Paralegal, SEC Compliance Lead, and Compliance Manager. In these capacities, she gained extensive experience in corporate governance, regulatory filings, contract review, internal compliance audits, and coordination with regulatory bodies such as the Securities and Exchange Commission (SEC) and other relevant government agencies.</p> <p>Prior to FAMI, she worked as a Senior Paralegal in Phoenix Petroleum Philippines, Inc. from 2016 to 2022. From 2022 to 2023, she worked as G-Xchange Inc.'s SEC Compliance Lead and from 2023 to 2024, she worked as the Compliance Manager of Neuroncredit Financing Company, Inc.</p> <p>She graduated from University of Makati with the degree of Bachelor of Arts in Political Science and is currently pursuing her Law Degree in Arellano University School of Law.</p>
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The principal officers are appointed or elected annually by the Board of Directors at its first meeting following the Annual Meeting of Stockholders.

Significant Employees

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

Nominee Directors

The persons listed below have been nominated to become directors for 2025-2026. All directors are elected for a term of one year and until their successors shall have been elected and qualified.

Bro. Manuel V. de Leon, FMS, Chairman
Mr. Eduardo R. Carreon, President
Mr. Manuel N. Tordesillas, Director
Mr. Jose C. Nograles*
Ms. Rosalia A. Lagdameo*
**Independent Directors*

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

Independent Directors

In accordance with SRC Rule 38(8), SALPHIN 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.

Mr. Jose C. Nograles and Ms. Rosalia A. Lagdameo are all nominees for independent directors of SALPHIN and they were recommended to the nominations committee for election of independent directors by Rienzie Biolena, stockholder, in accordance with the foregoing rules. Rienzie Biolena has no relations with any nominees. No other persons were nominated.

The current members of the nomination committee are Mr. Manuel N. Tordesillas as the Chairman, Mr. Eduardo R. Carreon and Mr. Jose C. Nograles 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, 2024, 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, 2024, 2023 and 2022 are as follows:

	Per Diem			
	2025 (Estimate)	2024	2023	2022
Directors	₱250,000	₱214,000	₱180,000	₱211,500
Executive Offices	40,000	29,500	34,500	32,000
<u>Aggregate Annual Per Diem</u>	<u>₱290,000</u>	<u>₱243,500</u>	<u>₱214,500</u>	<u>₱243,500</u>

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 meetings.

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

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

Item 7. Independent Public Accountants:

The present auditor of the Fund is Sycip, Gorres, Velayo and Company. (SGV & Co.). The reports of said auditors on the financial statements of the company for the years ended December 31, 2024, 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 2025, SALPHIN will still be engaging the services of SGV & Co.

Representatives of SGV are expected to be present at the stockholders meeting on July 22, 2025. 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 Part I (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 2024, 2023, 2022 and 2021 and Janet Paraiso for the year 2020. The reports of auditors on the financial statements of the company for the years ended December 31, 2024, 2023 and 2022 contained unqualified opinions.

Audit and Audit-related Fees

The estimated fees to be paid for the professional services rendered by SGV & Co. for the audit of our Financial Statements for the year 2024 is ₱25,872 while the aggregate fees paid for 2023 and 2022 is ₱24,640 and ₱159,489, 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.

SALPHIN's Audit Committee is chaired by Mr. Jose C. Nograles with Ms. Rosalia A. Lagdameo and Mr. Eduardo R. Carreon as members.

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

C. ISSUANCES 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 Corporation's Articles of Incorporation and By-Laws relates to the change of the Corporation's name.

These proposed amendments are being undertaken in connection with the change in the ownership structure of the Corporation's Fund Manager, First Metro Asset Management, Inc. (FAMI), following the execution of a share purchase agreement between First Metro Investment Corporation (FMIC) and ATR Financial Holdings, Inc. (ATR Financial), wherein FMIC sold its 70% equity interest in the Fund Manager to ATR Financial.

Consequently, the change of corporate name reflects the transition to the new parent company and aligns the branding and corporate image of the Corporation with its new majority shareholder and fund management group. Stockholders' approval of the foregoing amendments is being sought to comply with applicable regulatory requirements and to effect the necessary corporate updates pursuant to the change in control.

Additionally, the proposed amendment to the By-Laws relates to the delegation to the Board of Directors of the authority to amend the Corporation's By-Laws.

The stockholders will be requested to consider and approve the delegation of the power to amend, alter, repeal, or adopt new By-Laws to the Board of Directors, in accordance with Section 47 of the Revised

Corporation Code of the Philippines. Under this provision, such authority may be delegated to the Board by the affirmative vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock.

The rationale for the delegation is to enable the Corporation to adopt amendments or updates to the By-Laws in a more expedient and efficient manner, without the need to convene stockholders' meetings for routine or non-substantive revisions.

It is expressly stated that the delegation of this authority to the Board will not prejudice the rights of the stockholders. Any amendments made by the Board must remain consistent with the provisions of the Revised Corporation Code, the Investment Company Act, and other applicable laws, rules, and regulations. Furthermore, the authority granted shall be confined to amendments that do not materially affect fundamental stockholder rights without prior stockholder approval, and the stockholders shall retain the inherent right to revoke the delegation at any time, upon a similar vote threshold.

The proposed amendments to the prospectus include changes in Corporate's name, 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 18, 2024
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 2024, and subsequent Acts and Resolutions until 30 April 2025
4. Election of the Members of the Board of Directors for the year 2025-2026
5. Renewal of the Management Distribution Agreement for the Year 2025
6. Appointment of External Auditor for the year 2025
7. Other Matters
 - a. Amendments to the Prospectus
 - b. Amendment of Articles of Incorporation and By-Laws to reflect change of Corporate Name
 - c. Amendment of By-Laws to reflect delegation of authority to the Board of Directors to amend the By-Laws

During the Annual Stockholders' Meeting

The Fund conducted its last Annual Stockholders' Meeting (ASM) via remote communication on June 18, 2024, 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 2024 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 2024 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 as present in the meeting or by proxy, or voting *in absentia* 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. For the amendment of Articles of Incorporation and By Laws

There’s no voting requirement to amend the Articles of Incorporation under the By Laws. However, the Section 15 of the Revised Corporation Code (RCC) states that “Unless otherwise prescribed by this Code or by special law, and for legitimate purposes, any provision or matter stated in the articles of incorporation may be amended by a majority vote of the board of director and the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock, without prejudice to the appraisal right of dissenting stockholders in accordance with the provisions of this Code.”

Article XII Section 7 of the By Laws states that “These by-laws shall be subject to amendment, alteration or repeal and new By-Laws not inconsistent with any provisions of law, may be made, by the affirmative vote of the majority of the Board of Directors and of holders of record of a majority of the outstanding capital stock of the Corporation entitled to vote in respect thereof given at any annual meeting or any special meeting called for such purpose. The Board of Directors may likewise amend, alter, or repeal any By-Laws or adopt new By-Laws by majority vote at any regular or special meeting of the Board, if authorized by the stockholders, provided by Law”

4. Methods by which votes will be counted

The votes of the stockholders registered as present in the meeting or by proxy, or voting *in absentia*, shall be counted electronically, and the Chairperson will announce the result of the voting. Stockholders participating in the online meeting are given an electronic ballot which will allow them to vote on all items in the agenda presented for voting in the meeting. The ballots will be filled up electronically by stockholders and submitted electronically to the Corporate Secretary or her duly authorized representative/s. The valid votes will be counted by the Corporate Secretary. The Chairman will then announce the result after the counting.

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 and for voting in absentia. 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 & LEARN PHILIPPINE INDEX FUND (SALPHIN), INC. YEAR 2024 ANNUAL REPORT WILL BE PROVIDED WITHOUT CHARGE TO EACH STOCKHOLDER UPON WRITTEN REQUEST ADDRESSED TO:

Atty. Ma. Alicia G. Picazo-San Juan
Corporate Secretary
First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc.
18th Floor, PS Bank Center
777 Paseo de Roxas, corner Sedeño St., Makati City

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City on June 19, 2025.

FIRST METRO SAVE & LEARN PHILIPPINE INDEX FUND (SALPHIN), INC.

By:



MA. ALICIA G. PICAZO-SAN JUAN
Corporate Secretary

PART II - COMPANY PROFILE

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

First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc. (the Fund) was incorporated on April 26, 2013. On December 17, 2013, the Fund was granted its registration under the Philippine Investment Company Act, Republic Act (RA) 2629, as an open-end mutual fund company engaged in selling its capital to the public and investing the proceeds in a portfolio of quality, high-grade equity securities and fixed income instruments. As an open-end mutual fund company, it can redeem its outstanding redeemable shares at net asset value (NAV) per share at any time upon redemption of its investors.

The number of securities being offered, inclusive of what has already been subscribed to upon incorporation, is One Hundred Million (100,000,000) shares which corresponds to the authorized capital stock of the Fund at par value of ₱1.00 per share. The price at which these shares are to be offered is based on the net asset value per share computed on a daily basis plus a front-end sales load fee. The shares to be offered are unlisted and will be traded through the over-the-counter market. The Fund was launched to the public on January 22, 2014.

On December 13, 2013, the Board of Directors (BOD) approved and the stockholders ratified the increase in authorized capital stock of the Fund from ₱100.00 million (100.00 million redeemable common shares) to ₱2.00 billion (2.00 billion redeemable common shares) with a par value of ₱1.00 per share. Also, the BOD adopted a resolution that the increase in the authorized capital stock to ₱2.00 billion be made in several tranches. The succeeding increase in the authorized capital stock will be executed upon determination and approval of the BOD without the need of going back to the stockholders for approval. The authority of the BOD to increase the authorized capital stock is limited to ₱2.00 billion.

On March 26, 2015, the BOD approved the change in its investment objective from balanced to equity fund and the first tranche for increase in capital stock equivalent to ₱100.00 million (100.00 million redeemable common shares). Both were ratified by the stockholders on May 20, 2015.

On April 28, 2016, the SEC approved the application for the change in investment objective that was filed last January 26, 2016.

On December 29, 2017, FAMI obtained control of the Fund, as approved by the majority of the Fund's stockholders, and invested ₱34.00 million in order to take effect the acquisition.

On October 12, 2018, the SEC approved the changed in its corporate name from One Wealthy Nation Fund, Inc. to First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc. and its investment objective that was filed last September 19, 2018.

On December 23, 2024, the SEC accepted the Fund's application for the increase in authorized capital stock from ₱100.00 million to ₱200.00 million.

As of December 31, 2024, total deposits for future stock subscriptions amounted to ₱12.35 million representing 25,463,654 shares remain unissued pending SEC approval of the Fund's application for the increase in authorized capital stock..

First Metro Asset Management, Inc. (FAMI) serves as the investment manager and principal distributor of the Fund. Metropolitan Bank and Trust Company - Trust Banking Group (MBTC-TBG) serves as the Fund's stock and transfer agent.

Prior to October 2024, the Fund is a subsidiary of First Metro and the ultimate parent company is MBTC, the parent company of First Metro. Since FAMI is the Fund's fund manager and First Metro holds a significant percentage of interest in FAMI, the latter maintained control over the Fund through its stake in FAMI. In October 2024, due to the disposal of First Metro of all its holdings in FAMI, the Fund ceases to be a subsidiary of First Metro and an affiliate of Metrobank.

Competition

The competitive environment for the company's products includes not only the products and services offered by the other mutual fund players, but all other investment instruments that the 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 for the past three years.

Currently the big players in this category are Sunlife and Philam. These companies have a big sales force, and they have life insurance companies as affiliates which they utilize to market their mutual funds. Two of these companies have big multinational financial institutions as their parent companies. They have longer track records and experience not only in the mutual fund industry but also in other financial products and services. As of March 31, 2025, these competitors represent around 32.50% of the total equity funds. The Fund will compete with other equity 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 competition will be in the area of investment performance and client services. The Fund will be competing more in terms of investment performance. It will adopt active investment strategies and tactics. It will 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 unit investment trust funds, 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 by the Fund's principal distributor as it competes in this industry.

Principal Suppliers and Major Clients

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

Dependence to a Single Customer or Few Customers

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

Effect of existing governmental regulation

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

The Fund holds medium risk investments that consist mainly of governmental securities, commercial paper, corporate bonds, promissory notes and other debt instruments of varying tenor.

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

- a. Maximum investment in any single enterprise is allowed but only up to fifteen percent (15.00%) of the Fund's NAV, except for investments in securities issued by the Philippine Government or its instrumentalities and, in no case, shall the total investment of the Fund exceed ten percent (10.00%) of the outstanding securities of any one investee company.
- b. The Fund must not invest, in aggregate, more than twenty percent (20%) of its net assets in transferrable securities, money market securities, deposits and financial derivatives issued by a single entity or issuer. Deposit should not exceed twenty percent (20%) of its net assets in a single bank/non-bank with quasi bank license.
- c. The investments of the Fund in deposits, debt securities or money market placements, over-the-counter financial derivatives placed in non-investment grade or unrated deposit taking institution, including unlisted shares issued by a related party, should not exceed five percent (5%) of its net assets and shall not exceed ten percent (10%) in aggregate amount.

- d. Investments in foreign government debt securities or money markets where the issuer or the guarantor is a government, sovereign or central bank with an international long-term issuer rating of investment grade may be increased to thirty five percent (35%) of the NAV, but only five percent (5%) is allowed for non-investment grade.
- e. The Fund manager is required to use a risk-management process that captures the risk associated with in the financial derivative instruments:
 - i. Total exposure should not exceed ten percent (10%) of the net assets or five percent (5%) if the derivatives are not investment grade, unless used for efficient portfolio management which the aggregate shall not be more than twenty percent (20%);
 - ii. Five percent (5%) of the NAV shall be invested to liquid assets to meet all payment and delivery obligations;
 - iii. The Fund Manager shall not act as a counterpart to an OTC derivative investment into by the Investment Company.
- f. Investment in its own securities are prohibited.
- g. Investments in margin purchases of securities, commodity futures contracts, precious metals, unlimited liability instruments, short selling of currencies and securities are not allowed.
- h. Purchasing or selling of securities other than capital stocks of the Fund from or to any of its officers or directors or the officers and directors of its investment adviser/s, manager or distributor/s or firm/s of which any of them are members is prohibited.
- i. The Fund shall not engage in short selling.

The Fund believes that government regulations are intended to grow the mutual fund industry while protecting the interests of the investing public, thus, it will comply with the regulations imposed or to be imposed by government regulators. Also, the passage of the Personal Equity Retirement Account (PERA) and 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 & Learn Philippine Index Fund (SALPHIN), 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 30, 2025. No director or officer of the Company was found in violation of the Manual.

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

Major Risks Involved

Various risk factors can affect the market value of the assets of the Fund and cause the Fund's net asset value to vary. Consequently, there are instances when redemption prices of redeemed shares may be less than the prices at which the shares were originally purchased. Investors who redeem their shares during this time may not recover the full cost of their investment. The following are the risk factors in their order of importance:

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

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

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

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

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 2025 and for the years 2024, 2023 and 2022.

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2025	High	0.7032	—	—	—
	Low	0.6228	—	—	—
2024	High	0.7474	0.7496	0.7900	0.7993
	Low	0.6925	0.6605	0.6786	0.6787
2023	High	0.7560	0.7188	0.7153	0.6967
	Low	0.6814	0.6871	0.6488	0.6386
2022	High	0.7999	0.7708	0.7367	0.7248
	Low	0.7319	0.6549	0.6179	0.6179

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, 2025, there are 477 shareholders of the Company's common stock. In addition, the Fund is 99.93% owned by Filipinos and 0.07% by Non-Filipinos. Retail and institutional investors owned 55.02% and 44.98%, respectively. Shown below are the top twenty (20) shareholders*, including the number of shares and percentage of ownership held by each.

No.	Account No.*	No. of Shares	Percentage of Ownership
1	34350	19,579,050	14.53%
2	35304	18,098,193	13.43%
3	59733	11,583,012	8.60%
4	52715	9,379,976	6.96%
5	57557	7,415,767	5.50%
6	66436	7,190,899	5.34%
7	05548	3,575,224	2.65%
8	61326	3,480,762	2.58%
9	59734	3,088,803	2.29%
10	47734	3,019,758	2.24%
11	51875	2,927,906	2.17%
12	28764	2,570,538	1.91%
13	03092	1,813,332	1.35%
14	05770	1,667,427	1.24%
15	36827	1,444,766	1.07%
16	00771	1,226,962	0.91%
17	51557	1,012,166	0.75%
18	08436	891,429	0.66%
19	25948	875,735	0.65%
20	63178	728,404	0.54%

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

C. Dividends

The Fund has not issued any cash dividend since its inception. The Board of Directors of the Fund may decide to declare dividends from the unrestricted retained earnings of the Fund at a time and percentage as the Board may deem proper and in accordance with law. The Fund may declare or pay dividends but limits those dividends to come from the Fund's accumulated undistributed net income. The ability of the Fund to

declare dividends therefore will be restricted by the amount of yearly net income generated. This would be dependent on the performance of the market and on the performance of the investment manager.

Recent Sale of Unregistered Securities

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

Legal Proceedings

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

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

PART IV - MANAGEMENT DISCUSSION AND ANALYSIS

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

The Fund's Statements of Financial Position and Statements of Comprehensive Income as of March 31, 2025 and for the years ended December 31, 2024 and 2023 are presented below :

Statements of Financial Position

	As of March 31, 2024 (Unaudited)	As of December 31 (Audited)		Increase (Decrease)			
				2025 vs. 2024		2024 vs. 2023	
		2024	2023	Amount	%	Amount	%
ASSETS							
Cash in banks	₱5,365,829	₱1,845,425	₱3,044,486	₱3,520,404	190.76%	(₱1,199,061)	(39.38%)
Financial asset at FVTPL	83,341,085	84,708,364	97,548,292	(1,367,279)	(1.61%)	(12,839,928)	(13.16%)
Receivables	235,484	37,414	94,830	198,070	529.40%	(57,416)	(60.55%)
Other asset	485,291	485,291	485,291	—	—	—	—
	89,427,689	₱87,076,494	₱101,172,899	₱2,351,195	2.70%	(₱14,096,405)	(13.93%)
LIABILITIES							
Accounts payable and accrued expenses	₱351,878	₱265,963	₱330,620	₱85,915	32.30%	(₱64,657)	(19.56%)
EQUITY							
Capital stock	99,997,147	99,720,718	99,994,888	276,429	0.28%	(274,170)	(0.27%)
Additional paid-in capital	1,018,442	1,026,309	1,049,212	(7,867)	(0.77%)	(22,903)	(2.18%)
Deposits for future stock subscriptions	18,254,942	12,349,569	32,411,832	5,905,373	47.82%	(20,062,263)	(61.90%)
Retained earnings (deficit)	(30,194,720)	(26,286,065)	(32,613,653)	(3,908,655)	14.87%	6,327,588	19.40%
	89,075,811	86,810,531	100,842,279	2,265,280	2.61%	(14,031,748)	(13.91%)
	₱89,427,689	₱87,076,494	₱101,172,899	₱2,351,195	2.70%	(₱14,096,405)	(13.93%)

Statements of Comprehensive Income

	Jan 1– March 31		Jan 1– December 31		Increase (Decrease)			
	(Unaudited)		(Audited)		2025 vs. 2024		2024 vs. 2023	
	2025	2024	2024	2023	Amount	%	Amount	%
INVESTMENT INCOME								
Trading and securities gains (losses)	(₱4,063,770)	₱6,822,939	₱7,200,509	(₱1,486,484)	(₱10,886,709)	(159.56%)	₱8,686,993	584.40%
Dividend income	978,480	967,058	2,967,192	3,350,531	11,422	1.18%	(383,339)	(11.44%)
Interest income	544	187	1,063	997	357	190.93%	66	6.62%
Miscellaneous income	–	–	13,000	249,192	–	–	(236,192)	(94.78%)
	(3,084,746)	7,790,184	10,181,764	2,114,236	(10,874,930)	(139.60%)	8,067,528	381.58%
OPERATING EXPENSES								
Management and retainer’s fees	457,311	556,316	2,356,274	2,114,898	(99,005)	(17.80%)	241,376	11.41%
Taxes and licenses	122,060	31,101	771,159	345,107	90,959	292.46%	426,052	123.46%
Directors’ and officers’ fees	72,258	54,000	243,500	214,500	18,258	33.81%	29,000	13.52%
Professional fees	55,509	38,702	27,104	53,566	16,807	43.43%	(26,462)	(49.40%)
Brokers’ commission	21,674	8,548	172,174	157,968	13,126	153.56%	14,206	8.99%
Custodian fees	16,571	20,924	130,691	122,850	(4,353)	(20.81%)	7,841	6.38%
Transaction charges	1,290	305	9,691	1,793	985	322.99%	7,898	440.49%
Miscellaneous	28,505	29,335	109,386	118,535	(830)	(2.83%)	(9,149)	(7.72%)
	775,178	739,231	3,819,979	3,129,217	35,947	4.86%	690,762	22.07%
NET INVESTMENT INCOME								
(LOSS) BEFORE TAX	(3,859,924)	7,050,953	6,361,785	(1,014,981)	(10,910,877)	-154.74%	7,376,766	726.79%
PROVISION FOR FINAL TAX	30,723	15,523	351,071	45,532	15,200	97.92%	305,539	671.04%
NET INVESTMENT INCOME								
(LOSS) / TOTAL								
COMPREHENSIVE INCOME								
(LOSS)	(₱3,890,647)	₱7,035,430	₱6,010,714	(₱1,060,513)	(₱10,926,077)	-155.30%	₱7,071,227	666.77%

2025

Financial Position (*March 31, 2025 vs. December 31, 2024*)

As of March 31, 2025, the Fund's total assets ended at ₱89.43 million, increased by ₱2.35 million from ₱87.08 million as of December 31, 2024. Total liabilities increased by ₱0.08 million or 32.30% from ₱0.27 million to ₱0.35 million as of reporting period. The changes in total assets and liabilities are primarily due to the movements in the following accounts:

a. Cash in banks

This account represents the Fund's savings and checking accounts in local banks. Cash in banks earn interest at the respective bank deposit rates. The increase of 190.76% or ₱3.52 million from ₱1.85 million to ₱5.37 million was due to net subscriptions during the period.

b. Financial assets at fair value through profit or loss

This account consists of investments in equity securities. The decrease of ₱1.37 million from ₱84.71 million to ₱83.34 million was mainly due to changes in fair value of securities held during the period. As of March 31, 2025 and December 31, 2024, this account includes fair value of ₱3.36 million loss and ₱1.03 million gain, respectively.

c. Receivables

This amount is composed of dividends receivable. This account ended at ₱0.24 million, increased by ₱0.20 million or 529.40% from ₱0.04 million as of December 31, 2024 due to higher uncollected dividends receivable as of reporting date.

d. Other assets

This account pertains to creditable withholding taxes and remains at ₱0.49 million as of March 31, 2025 and December 31, 2024.

e. Accounts payable and accrued expenses

This account consists of due to brokers, due to unitholders, accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The increase of ₱0.08 million or 32.30% from ₱0.27 million to ₱0.35 million was primarily due to higher accrued fees, due to unitholders and DST payable as of reporting date.

f. Equity

The Fund's equity is comprised of its capital stock, additional paid-in capital and retained earnings. The increase of ₱2.27 million from ₱86.81 million to ₱89.08 million was mainly due to net subscription during the period.

Capital Stock ended at ₱100.00 million, a increase of ₱0.28 million from ₱99.72 million, mainly due to net subscriptions during the period. The Fund's authorized capital stock remained at ₱100.00 million with par value of ₱1.00 per share. As of March 31, 2025 and December 31, 2024, the number of holders of redeemable common shares are 477 and 482, respectively.

Additional paid-in capital remained at ₱1.02 million as of reporting date.

Deposit for future stock subscription ended at ₱18.25 million as of March 31, 2025, increased by ₱5.90 million or 47.82% from ₱12.35 million as of December 31, 2024 mainly due to net subscriptions during the period.

Deficit increased by ₱3.91 million or 14.87% from ₱26.29 million to ₱30.19 million mainly due to results of operations during the period.

Results of Operations (*January 1– March 31, 2025 vs. January 1– March 31, 2024*)

For the period ended March 31, 2025, the Fund incurred a net loss of ₱3.89 million, lower by ₱10.93 million or 155.30% from same period last year's net income of ₱7.04 million. Detailed discussions on the changes in the statement of income accounts are as follows:

a. Trading and securities gains (losses)

This account includes realized and unrealized gains (losses) from investment in equity securities. The decrease of ₱10.89 million or 159.56% from same period last year's gain of ₱6.82 million to ₱4.06 million loss this year was mainly due to higher realized loss from the sale and result of changes in fair value of equity securities during the period.

b. Dividend income

This is recognized when the Fund's right to receive cash dividend is established. The decrease of ₱0.01 million from ₱0.97 million to ₱0.98 million was mainly due to higher cash dividends earned from equity securities during the period.

c. Interest income

This account pertains to interest income earned from cash in banks during the period. This account remained at ₱0.001 million for the period ended March 31, 2025 and 2024.

d. Management and retainer's fee

This account represents management fees, fund administration fees and other professional fees incurred by the Fund during the period. The decrease of ₱0.10 million or 17.80% from same period last year's ₱0.56 million to ₱0.46 million was mainly due to lower fees paid relative to the decrease of the Fund's average daily assets under management during the period.

e. Taxes and licenses

This account totaled ₱0.12 million, and this pertains to taxes other than income tax, such as DST and local taxes. The increase of 292.46% or ₱0.09 million from same period last year's ₱0.03 million was due to higher DST paid relative to the increase in subscriptions during the period.

f. Directors' and officers' fees

This account pertains to per diem of the Fund's officers and directors during board meetings and annual stockholders' meeting. The increase of 33.81% or ₱0.02 million from ₱0.05 million to ₱0.07 million was due to higher members attended the meetings held during the period.

g. Professional fees

This account totaled ₱0.06 million and ₱0.04 million for the period ended March 31, 2025 and 2024, and this represents audit fees and other professional fees incurred by the Fund during the period.

h. Brokers' commission

This account totaled ₱0.02 million and this pertains to fees paid to brokers for executing trade transactions. The increase of 153.56% or ₱0.01 million from same period last year's ₱0.01 million was due to higher volume of equity securities trading during the period.

i. Custodian fees

This account pertains to payment to the custodian of the Fund. This totaled ₱0.02 million for the period ended March 31, 2025 and 2024.

j. Transaction charges

This account pertains to the payment of stock trading charges. This account increased by 322.99% mainly due to higher volume of equity securities trading during the period.

k. Miscellaneous expenses

This account consists of membership fee and dues and bank charges paid by the Fund. This totaled ₱0.03 million for the period ended March 31, 2025 and 2024.

2024

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

The Fund ended the year 2024 with total assets at ₱87.07 million, lower by ₱14.10 million or 13.93% from ₱101.17 million last year. Total liabilities decreased by ₱0.06 million or 19.56% from ₱0.33 million to ₱0.27 million during the year.

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

a. Cash in banks

This account represents the Fund's savings and checking accounts in local banks. Cash in banks earn interest at the respective bank deposit rates. The decrease of ₱1.19 million or 39.98% from ₱3.04 million to ₱1.85 million was due to settlement of client redemptions during the year.

b. Financial assets at FVTPL

This account consists of investments in equity securities. The decrease of ₱12.84 million or 13.16% from ₱97.55 million to ₱84.71 million was mainly due to sale and changes in fair value of equity securities during the year.

c. Receivables

This account solely pertains to dividends receivable. This account ended at ₱0.04 million and ₱0.09 million as of December 31, 2024 and 2023, respectively. The decrease of ₱0.05 million or 60.55% was due to lower uncollected dividends receivable as of the reporting date.

d. Other assets

This account remained at ₱0.49 million for the year ended December 31 2024 and 2023, which pertains to creditable withholding taxes of the Fund.

e. Accounts payable and accrued expenses

Accounts payable and accrued expenses consisting of due to unitholders, due to brokers, accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The decrease of ₱0.06 million or 19.56% from ₱0.33 million to ₱0.27 million was mainly due to lower accounts payable and due to unitholders as of reporting date.

f. Equity

The Fund's equity is comprised of its capital stock, additional paid-in capital and deficit. The decrease of ₱14.03 million or 13.91% from ₱100.84 million to ₱86.81 million was due to the net redemptions during the year.

Capital Stock ended at ₱99.72 million, a decrease of ₱0.27 million from ₱99.99 million due to redemptions during the year. As of December 31, 2024 and 2023, the total issued and outstanding shares were 99,720,718 and 99,994,888, respectively, while the total number of holders of redeemable common shares is 482 and 515, respectively.

Additional paid-in capital decreased by ₱0.02 million from ₱1.05 million as of December 31, 2023 to ₱1.03 million as of December 31, 2024 due to redemptions during the year.

Deposit for future stock subscription totaled ₱12.35 million representing 25.46 million shares during the year. This is lower by ₱20.06 million or 61.90% compared to ₱32.41 million representing 45.63 million shares last year.

Deficit decreased by ₱6.32 million or 19.40% from ₱32.61 million to ₱26.29 million mainly due to the results of operations recognized during the year.

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

For the year ended December 31, 2024, the Fund recognized a net income of ₱6.01 million, an increase of ₱7.07 million or 666.77% from last year's net loss of ₱1.06 million.

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

a. Trading and securities gains (losses)

This account includes realized and unrealized losses from investment in stocks. The increase of ₱8.69 million or 584.40% from last year's loss of ₱1.49 million to this year's gain of ₱7.20 million was mainly due to realized gain from sale of securities and higher unrealized gain from changes in fair value of equity securities during the year.

b. Dividend income

This account decreased by ₱0.38 million or 11.44% from ₱3.35 million to ₱2.97 million mainly due to lower cash dividend earned from equity securities during the year.

c. Interest income

This account pertains to interest income earned from cash in bank during the year. Interest income resulted to ₱0.001 million for the year 2024 and 2023.

d. Miscellaneous income

This account ended at ₱0.01 million and ₱0.25 million for the year 2024 and 2023, respectively. The decrease of ₱0.24 million or 94.78% was mainly due to lower miscellaneous income recognized during the year.

e. Management and retainer's fee

This account rose by ₱0.24 million or 11.41% from last year's ₱2.11 million to ₱2.35 million mainly due to the higher retainer's fees paid during the year.

f. Taxes and licenses

This account pertains to taxes other than income tax, such as DST and local taxes. The increase of ₱0.43 million or 123.46% from last year's ₱0.34 million to ₱0.77 million was mainly due to higher DST paid relative to the increase in subscriptions during the year.

g. Directors' and officers' fees

This account pertains to per diem of the BOD and officers during annual stockholders' meeting and board meetings. The increase of ₱0.03 million or 13.52% from last year's ₱0.21 million to ₱0.24 million was mainly due to higher attendees on meetings held during the year.

h. Broker's commission

This account pertains to fees paid to brokers for executing trade transactions. The increase of ₱0.01 million or 8.99% from last year's ₱0.16 million to ₱0.17 million was mainly due to increase in volume of equity securities trading during the period.

i. Custodian fees

This account pertains to payment to the custodian of the Fund. This account increased by ₱0.01 million or 6.38% from ₱0.12 million in 2023 to ₱0.13 million this year due to higher fees paid during the year.

j. Professional fees

This account represents audit fees and other professional fees incurred by the Fund. This account decreased by ₱0.02 million or 49.40% from ₱0.05 million to ₱0.03 million mainly due to lower audit fees incurred during the year.

k. Transaction Charges

This account resulted to ₱0.01 million in 2024 and ₱0.002 million in 2023. The increase of 440.49% was mainly due to the higher volume of equity securities sold during the period.

l. Miscellaneous expenses

This account consists of membership fee and dues, annual stockholders meeting expenses, bank charges and postage and mailing fees paid by the Fund. This account decreased by ₱0.01 million or 7.72% from last year's ₱0.12 million to ₱0.11 million this year, mainly due to lower miscellaneous expenses incurred during the year.

2023

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

The Fund ended the year 2023 with total assets at ₱101.17 million, lower by ₱1.26 million from ₱102.43 million last year. Total liabilities decreased by ₱0.85 million or 71.94% from ₱1.18 million to ₱0.33 million during the year.

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

a. Cash in banks

This account represents the Fund's savings and checking accounts in local banks. Cash in banks earn interest at the respective bank deposit rates. The increase of ₱1.26 million or 71.32% from ₱1.78 million to ₱3.04 million was due to sale of equity securities during the year.

b. Financial assets at FVTPL

This account consists of investments in equity securities. The decrease of ₱2.41 million from ₱99.96 million to ₱97.55 million was mainly due to sale and changes in the fair value of equity securities during the year.

c. Receivables

This account solely pertains to dividends receivable. This account ended at ₱0.09 million and ₱0.03 million as of December 31, 2023 and 2022, respectively. The increase of ₱0.06 million or 210.39% was due to higher uncollected dividends receivable as of the reporting date.

d. Other assets

This account decreased by ₱0.17 million or 26.15% from ₱0.66 million to ₱0.49 million this year which pertains to creditable withholding taxes of the Fund.

e. Accounts payable and accrued expenses

Accounts payable and accrued expenses consisting of due to unitholders, due to brokers, accounts payable, payable to FAMI, accrued expenses, withholding tax and documentary stamp tax (DST) payable. The decrease of ₱0.85 million or 71.94% from ₱1.18 million to ₱0.33 million was mainly due to lower accounts payable and due to unitholders as of reporting date.

f. Equity

The Fund's equity is comprised of its capital stock, additional paid-in capital and deficit. The decrease of ₱0.41 million from ₱101.25 million to ₱100.84 million was mainly due to the net loss incurred during the year.

Capital Stock ended at ₱99.99 million, an increase of ₱0.01 million from ₱99.98 million mainly due to subscriptions during the year. As of December 31, 2023 and 2022, the total issued and outstanding shares were 99,994,888 and 99,980,486, respectively, while the total number of holders of redeemable common shares is 515 and 560, respectively.

Additional paid-in capital ended at ₱1.05 million as of December 31, 2023, a decrease of ₱0.12 million or 10.65% from last year's ₱1.17 million.

Deposit for future stock subscription totaled ₱32.41 million representing 45.63 million shares during the year. This is higher by ₱0.62 million compared to ₱31.79 million representing 44.43 million shares last year.

Deficit increased by ₱0.91 million from ₱31.70 million to ₱32.61 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 incurred a net loss of ₱1.06 million, a decrease of ₱6.41 million or 85.81% from last year's a net loss of ₱7.47 million.

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

a. Trading and securities gains (losses)

This account includes realized and unrealized losses from investment in stocks. The decrease of ₱4.52 million or 75.26% from last year's ₱6.01 million to ₱1.49 million this year was mainly due to lower unrealized loss from changes in fair value of equity securities during the year.

b. Dividend income

This account increased by ₱1.50 million or 81.56% from ₱1.85 million to ₱3.35 million mainly due to higher cash dividend earned from equity securities during the year.

c. Interest income

This account pertains to interest income earned from cash in bank during the year. Interest income resulted to ₱0.001 million and ₱0.003 million for the year 2023 and 2022, respectively.

d. Miscellaneous income

This account ended at ₱0.25 million and nil for the year 2023 and 2022, respectively. This consists of long outstanding unidentified items reclassified to income.

e. Management and retainer's fee

This account rose by ₱0.10 million or 5.01% from last year's ₱2.01 million to ₱2.11 million, mainly due to the higher retainer's fees paid during the year.

f. Taxes and licenses

This account pertains to taxes other than income tax, such as DST and local taxes. The decrease of ₱0.03 million or 8.19% from last year's ₱0.38 million to ₱0.35 million was mainly due to the lower DST paid due to lower subscriptions during the year.

g. Directors' and officers' fees

This account pertains to the per diem of the BOD and officers during annual stockholders' meeting and board meetings. The decrease of ₱0.03 million or 11.91% from last year's ₱0.24 million to ₱0.21 million was mainly due to lower attendees on meetings held during the year.

h. Broker's commission

This account pertains to fees paid to brokers for executing trade transactions. The increase of ₱0.05 million or 41.32% from last year's ₱0.11 million to ₱0.16 million was mainly due to higher volume of equity securities trading during the period.

i. Custodian fees

This account pertains to payment to the custodian of the Fund. This account decreased by ₱0.04 million or 22.92% from ₱0.16 million in 2022 to ₱0.12 million this due to lower fees paid during the year.

j. Professional fees

This account represents audit fees and other professional fees incurred by the Fund. This account decreased by ₱0.11 million or 65.49% from ₱0.16 million to ₱0.05 million mainly due to lower audit fees incurred during the year.

k. Transaction Charges

This account resulted to ₱0.002 million in 2023 and ₱0.004 million in 2022. The decrease of ₱0.002 million was mainly due to the lower volume of equity securities sold during the period.

l. Miscellaneous expenses

This account consists of membership fee and dues, annual stockholders meeting expenses, bank charges and postage and mailing fees paid by the Fund. This account decreased by ₱0.07 million or 38.54% from last year's ₱0.19 million to ₱0.12 million this year, mainly due to lower miscellaneous expenses incurred during the year.

Plan of Action

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

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

Subsequent Events

Following the execution of Deed of Absolute Sale between FMIC and ATR Financial Holdings, Inc. on December 18, 2024, SALPHIN's new set of Directors and Officers were elected and appointed during the Fund's board meeting held on February 11, 2025.

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* – The Net Asset Value per share is ₱0.6611 as of March 31, 2025, lower by ₱0.0324 from ₱0.6935 as of December 31, 2024. The Fund's net asset value increased by ₱2.27 million from ₱86.81 million as of December 31, 2024 to ₱89.08 million as of March 31, 2025.
- *Sales for the period ended* – The Fund's total sales of ₱7.24 million for the period ended March 31, 2025 was 680.14% or ₱6.31 million higher than ₱0.93 million sales for the same period last year.
- *Redemptions for the period ended* – The Fund's total redemptions of ₱1.08 million for the period ended March 31, 2025 was 75.15% or ₱3.27 million lower than ₱4.35 million redemptions for the same period last year.

- The following basic ratios measure the financial performance of the Fund for the period ended March 31, 2025 and for the years 2024 and 2023:

^{1/} Net income over average assets. Average assets were computed based on the average of the beginning and ending balances.
^{2/} Net income over average equity. Average equity was computed based on the average of the beginning and ending balances.
^{3/} Operating expenses for the cost-to-income ratios do not include provision for probable losses and provision for income taxes.
^{4/} Net asset value per unit by deducting total liabilities from total assets to come up with the Net Assets and dividing with the outstanding number of shares for the year.
^{5/} Net income divided by weighted average number of common shares.
^{6/} Net income divided by weighted average number of common shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

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

**FIRST METRO SAVE & LEARN PHILIPPINE INDEX FUND
(SALPHIN), INC.**

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