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
[x] Definitive Information Statement

2. Name of Registrant as specified in its charter **Philam Fund, Inc. ("PFI" or the "Fund")**

3. **Philippines**
Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number **39191**

5. BIR Tax Identification Number **000-507-003-000**

6. **c/o 19/F BPI Buendia Center, Sen Gil J. Puyat Ave.**
Makati City, Philippines **1209**
Address of principal office Postal Code

7. Registrant's telephone number, including area code **(632) 8580-0900**

8. Date, time and place of the meeting of security holders
November 23, 2026, 3:00 p.m. at The Blue Room, 25th Floor Ayala Tower One, Philippine Exchange Plaza, Ayala Avenue, Makati City

9. Approximate date on which the Information Statement is first to be sent or given to security holders
November 1, 2026

10. Proxy Solicitation
Name of Person filing the Statement/Solicitor: **Mr. Roberto F. De Ocampo**
Address and Telephone No.: **19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City**
(632) 8580-0900

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding (as of 30 September 2026,)
Common Shares with PHP1.00 par value per share	95,256,992

12. None of PFI's securities is listed on the Philippine Stock Exchange.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Please be informed that the Annual Meeting of the Stockholders of PHILAM FUND, INC. (the "Company" or the "Fund") will be conducted at **The Blue Room, 25th Floor Ayala Tower One, Philippine Exchange Plaza, Ayala Avenue, Makati City** and virtually via **Zoom** on **November 23, 2026** at **3:00 pm.**

The agenda for the Annual Stockholders' Meeting shall be as follows:

1. Call to Order
2. Certification of Notice
3. Determination and Declaration of Quorum
4. Reading and approval of the minutes of the last Annual Stockholders' Meeting
5. Presentation and approval of the 2025 Audited Financial Statements and other reports of the Fund Manager
6. Report on the Funds' Operational Highlights
7. Approval and confirmation of all acts of the Board of Directors and of Management (the Fund Manager) from last Annual Stockholders' Meeting
8. Election of Directors for 2026-2027
    i. Roberto F. De Ocampo
    ii. Reynaldo G. Geronimo
    iii. Kim Gia G. Gatapia
    iv. Jonna Luz R. Matematico
    v. Lea Angeline A. Maranan
    vi. Simon R. Paterno – Independent Director
    vii. Fernando Jose E. Sison III - Independent Director
9. Appointment of External Auditor of the Fund
10. Confirmation of BPI Wealth – A Trust Corporation ("BPI Wealth") as Principal Distributor and Transfer Agent of the Fund.
11. Amendment of Articles of Incorporation and By-Laws
12. Other Matters
13. Adjournment

The Board of Directors has fixed **2:00 pm** on **30 September 2026** (the "Record Date") as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting of the Stockholders. Only holders of shares of common stock as at the Record Date will be entitled to vote at the Annual Meeting of the Stockholders.

In order that your stock may be represented at the meeting, please accomplish the enclosed Proxy Form (bit.ly/PAMI-ASM2026-PF) and return it via mail / email / fax on or before **November 18, 2026** to the Office of the Corporate Secretary through the following:

Via Mail: 19/F BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City
Via Email: pami_asm@bpi.com.ph
Via Fax: (02) 8580-4682

The accomplished Proxy Forms shall be validated on **November 18, 2026**.

Stockholders who intend to participate in the meeting through remote communication shall notify the Corporate Secretary by sending an email to pami_asm@bpi.com.ph before **November 13, 2026**. Registered Stockholders will receive an email confirmation containing the details about joining the meeting. Stockholders may exercise the right to vote through remote communication or *in absentia*, subject to validation.

The Information Statement, Management Report, SEC Form 17A, and other pertinent documents are accessible at: https://bit.ly/PAMI-PF.

(signature page follows)

Very truly yours,

MA. ADELINA S. GATDULA
Corporate Secretary

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

1. Date, time and place of meeting of security holders

Date: **November 23, 2026**
Time: **3:00 PM**
Place: **The Blue Room, 25th Floor Ayala Tower One, Philippine Exchange Plaza, Ayala Avenue, Makati City**
Virtual meeting via Zoom at https://bit.ly/PAMI2026ASM

Registrant's Mailing Address: **7/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City**

The date on which the Information Statement is first to be sent or given to stockholders is **November 1, 2026.**

2. Dissenters' Right of Appraisal

As provided by Title X of the Revised Corporation Code of the Philippines (Republic Act No. 11232) ("Revised Corporation Code"), any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- In case an amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;
- In case of merger or consolidation; and
- In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

In order for the stockholder to exercise the right, he or she must vote against any of the enumerated instances which the corporation will pursue. The procedures in the exercise of the right are the following:

a. Written demand on the corporation within 30 days after the date that the vote was taken.
b. Submission of the shares of the dissenting stockholder to the corporation for notation within 10 days from the written demand. The corporation has to pay the stockholder with the fair value of the shares within 30 days after demanding payment for his or her shares.
c. Failure to make the demand within 30 days after the date on which the vote was taken shall be deemed a waiver of the appraisal right.

There will be no matters that will be taken up at the meeting which may warrant the exercise of this right.

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

There is no person who has been a director or officer of PFI at any time since the beginning of the last calendar year, or who is a nominee for election as director, or an associate of any of the foregoing persons who has a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting. No member of the Board of Directors (the "Board") has informed PFI that he intends to oppose any action to be taken by PFI at the Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION

4. Voting Securities and Principal Holders Thereof

(a) Class of Voting Securities

The total number of outstanding shares as of 30 September 2026 is 95,256,992 all of which are common and voting. Each share shall be entitled to one vote with respect to all matters to be taken up during the Annual Stockholders' Meeting.

(b) Manner of Voting

A stockholder entitled to vote at the Annual Stockholders' Meeting shall have the right to vote in person, through electronic voting *in absentia,* or by proxy the number of shares registered in his name in the stock and transfer book of PFI as of the Record Date. With respect to the election of directors, said stockholder may vote such number of shares and give one candidate as many votes as the number of directors to be elected multiplied by the

number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.

(c) Record Date

All stockholders of record as of 30 September 2026 are entitled to receive this Information Statement, and to receive notice of, and vote during the Annual Stockholders' Meeting. Stockholders are entitled to cumulative voting in the election of the members of the Board of Directors, as provided in Title III of the Revised Corporation Code. More specifically, each stockholder shall be entitled to elect seven members to the Board of PFI, and he or she may vote the number of shares standing in his or her name in the books of PFI for each of the seven persons whom he or she may choose from the list of nominees. Alternatively, he or she may cumulate said shares and give one candidate as many votes as the number of his or her shares multiplied by seven shall equal, or he or she may distribute these votes on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him or him shall not exceed the number of shares owned by him or her multiplied by seven.

(d) Security Ownership of Certain Record and Beneficial Owners

i. Security Ownership of Certain Record and Beneficial Owners of more than 5% as of 30 September 2026

The name, address, citizenship, number of shares held, and percentage of total ownership of a person (including any group) owning more than 5% of the outstanding voting shares of PFI as of 30 September 2026 is as follows:

(1) Title of Class	(2) Name and Address of Record Owner and Relationship with the issuer	(3) Name of Beneficial Owner and relationship with Record Owner	(4) Citizenship	(5) No. of Shares	(6) Percentage of Class Held
Common	Telengtan Brothers And Sons, Inc.[1] Km 14 Sshw Parañaque Philippines 1700	Telengtan Brothers And Sons, Inc. (Stockholder)	Filipino	8,388,274	8.81%
Common	Lhuillier, Jean Henri D 118 Mango Drive Ayala Alabang Village Muntinlupa City Philippines 1780	Lhuillier, Jean Henri D (Stockholder)	Filipino	5,249,581	5.51%

[1] Mr. Felix Chung, authorized representative, will represent and vote the shares of Telengtan Brothers and Sons, Inc.

ii Security Ownership of Management as of 30 September 2026

(1) Title of Class	(2) Name of Beneficial Owner	(3) Amount and Nature of Beneficial Ownership		(4) Citizenship	(5) Percent of Class
Common	Roberto F. De Ocampo Eugenio Lopez Foundation Building, Col. Joseph R. Mcmicking Campus, 123 Paseo de Roxas, Makati City (Chairman)	1	(R)	Filipino	0.0000%
Common	Reynaldo G. Geronimo No. 5 Zinia Street, Valle Verde 2, Pasig City (President & Director)	1	(R)	Filipino	0.0000%
Common	Ramon Paulo L. Tayag Blk 6 Lot 16 Salvador Place Brazilia Heights Susana Heights Muntinlupa CIty (Director)	1	(R)	Filipino	0.0001%
Common	Andrae V. Manalo M06 North Tower, Flair Towers, Reliance St., Mandaluyong City	1	(R)	Filipino	0.0001%
Common	Fernando Jose E. Sison III 3 Jocson St., Xavierville 1, Loyola Heights, Quezon City (Independent Director)	1	(R)	Filipino	0.0000%
Common	Simon R. Paterno 58 McKinley Road, Forbes Park, Makati City (Independent Director)	1	(R)	Filipino	0.0000%

Common	Ma. Floriliz L. Pedernal 67 Chesnut St., Fairview Par, Quezon City (Treasurer)	0		Filipino	0.0000%
Common	Ma. Adelina S. Gatdula Penthouse, Liberty Center, 104 H.V. Dela Costa Street, Salcedo Village, Makati City (Corporate Secretary)	0		Filipino	0.0000%
Common	Hany Mae V. Dureza Unit 2172, Skyway Twin Towers, Capt. Henry Javier St., Oranbo, Pasig Compliance Officer/ Data Protection Officer/ AML Officer	0		Filipino	0.0000%

iii Voting Trust Holders of 5% or more

As of 30 September 2026, there is no voting trust or similar arrangement for 5% or more of PFI's shares. There are no arrangements which may result in a change of control in PFI.

iv Change of Control

There was no change in control in PFI that occurred since the beginning of the last calendar year.

5. Directors and Executive Officers

(a) Board of Directors and Officers

The following are the current directors and officers of PFI:

Name	Age	Citizenship	Position	Term
Roberto F. De Ocampo	80	Filipino	Chairman of the Board	1 year (2025-2026)
Reynaldo G. Geronimo	82	Filipino	President and Director	1 year (2025-2026)
Kim Gia G. Gatapia	33	Filipino	Director	1 month & 9 days (Beginning October 15, 2026)
Jonna Luz R. Matematico	36	Filipino	Director	1 month & 12 days (Beginning October 12, 2026)
Fernando Jose E. Sison III	74	Filipino	Independent Director	1 year (2025-2026)
Simon R. Paterno	67	Filipino	Independent Director	1 year (2025-2026)
Ma. Floriliz L. Pedernal	56	Filipino	Treasurer	1 year (2025-2026)
Ma. Adelina S. Gatdula	64	Filipino	Corporate Secretary	1 year (2025-2026)
Hany Mae V. Dureza	36	Filipino	Compliance Officer/ Data Protection Officer/ AML Officer	1 year (2025-2026)

(b) Nominees for Election at the Annual Stockholders' Meeting

The following are the names of the persons who are nominees for election for year 2026-2027:

BOARD OF DIRECTORS	AGE	CITIZENSHIP	CREDENTIALS
Roberto F. De Ocampo	80	Filipino	Dr. De Ocampo is a Cum Laude graduate with a Bachelor of Arts degree in Economics from the Ateneo de Manila University. He has a Master's degree in Business Administration from the University of Michigan and a post-graduate diploma from the London School of Economics. He has also been conferred three Doctorates (Honoris Causas). Since 2008, Mr. De Ocampo is Chairman of the Board of the following PAMI-managed funds: Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc. (each since 2005), PAMI Global Bond Fund,

			Inc. (since 2008), PAMI Horizon Fund, Inc. (since 2011), and PAMI Equity Index Fund, Inc. (since 2014). Dr. De Ocampo was previously the President of the Asian Institute of Management. From 1992 to 1998, he served as the Secretary of Finance under the Ramos administration and was widely recognized as the principal architect of the resurgence of the Philippine economy. He was the first Filipino and the first ASEAN finance minister to be recognized and was cited as the "Finance Minister of the Year" in 1996 by Euromoney. He was conferred the Legion of Honor in 1998, the highest honor conferred on Filipino civilians by the Philippine government and was conferred the Ordré National de la Legion d' Honneur by the Republic of France with the rank of Chevalier.
Reynaldo G. Geronimo	82	Filipino	Atty. Geronimo is a Cum Laude graduate of Bachelor of Arts (A.B.) at the Ateneo de Manila University. He graduated Second Honors from Ateneo Law School in 1968. He also has a Master of Laws with specialization in Trusts and Estates from the University of Pennsylvania. He is currently a partner in the Romulo Mabanta Buenaventura Sayoc & de los Angeles Law Firm and a co-Chairman of the Banking Group. Atty. Geronimo is known as the Trust Guru, with a regular column in the Manila Standard Today. He is also a bar reviewer in Taxation at the UP Law Center, the UP College of Law, the Law School of UST's Civil Law Faculty, the College of Law of Liceo de Cagayan, and the Ateneo Law School. Atty. Geronimo is President and Director of the following PAMI-managed funds since 2010: Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Horizon Fund Inc., and PAMI Equity Index Fund, Inc. (since 2014)
Jonna Luz R. Matematico	36	Filipino	Filipino, 36 years old, is the Head of Product and Customer Experience of BPI Wealth. She oversees the development and management of wealth products and solutions, customer value propositions, go-to-market strategies, customer experience design, and customer care, ensuring a seamless end-to-end client journey across the wealth management business. A product of BPI's Officership Training Program, she began her career with BPI Asset Management and Trust Group as a Client Services Officer. Over the past 15 years, she has held key roles across client servicing, operations, fund distribution, and product development. Her extensive experience across the wealth management business has enabled her to lead initiatives that strengthen product offerings, enhance client experience, drive innovation, and support the growth and transformation of the business. She graduated Magna Cum Laude with a Bachelor of Arts degree in Psychology from the University of the Philippines Diliman in 2011. She topped the One-Year Course on Trust

			Operations and Investment Management of the Trust Institute of the Philippines in 2016 and was recognized as the Outstanding Student of her batch. She likewise completed a trust course in the American Bankers Association National Trust School in 2017. She is a Certified UITF Sales Personnel, Treasury Certified Personnel, and Individual PERA Administrator. She has also completed various professional development programs in investments, trust, wealth management, product and brand management, and customer experience.
Lea Angeline A. Maranan	49	Filipino	Ms. Maranan is the Head of Business Services and Operations of BPI Wealth, where she leads the operational, control, and support functions that underpin the organization's wealth management business. She is responsible for driving operational excellence, business resilience, governance, and process transformation to ensure the efficient, compliant, and seamless delivery of products and services across the wealth value chain. In addition to her core operational responsibilities, she likewise oversees Wealth Marketing, Product and Customer Experience, and Business and Data Analytics, enabling a more integrated approach to business growth, client engagement, customer experience, and data-driven decision-making. She also maintains oversight of Strategy and Finance and Proprietary Accounting, providing alignment between strategic priorities, financial performance, and execution. She holds a Master in Business Administration (MBA) and a Bachelor's degree in Business Economics, both from the University of the Philippines Diliman.
Kim Gia G. Gatapia	33	Filipino	Filipino, 33 years old, is the Head of Legal Services of BPI Wealth – A Trust Corporation. She is also the Assistant Corporate Secretary of BPI Wealth Builder Multi-Asset Mutual Fund, Inc. She has more than a decade of experience in trust and investments. She started her career as a management trainee at BPI and subsequently assumed roles related to investment distribution and management at BPI, BPI Investments Inc., and BPI Wealth from 2014 to 2022. Prior to passing the bar, she was a Section Head at BPI Wealth and had a brief stint as Associate at Divina Law. She completed the Treasury Certification Program at the Ateneo De Manila University – BAP and is also Certified Trust Professional, having completed the one-year course on Trust Operations and Investment Management from the Trust Institution Foundation of the Philippines where she ranked second in the batch. She also passed the certification exams for investment solicitors, fixed income market salesmen, PERA Administrator, and UITF Trainers. She earned her Juris Doctor Degree in 2022 from the University of the Philippines College of Law, where she was awarded a Dean's Medal for Academic Excellence. She ranked

			5th in the 2022 Bar Examinations. Prior to this, she completed her Bachelor of Arts Degree in Speech Communication from the University of the Philippines in 2013 as Magna Cum Laude.
Fernando Jose E. Sison III	74	Filipino	Mr. Sison is the Treasurer of ALFM Money Market Fund, Inc., ALFM Peso Bond Fund, Inc., ALFM Dollar Bond Fund, Inc., ALFM Euro Bond Fund, Inc., ALFM Growth Fund, Inc., and Philippine Stock Index Fund, Corp. He is also a Director and the Treasurer of ALFM Global Multi-Asset Income Fund, Inc. and an Independent Director of ALFM Retail Corporate Fixed Income Fund, Inc. and ALFM Fixed Income Feeder Fund, Inc. (formerly ALFM Principal Preservation Fund, Inc.) He used to be the President of BPI Investments, Inc. from May 2004 up to June 2012. He previously served as Vice President and head of many of BPI's divisions, including AMTG Retail Trust Division, AMTG Portfolio Management Division, SDG Retail Funds Distribution, and Private Banking Unit. He was assigned to BPI International Finance Ltd. (HK) as Head of Investment Management Division and to BPI Capital Corporation – Corporate Finance Group as Vice President and Head of Syndications and Underwriting. Mr. Sison has been an independent director of PAMI Asia Balanced Fund, Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Horizon Fund Inc., and PAMI Equity Index Fund, Inc. since 2021 up to present.
Simon R. Paterno	67	Filipino	Mr. Simon R. Paterno, Filipino, born in 1959, 66 years old, served as Head of the Financial Products and Services Group of the Bank of the Philippine Islands. He was responsible for managing the product businesses of the Bank, including Investment Banking, Corporate Loans, Transaction Banking, Retail Lending, Cards and Payments, Asset Management and Trust, Electronic Channels, and Deposits. He also supervised subsidiaries and affiliates in insurance, leasing, and merchant acquiring. He was a member of the Management Committee of BPI. Mr. Paterno is the former President and CEO of the Development Bank of the Philippines, serving from 2002-2004. He worked for 18 years at the New York, Hong Kong, and Manila offices of J.P. Morgan, serving finally as Managing Director in charge of sovereign clients during the Asian Financial Crisis of 1997-98, and as Country Manager for the Philippines until 2002. He also worked for 8 years at Credit Suisse as Managing Director and Country Manager for the Philippines. Mr. Paterno obtained his MBA from Stanford University in 1984. He was awarded his A.B., cum laude, Honors Program in Economics from Ateneo de Manila University in 1980. In 2005, he was elected President of the Management Association of the Philippines. He serves on the boards of the Foundation for Economic Freedom and Ateneo Scholarship Foundation. He was named a TOYM awardee

			for Investment Banking in 1999. Mr. Paterno has been an independent director of PAMI Asia Balanced Fund, Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Horizon Fund Inc., and PAMI Equity Index Fund, Inc. since 2021 up to present.

(c) Security Ownership of Nominees as of 30 September 2026

(1) Title of Class	(2) Name of Beneficial Owner	(3) Amount and Nature of Beneficial Ownership		(4) Citizenship	(5) Percent of Class
Common	Roberto F. De Ocampo	1	(R)	Filipino	0.0000%
Common	Reynaldo G. Geronimo	1	(R)	Filipino	0.0000%
Common	Fernando Jose E. Sison III	1	(R)	Filipino	0.0000%
Common	Jonna Luz R. Matematico	1	(R)	Filipino	0.0000%
Common	Lea Angeline A. Maranan	1	(R)	Filipino	0.0000%
Common	Kim Gia G. Gatapia	1	(R)	Filipino	0.0000%
Common	Simon R. Paterno	1	(R)	Filipino	0.0000%
	TOTAL	7	(R)	Filipino	0.0000%

The Chairman of the Nomination Committee is Roberto F. De Ocampo and the members are Reynaldo G. Geronimo and Simon R. Paterno. Messr. De Ocampo nominated Messrs. Sison & Paterno for independent director. Messrs. De Ocampo, Sison & Paterno are not related up to the fourth civil degree of consanguinity or affinity.

There is no person who is not an officer and is expected by PFI to make significant contribution to the Fund.

The Nomination Committee pre-screened candidates and came up with a shortlist of nominees to be presented to the shareholders. Candidates must have the following qualifications to become a member of the Board:

- Holds at least 1 share of stock of the Fund;
- At least twenty-five (25) years old;
- At least a college graduate or its equivalent or adequate competence and understanding of the fundamentals of doing business or membership in good standing in relevant industry, and membership in business or professional organizations or sufficient experience and competence in managing a business to substitute for such formal education;
- Possesses integrity, probity and shall be diligent and assiduous in the performance of his functions;
- Has adequate physical health and mental stamina to withstand the rigors of his responsibilities;
- Has no potential conflict of time and attention due to competing Officerships, Directorships, or memberships in other companies/Funds;
- Has attended or will attend an accredited corporate governance seminar, as required by the SEC;
- Possesses no disqualifications as provided for in the RCC, Bangko Sentral ng Pilipinas (“BSP”) Circulars, and SEC rules and regulations;
- Has practical understanding of the business of the Fund;
- A member in good standing in relevant industry, business, or professional organizations; and
- Has previous business experience.
- Filipino Citizen

The Nomination Committee selected the independent directors in accordance with Rule 38 of the Securities Regulation Code (“SRC”) and the Revised Code of Corporate Governance for Public Companies and Registered Issuers (SEC Memorandum Circular No. 24, Series of 2019).

- Shall possess integrity/probity;
- Shall be assiduous; and
- is not, and has not been in the two (2) years immediately preceding the election, a director of the covered company; a director, officer, employee of the covered company's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of the covered company's substantial shareholders and its related companies;

(d) Significant Employees

PFI does not maintain any employees, nor does it maintain any payroll. PFI does not expect in the foreseeable future to have any employees.

(e) Family Relationships

The incumbent directors, officers, and nominees for director are not related to each other up to the fourth civil degree either by consanguinity or affinity.

(f) Involvement in Certain Legal Proceedings

None of the directors, officers and nominees for director has been involved in the following legal proceedings within the past 5 years:

- 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 years prior to that time;
- Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- Being 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
- Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

(g) Certain Relationships and Related Transactions

During the last two (2) years, there were no transactions with, either proposed or as a series of similar transactions, that involved the Fund in which a director, executive officer or stockholder who owned ten percent (10%) or more of the total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

(h) Resignation of Directors

No director has resigned from or declined to stand for election or re-election to the Fund's Board since the date of the last annual meeting of stockholders as a result of any disagreement with the Fund on matters relating to its operations, policies, or practices

6. Compensation of Directors and Executive Officers

There is no existing Compensation Committee. PFI does not maintain any employees nor does it maintain any payroll. PFI does not expect in the foreseeable future to have any employees. Additionally, none of the directors or officers is given any compensation. However, the directors receive per diems and other reimbursements for their attendance at board meetings. There are no other arrangements, standard or otherwise, being paid to the directors. Directors are not compensated in any manner for committee participation, special assignments, or any other arrangements.

There are no compensatory plans or arrangements for any officer that will result in or will result from the resignation, retirement, or any other termination of such officer in any amount.

The Fund does not employ any executive and therefore does not pay any executive compensation. For every board meeting attended by each director, he or she will receive a per diem of Php7,500.00. The aggregate compensation paid or accrued during the previous fiscal year and the preceding two fiscal years to the Board is as follows:

(a) Name and Position	(b) Year	(c) Salary or per diem compensation (PHP)	(d) Bonus (PHP)	(e) Others (PHP)
Roberto F. De Ocampo (Incumbent Chairman of the Board)				
Reynaldo G. Geronimo (Incumbent Director and President)				
Fernando Jose E. Sison III				

(Incumbent Independent Director)				
Simon R. Paterno (Incumbent Independent Director)				
Lee Longa (Former Director)				
Ramon Paulo L. Tayag (Former Director)				
Andrae V. Manalo (Former Director)				
Tomas S. Chuidian (Former Director)				
Meliton B. Salazar, Jr. (Former Director)				
Angel Marie Pacis (Former Director)				
Elenita D.G. Villamar (Former Director)				
Aggregate of the compensation paid to directors	2022	202,500	0	0
	2023	81,000	0	0
	2024	245,300	0	0
	2025	150,000	0	0
	2026	150,000 (estimate)	0	0

7. Independent Public Accountants

The Chairman of the Audit Committee is Fernando Jose E. Sison III and the members are Andrae V. Manalo and Simon R. Paterno.

Beginning the calendar year 2009, the accounting firm of Isla Lipana & Co. ("Isla Lipana") was appointed as external auditor of PFI. Mr. Dexter DJ V. Toledaña is the signing partner of Isla Lipana since 2023. Isla Lipana will be recommended to the stockholders for appointment for 2026-2027. PFI does not expect any representative from Isla Lipana to be present during the Annual Stockholders' Meeting.

PFI will comply with Revised SRC Rule 68 Part 1(3)(B)(ix) re: rotation of external auditors. In recommending this action, the members of the Board carefully considered Isla Lipana's performance, its independence with respect to the auditing services to be performed, and its general reputation for adherence to professional auditing standards.

8. Compensation Plans

No action is to be taken with respect to Item 8 during the Annual Stockholders' Meeting.

C. <u>ISSUANCE AND EXCHANGE OF SECURITIES</u>

9. Authorization or Issuance of Securities Other than for Exchange

No action is to be taken with respect to Item 9 during the Annual Stockholders' Meeting.

10. Modification or Exchange of Securities

PFI does not intend to modify any class of its securities, or issue or authorize the issuance of one class of securities in exchange for outstanding securities of another class.

11. Financial and Other Information

PFI has incorporated by reference the following as contained in the Management Report (attached as Annex A), SEC Form 17-A (Annual Report) (attached as Annex B), and SEC Form 17-Q (Quarterly Report) for the period ended June 30, 2026 (Quarterly Report) (attached as Annex C).

12. Mergers, Consolidations, Acquisitions and Similar Matters

PFI does not have any plans to merge or consolidate with any entity. Neither does it have any plans to acquire the securities of any other entity, any other going business, or the assets thereof. It does not have any plan to sell or transfer all or any substantial parts of its assets. Neither does it have any plans to dissolve or liquidate.

13. Acquisition or Disposition of Property

PFI does not own any real property and does not intend to acquire any real property.

14. Restatement of Accounts

PFI does not intend to restate any of its asset, capital or surplus accounts.

D. OTHER MATTERS

15. Action with Respect to Reports

The following actions also require approval from the stockholders during the Annual Stockholders Meeting:

A. Reading and Approval of the Minutes of the Last Annual Stockholders Meeting

The Minutes of the Last Annual Stockholders Meeting of the Company held on 22 October 2021 ("Minutes") will be read and thereafter presented for approval of the stockholders during the Annual Stockholders Meeting.

The following matters were taken up during the 22 October 2021 Annual Meeting of the Stockholders: (1) Call to Order, (2) Certification of Notice and Quorum, (3) Approval of Minutes of Previous Meeting of Stockholders, (4) Management Report and Fund Update, (5) Approval of the 2020 Annual Report and Audited Financial Statements, (6) Approval and Confirmation of All Corporate Acts of the Boards of Directors and the Management, (7) Election of Director, (8) Confirmation of BPI Investments~~,~~ Inc. or BII as Fund Manager, Principal Distributor, Investment Advisor, and Transfer Agent, (9) Reappointment of External Auditor, (10) Amendment of the Company's By-Laws, (11) Amendment of Registration and Prospectus, (12) Question and Answer Portion, (13) Adjournment.

The approval of the minutes is only with respect to the correctness of the minutes and not as of any of the matters referred there.

B. Presentation and Approval of the 2025 Audited Financial Statements and other reports of the Fund Manager

C. Approval and Confirmation of all acts of the Board of Directors and of Management from the last Annual Stockholders Meeting

The said acts of the Board of Directors and Management are covered by resolutions of the Board duly adopted during the ordinary course of business of the Company, or duly disclosed through an SEC Form 17-C, as may be applicable.

16. Matters Not Required to be Submitted

All matters or actions to be taken up in the Annual Stockholders' Meeting require the vote of the stockholders. In the event of a negative vote for the merger and amendment, the stockholders may refer to page 4, "2. Dissenters' Right of Appraisal" for information on their available rights.

17. Amendment of Charter, By-laws, Prospectus, Investment Objectives, and Other Related Documents

The Fund will submit the following amendments of the funds' Articles of Incorporation, By-Laws, Registration Statement, and Prospectus relating the changes to the fund's address, as well as other information related to the material changes to the funds as may be required by regulations to the stockholders for approval, which matters were approved by the Board during its meeting on 15 October 2026, as follows:

1. Change in address:

	Current	Proposed
Address	17/F Net Lima Building, 5th Ave. cor. 26th St., Bonifacio Global City, Taguig, Metro Manila	19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City, Metro Manila, Philippines

2. include electronic modes of communication, and authorize the stockholder's right to vote through electronic modes of communication;
3. revise the notice period for stockholders' meetings to 21 days;
4. establish various committees to promote corporate governance, such as Audit Committee, Independent Oversight Committee, Corporate Governance Committee;
5. include Compliance Officer;
6. definition of assets and liabilities; and

7. change the date of the annual stockholders' meeting as shall be determined by the Board of Directors.

The change in address is to comply with SEC Memorandum Circular No. 9, series of 2015 that requires a corporation to indicate a specific address as its principal office address.

The amendments to the By-Laws are made to comply with the requirements of the Revised Corporation Code, the Securities Regulation Code and the Investment Company Act and its Implementing Rules and Regulations as well as to streamline certain details, such as meeting dates and notice periods, with the other funds handled by the BPI Wealth.

18. Other Proposed Action

The Fund will submit the following proposed action to the stockholders for approval:

A. Confirmation of BPI Asset Management and Trust Corp. (doing business under the trade name and style of BPI Wealth- A Trust Corporation) ("BPI Wealth") as Principal Distributor and Prospective Appointment as Transfer Agent

By way of update, the Fund has appointed BPI Wealth as the Fund's Transfer Agent effective January 16, 2026. Pertinent disclosures or current reports on this has been duly filed and published.

Except for matters presented solely for purpose of providing updates to the stockholders such as the preceding paragraph, all matters or actions to be taken up in the Meeting require the vote of the stockholders**.**

19. Voting Procedures

Unless otherwise provided by law, each stockholder shall, at every meeting of the stockholders, be entitled to one vote, in person or by proxy, or through electronic voting *in absentia,* for each share with voting rights held by such stockholder.

All elections and all questions, except as otherwise provided by law, shall be decided, either by majority or 2/3 votes in accordance with the Revised Corporation Code, of the stockholders entitled to vote thereat, a quorum (majority of the issued and outstanding capital stock having voting powers) being present. Stockholders who have notified the Company via e-mail of their intention to participate in the Meeting by remote communication and voted electronically *in absentia* or by proxy will be included in the determination of the existence of a quorum.

Unless required by law, or demanded by a stockholder included in the determination of a quorum at any meeting and entitled to vote thereat, the vote on any question will not be by ballot and will be conducted and counted by a raising of hands. In case of a vote by ballot, each ballot shall be signed by the stockholder voting in his name or by his proxy if there be such proxy, and shall state the number of shares voted by him. The Corporate Secretary of PFI will count and tabulate the votes.

20. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No person who has been a director or officer of PFI or a nominee for election as a director of PFI nor any of their associates, has a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting.

No director of PFI has informed it in writing that he or she intends to oppose any matter to be acted upon at the Annual Stockholders' Meeting.

PART II.

INFORMATION REQUIRED IN A PROXY FORM

1. Identification

The proxy solicitation is made by PHILAM FUND, INC. (the "Company"), represented by Mr. Roberto F. De Ocampo, the Chairman of the Board of the Directors. The proxy solicitation is in favor of Mr. Roberto F. De Ocampo or in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting chosen in accordance with the Company's By-Laws.

All costs and expenses incidental to the proxy solicitation will be borne, directly or indirectly, by the Company.

2. Instructions

(a) The security holder is instructed to complete and affix their signature on the attached form.

(i) If the securities are owned by two or more joint owners, the proxy form must be signed by all of the joint owners.
(ii) If the securities are owned in an "and/or" capacity, the proxy form must be signed by either one of the owners.
(iii) If the securities are owned by a corporation, association, partnership or unincorporated entity, the proxy form must be accompanied by a certification, signed by a duly authorized officer, partner or representative of such corporation, association, partnership or unincorporated entity, that designates and empowers an authorized signatory to sign the proxy form pursuant to the constitutive documents or duly approved policies of such corporation, association, partnership or unincorporated entity for this particular purpose.

(b) The security holder appoints Mr. Roberto F. De Ocampo or in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting, to represent and vote all shares registered in his or her name as proxy of the undersigned security holder.

(c) The security holder shall clearly indicate the date of execution of the proxy form. A proxy form which is undated, post-dated, or which provides that it shall be deemed to be dated as of any date subsequent to the date on which it is signed by the security holder, shall not be valid.

(d) The security holder shall sign the proxy form or have the form signed by a duly authorized representative, and file the same with the Corporate Secretary not later than 5:00 pm on November 18, 2026.

(e) Retrieval and validation of all the proxy forms shall be administered by the Corporate Secretary and persons designated by the Corporate Secretary who shall be under his supervision and control from November 01, 2026 to November 18, 2026. The accomplished proxy forms shall be validated no later than November 18, 2026.

(f) If any stockholder submitted a Proxy Form and also voted during the meeting in person or electronically *in absentia*, the vote casted in person or electronically *in absentia* shall be considered.

3. Revocability and Validity of Proxy

The proxy form in favor of the Company shall be irrevocable and shall be effective and valid for all Annual and Special Stockholders Meetings held from the date of the proxy until the last calendar day of the fifth (5th) year thereafter, and any postponement or adjournment thereof. The proxy shall be valid for a maximum period of five (5) years from the date of the proxy, unless withdrawn by the stockholder by a written notice duly submitted to the Corporate Secretary. There is no formal procedure or limitation for the right of revocation of a proxy before it is exercised. Nonetheless, the proxy may not be withdrawn unilaterally by the stockholder if it is coupled with an interest.

4. Persons Making the Solicitation

PFI is not soliciting any votes. Neither is PFI aware of any director who intends to oppose any action intended to be taken by PFI.

5. Interest of Certain Persons in Matters to be Acted Upon

There is no person who has been a director, independent director, or nominee for election as director, or independent director, or officer of the Company and, to the best knowledge of the Company, no associate of a director or independent director, or officer, or nominee for election as a director or independent director, or officer of the Company, at any time since the beginning of the last calendar year, has any substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting.

(*Remainder of page intentionally left blank*)

PART III.

UNDERTAKING

UPON WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO:

BPI Wealth-A Trust Corporation
7/F, BPI Buendia Center
Sen. Gil J. Puyat Ave.
Makati City, Philippines

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 the City of Makati on 28 October 2026.

PHILAM FUND, INC.



By: MA. ADELINA S. GATDULA
Corporate Secretary

ELECTRONIC FORM FOR STOCKHOLDERS
(Containing the *In Absentia* Voting Form and Proxy Form;
accessible via (bit.ly/PAMI-ASM2026-PF)

2026 ANNUAL GENERAL STOCKHOLDERS' MEETING
(*In Absentia* Voting Form | Proxy Form Solicitation)

Section 1: Data Privacy Notice

This form contains information intended only for users authorized by PAMI Mutual Funds. Authorized users should not disclose, disseminate, distribute, or copy this form, in whole or in part, without permission.

In compliance with the Data Privacy Act (R.A. 10173), we strive to keep your information private and confidential. Your personal and financial information, including your name, investment account number (e.g. Investment Account Number, Folio Number, Segregated Account Number) and number of shares will be collected to record your votes or your designation of a proxy for the PAMI Mutual Funds Annual Stockholders' Meeting. We ensure protection of your information, and these will be retained for as long as necessary for the fulfillment of your objective of voting or designating a proxy for the current and succeeding PAMI Mutual Funds Stockholders' Meeting. To learn more about how we collect, protect, use, share and store your private information, please email pami_asm@bpi.com.ph.

Please identify your investment account type:

◯ Joint (or)

1. Primary Account Holder _____
2. Secondary Account Holders (1) _____
3. Secondary Account Holders (2) _____
4. Secondary Account Holders (3) _____
5. Secondary Account Holders (4) _____
6. Investment Account Number: _____
7. Number of Shares: _____
8. Email Address: _____

◯ Joint (and)

1. Primary Account Holder _____
2. Secondary Account Holders (1) _____
3. Secondary Account Holders (2) _____
4. Secondary Account Holders (3) _____
5. Secondary Account Holders (4) _____
6. Investment Account Number: _____
7. Number of Shares: _____
8. Email Address: _____

◯ Corporate / Institutional

1. Corporation Name: _____
2. Authorized Representative: _____
3. Investment Account Number: _____
4. Number of Shares: _____
5. Email Address: _____

◯ Individual / Sole (Non-Corporate, Non-Institutional, Not Joint)

1. Last Name: _____
2. First Name: _____
3. Investment Account Number: _____
4. Number of Shares: _____
5. Email Address: _____

Section 2: Manner of Voting

Stockholders as of record date who wish to exercise their right to vote on the matters in the above agenda have the option of casting their votes through any of the following modes, subject to validation:

[ ] Electronic voting *in absentia*; or

This form shall be accomplished **not later than 5:00PM on 18 November 2026.**

This form, when properly executed, will be voted in the manner as directed herein by the stockholder. If no direction is made, this form will be voted "For" the approval of the matter stated below and for such other matters as may properly come before the meeting, including matters which the solicitors do not know a reasonable time before the solicitation

are to be presented at the meeting, and those incidental to the conduct of the meeting, in the manner described in the information statement and/or as recommended by management or the board of directors.

[ ] Stockholder Proxy (This Proxy Solicitation is being made by and on behalf of **Philam Fund, Inc.**

Should the stockholder wish to vote through this mode, this proxy form shall be accomplished **not later than 5:00PM on 18 November 2026.**

By accomplishing this form, the stockholder shall be appointing **Mr. Roberto F. de Ocampo**, with full power of substitution and delegation, or in case of his non-attendance, the **Chairman of the meeting** chosen in accordance with the Company's By-Laws, as his or her proxy to represent him or her and vote all shares registered in the stockholder's name in the books of the Company, at the Annual Meeting of the Stockholders to be conducted on November 23, 2026 from 3:00 pm to 4:00 pm at The Blue Room, 25th Floor Ayala Tower One, Philippine Exchange Plaza, Ayala Avenue, Makati City and virtually via Zoom, and any adjournments and postponements thereof, as fully to all intents and purposes as the stockholder might or could do if present in person, hereby ratifying and confirming any and all actions to be taken during any said meetings and adjournments thereof.

The proxy form in favor of the Company shall be irrevocable and shall be effective and valid for all Annual and Special Stockholders Meetings held from the date of the proxy until the last calendar day of the fifth (5th) year thereafter, and any postponement or adjournment thereof. The proxy shall be valid for a maximum period of five (5) years from the date of the proxy, unless withdrawn by the stockholder by a written notice duly submitted to the Corporate Secretary. There is no formal procedure or limitation for the right of revocation of a proxy before it is exercised. Nonetheless, the proxy may not be withdrawn unilaterally by the stockholder if it is coupled with an interest.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder. If no direction is made, this proxy will be voted "For" the approval of the matter stated in the agenda, and as are listed in the succeeding page of this form, and for such other matters as may properly come before the meeting, including matters which may not have reasonably come within the knowledge of the Company prior to the solicitation but which may be presented at the meeting, and those incidental to the conduct of the meeting, in the manner described in the information statement and/or as recommended by management or the board of directors.

1. Approval of minutes of last Annual Stockholders' Meeting held on 22 October 2021

   □ For
   □ Against
   □ Abstain

2. Approval of the 2025 Annual Report and Audited Financial Statements

   □ For
   □ Against
   □ Abstain

3. Ratification and approval of the acts of the Board of Directors and Management since the last Annual Stockholders' Meeting held on 22 October 2021
   □ For
   □ Against
   □ Abstain

4. Election of Directors

   Voting Instructions:

   1) Multiply the number of your shares as of September 30, 2026 by seven (7).
   2) The result from number one (1) is the number of votes you may distribute among the seven (7) nominees.

   Example:
   If you have 100 shares, you may distribute 700 votes among the nominees in whichever way you choose. Kindly write the number of votes you wish to confer upon each nominee on the blank space provided beside their names. If you wish to withhold the authority to vote for any nominee, kindly indicate the nominee's name.

   □ Roberto F. De Ocampo
   □ Reynaldo G. Geronimo
   □ Kim Gia G. Gatapia
   □ Jonna Luz R. Matematico
   □ Lea Angeline A. Maranan
   □ Fernando Jose E. Sison III*
   □ Simon R. Paterno*

   **Independent Director*

   □ Vote for ALL nominees listed above and allocate votes equally among them

□ Withhold authority to vote for ALL nominees listed above

□ Select specific nominees to elect or allocate votes unequally:

- Roberto F. De Ocampo [Enter number of votes below] _____
- Reynaldo G. Geronimo [Enter number of votes below] _____
- Kim Gia G. Gatapia [Enter number of votes below] _____
- Jonna Luz R. Matematico [Enter number of votes below] _____
- Lea Angeline A. Maranan [Enter number of votes below] _____
- Fernando Jose E. Sison III* [Enter number of votes below] _____
- Simon R. Paterno* [Enter number of votes below] _____

5. Appointment of external auditor for 2026

□ For
□ Against
□ Abstain

6. Confirmation of BPI Wealth – A Trust Corporation ("BPI Wealth") as Principal Distributor and Transfer Agent

□ For
□ Against
□ Abstain

7. Approval of the Amendment of Articles of Incorporation, By-Laws, Investment Objectives, and other pertinent documents such as the Prospectus to reflect the following changes:

- *Change in principal office address* – to "19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City, Metro Manila, Philippines"

□ For
□ Against
□ Abstain

- *Change in Investment Objective* – to "The Fund provides investors with income and long-term capital appreciation through investments in equities, equity-related securities, and debt securities of Asian issuers."

□ For
□ Against
□ Abstain

- *Participation of stockholders in the Stockholders' Meeting through remote communication*

□ For
□ Against
□ Abstain

- *Right to vote of stockholders through remote communication or in absentia*

□ For
□ Against
□ Abstain

- *Inclusion of electronic modes of communication*

□ For
□ Against
□ Abstain

- *Revision of notice period for Stockholders' Meetings*

□ For
□ Against
□ Abstain

- *Establishment of various committees to promote corporate governance*

□ For
□ Against
□ Abstain

- *Inclusion of Compliance Officer*

□ For
□ Against
□ Abstain

- *Alignment of definition of assets and liabilities*

□ For
□ Against
□ Abstain

- *Date of annual meeting to such date as shall be determined by the Board*

□ For
□ Against
□ Abstain

Section 3: Attestation

By actively and deliberately selecting the checkbox, I hereby fully understand and give my consent to the following:

1. My act of accomplishing and submitting this form is equivalent to affixing my signature herein and signifies my unequivocal approval of its contents, including all the responses provided herein;

2. This form shall be accorded all the privileges and benefits of an original document bearing a physical or wet signature, and shall be conclusive, valid, and enforceable on my person; and

3. Upon request of PAMI Mutual Funds, I undertake to submit a wet-signed form bearing the same details indicated in this electronic submission, including any additional supporting document as may be required. Nonetheless, my failure to comply with the original submission requirements for whatever reason shall not constitute a revocation, nor affect the validity, of this electronic submission.

[ ] I agree to the above statement

1. Date Signed
   Please input date (m/d/yyyy)

2. Current Location (Municipality)
   _____

NON-ELECTRONIC PROXY FORM

***PLEASE FILL UP AND SIGN THIS PROXY FORM AND RETURN OR FAX IMMEDIATELY TO:**
BPI WEALTH – A TRUST CORPORATION
19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City
(02) 8580-0900
Email: pami_asm@bpi.com.ph
Fax: (02) 8580-4682

You may also opt to accomplish and submit this form electronically at and such electronic submission shall have the same effect as though it was returned via mail or email at the address and information stated above.

STOCKHOLDER PROXY

(This Proxy Solicitation is being made by and on behalf of **Philam Fund, Inc.)**

Section 1: Data Privacy Notice

This form contains information intended only for users authorized by PAMI Mutual Funds. Authorized users should not disclose, disseminate, distribute, or copy this form, in whole or in part, without permission.

In compliance with the Data Privacy Act (R.A. 10173), we strive to keep your information private and confidential. Your personal and financial information, including your name, investment account number (e.g. Investment Account Number, Folio Number, Segregated Account Number) and number of shares will be collected to record your votes or your designation of a proxy for the PAMI Mutual Funds Annual Stockholders' Meeting. We ensure protection of your information, and these will be retained for as long as necessary for the fulfillment of your objective of voting or designating a proxy for the current and succeeding PAMI Mutual Funds Stockholders' Meeting. To learn more about how we collect, protect, use, share and store your private information, please email pami_asm@bpi.com.ph.

Please identify your investment account type:

◯ Joint (or)

1. Primary Account Holder _____
2. Secondary Account Holders (1) _____
3. Secondary Account Holders (2) _____
4. Secondary Account Holders (3) _____
5. Secondary Account Holders (4) _____
6. Investment Account Number: _____
7. Number of Shares: _____
8. Email Address: _____

◯ Joint (and)

1. Primary Account Holder _____
2. Secondary Account Holders (1) _____
3. Secondary Account Holders (2) _____
4. Secondary Account Holders (3) _____
5. Secondary Account Holders (4) _____
6. Investment Account Number: _____
7. Number of Shares: _____
8. Email Address: _____

◯ Corporate / Institutional

1. Corporation Name: _____
2. Authorized Representative: _____
3. Investment Account Number: _____
4. Number of Shares: _____
5. Email Address: _____

◯ Individual / Sole (Non-Corporate, Non-Institutional, Not Joint)

1. Last Name: _____
2. First Name: _____
3. Investment Account Number: _____
4. Number of Shares: _____
5. Email Address: _____

Section 2: Stockholder Proxy

The undersigned stockholder (the “Stockholder”) of **Philam Fund, Inc**. (the "Company"), hereby appoints **Mr. Roberto F. de Ocampo**, with full power of substitution and delegation, or, in case of his non-attendance, the Chairman of the Annual Stockholders’ Meeting of the Company, chosen in accordance with the Company’s By-Laws, as the Stockholder’s proxy to represent the Stockholder and vote all shares registered in the Stockholder’s name in the books of the Company, at the Annual Meeting of the Stockholders to be conducted on November 23, 2026 from 3:00 pm to 4:00 pm at The Blue Room, 25th Floor Ayala

Tower One, Philippine Exchange Plaza, Ayala Avenue, Makati City and virtually via Zoom, and any adjournments and postponements thereof, as fully to all intents and purposes as the stockholder might or could do if present in person, hereby ratifying and confirming any and all actions to be taken during any said meetings and adjournments thereof.

This proxy shall be accomplished not later than 5:00PM on 18 November 2026. The proxy form in favor of the Company shall be irrevocable and shall be effective and valid for all Annual and Special Stockholders Meetings held from the date of the proxy until the last calendar day of the fifth (5th) year thereafter, and any postponement or adjournment thereof. The proxy shall be valid for a maximum period of five (5) years from the date of the proxy, unless withdrawn by the stockholder by a written notice duly submitted to the Corporate Secretary. There is no formal procedure or limitation for the right of revocation of a proxy before it is exercised. Nonetheless, the proxy may not be withdrawn unilaterally by the stockholder if it is coupled with an interest.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder. If no direction is made, this proxy will be voted "For" the approval of the matter stated below and for such other matters as may properly come before the meeting, including matters which the solicitors do not know a reasonable time before the solicitation are to be presented at the meeting, and those incidental to the conduct of the meeting, in the manner described in the information statement and/or as recommended by management or the board of directors.

1. Approval of minutes of last Annual Stockholders' Meeting held on 22 October 2021

   □ For
   □ Against
   □ Abstain

2. Approval of the 2025 Annual Report and Audited Financial Statements

   □ For
   □ Against
   □ Abstain

3. Ratification and approval of the acts of the Board of Directors and Management since the last Annual Stockholders' Meeting held on 22 October 2021

   □ For
   □ Against
   □ Abstain

4. Election of Directors

   Voting Instructions:

   1) Multiply the number of your shares as of September 30, 2026 by seven (7).
   2) The result from number one (1) is the number of votes you may distribute among the seven (7) nominees.

   Example:
   If you have 100 shares, you may distribute 700 votes among the nominees in whichever way you choose. Kindly write the number of votes you wish to confer upon each nominee on the blank space provided beside their names. If you wish to withhold the authority to vote for any nominee, kindly indicate the nominee's name.

   □ Roberto F. De Ocampo
   □ Reynaldo G. Geronimo
   □ Kim Gia G. Gatapia
   □ Jonna Luz R. Matematico
   □ Lea Angeline A. Maranan
   □ Fernando Jose E. Sison III*
   □ Simon R. Paterno*

   **Independent Director*

   □ Vote for ALL nominees listed above and allocate votes equally among them

   □ Withhold authority to vote for ALL nominees listed above

   □ Select specific nominees to elect or allocate votes unequally:

   - Roberto F. De Ocampo [Enter number of votes below]
     _____
   - Reynaldo G. Geronimo [Enter number of votes below]
     _____
   - Kim Gia G. Gatapia [Enter number of votes below]
     _____
   - Jonna Luz R. Matematico [Enter number of votes below]

_____

- Lea Angeline A. Maranan [Enter number of votes below]

_____

- Fernando Jose E. Sison III* [Enter number of votes below]

_____

- Simon R. Paterno* [Enter number of votes below]

_____

5. Appointment of external auditor for 2026

   □ For
   □ Against
   □ Abstain

6. Confirmation of BPI Wealth – A Trust Corporation ("BPI Wealth") as Principal Distributor and Transfer Agent

   □ For
   □ Against
   □ Abstain

7. Approval of the Amendment of Articles of Incorporation, By-Laws, Investment Objectives, and other pertinent documents such as the Prospectus to reflect the following changes:

   - *Change in principal office address* – to "19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City, Metro Manila, Philippines"

   □ For
   □ Against
   □ Abstain

   - *Change in Investment Objective* – to "The Fund provides investors with income and long-term capital appreciation through investments in equities, equity-related securities, and debt securities of Asian issuers."

   □ For
   □ Against
   □ Abstain

   - *Participation of stockholders in the Stockholders' Meeting through remote communication*

   □ For
   □ Against
   □ Abstain

   - *Right to vote of stockholders through remote communication or in absentia*

   □ For
   □ Against
   □ Abstain

   - *Inclusion of electronic modes of communication*

   □ For
   □ Against
   □ Abstain

   - *Revision of notice period for Stockholders' Meetings*

   □ For
   □ Against
   □ Abstain

   - *Establishment of various committees to promote corporate governance*

   □ For
   □ Against
   □ Abstain

- *Inclusion of Compliance Officer*

□ For
□ Against
□ Abstain

- *Alignment of definition of assets and liabilities*

□ For
□ Against
□ Abstain

- *Date of annual meeting to such date as shall be determined by the Board*

□ For
□ Against
□ Abstain

Signed on this _____ day of _____, _____ in _____.

_____
Signature of Stockholder or Stockholder's Representative over Printed Name / Portfolio Number

Annex A. MANAGEMENT REPORT

Financial and Other Information

Market Information

PFI is not listed in the Philippine Stock Exchange. The shares are being sold by SEC Certified Investment Solicitors (CISols) thru the fund's authorized distributors.

Holders

As of 30 September 2026, there were a total of 6,372 holders of redeemable common stock (one class of shares only).

Top 20 Shareholders as of 30 September 2026			
No.	**Shareholders' Name**	**Number of Shares Held**	**Percentage of Total Shares Outstanding**
1.	Telengtan Brothers And Sons, Inc.	8,388,274	8.81%
2.	Lhuillier, Jean Henri D	5,249,581	5.51%
3.	Jiao, Mary Anne D	2,271,996	2.39%
4.	Guanio, Lisa V	2,200,089	2.31%
5.	Statefields School Inc	1,671,777	1.76%
6.	Kalayaan Development & Industrial Corp.	1,659,930	1.74%
7.	Philippine Golf Foundation Inc	1,507,502	1.58%
8.	Bdo Pb Trust Fao 1214899301	1,236,413	1.30%
9.	Sycip Salazar Employees Retirement Plan	1,203,793	1.26%
10.	Yupangco, Nita L	1,164,221	1.22%
11.	Castro, Charmaine Ong	1,081,578	1.14%
12.	Philippine Stock Exchange Centre Condominium Corp.	986,007	1.04%
13.	BIMI Fao Col- PFI	923,422	0.97%
14.	Carada, Evelyn Trinidad	905,528	0.95%
15.	Jepp Real Estate Co., Inc.	776,860	0.82%
16.	Sese, Virgilio C	770,289	0.81%
17.	Cua, Mary Ann Barrios	681,422	0.72%
18.	Health Maintenance, Inc.	662,183	0.70%
19.	St Elizabeth Community Development Program Inc	647,272	0.68%
20.	De Vera, Ma.Corazon	639,195	0.67%

Dividends

Although there are no restrictions that limit the Fund's ability to pay dividends, PFI has not declared any cash dividends for the last three (3) years. The Board of Directors of PFI may decide to declare dividends, whether in the form of cash, property or stock, from the unrestricted retained earnings of the Fund at a time and percentage as the PFI Board may deem proper and in accordance with the pertinent laws.

Under R.A. 2629, it shall be unlawful for any registered investment company to pay any dividend, or make any distribution in the nature of a dividend payment, wholly or partly from any source other than: (i) from the investment company's accumulated undistributed net income, determined in accordance with good accounting practice and including profits or losses realized upon the sale of securities or properties; or (ii) from the Fund's earned surplus so determined for the current or preceding fiscal year, unless such payment is accompanied by a written statement which adequately discloses the source or sources of such payment. The SEC may prescribe the form of such statement by rules or regulations or by order in the public interest and for the protection of investors. It shall also be unlawful to advertise such dividends in terms of centavos or pesos per share without also stating the percentage they bear to the par value per share.

MANAGEMENT DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

AS OF 30 JUNE 2026

Net Asset Value Per Share for the 2nd Quarter of 2026:

QUARTER	DATE	NAVPS	
2nd	29-May-26	15.2597	**LOW**
	15-Jun-26	16.1000	**HIGH**

The Philippine Stock Exchange Index (PSEi) rose by 1.48% to close at 6,037.17 in the second quarter of 2026, recovering from the sharp decline recorded in Q1. The quarter's performance was uneven across months: April and May saw continued selling pressure as the index fell 1.94% and 1.11%, respectively, before a strong June rebound of 4.65% lifted the index into positive territory for the quarter.

The macro backdrop remained challenging throughout the quarter. The Iran war continued to drive elevated energy prices and inflation — Philippine headline CPI reached 7.2% in April before easing to 6.8% in May, still well above the BSP's 3% target. This prompted the Bangko Sentral ng Pilipinas (BSP) to raise its benchmark reverse repurchase rate by 25 basis points to 4.50% in April — its first hike in more than two years — and again by 25 basis points to 4.75% in June. Governor Eli Remolona signaled that further tightening remained on the table. Meanwhile, Q1 2026 GDP growth came in at 2.8% year-on-year, below the 3.3% consensus estimate and below the 3.0% pace of the prior quarter. Overseas remittances grew just 2.3% year-on-year in March, the weakest pace since June 2023.

The top three main index gainers for the quarter were International Container Terminal Services, Inc. (ICT, +29.36%), Globe Telecom, Inc. (GLO, +16.80%), and Aboitiz Equity Ventures (AEV, +10.40%), while the top three losers were DigiPlus Interactive Corp. (PLUS, -26.78%), DMCI Holdings, Inc. (DMC, -24.85%), and Jollibee Foods Corporation (JFC, -24.31%).

Financial assets at fair value through profit or loss decreased by 2.0% from Php1.50 billion as of December 31, 2025 to Php1.47 billion as of June 30, 2026. Total assets decreased by 4.4% to Php1.60 billion, mainly due to lower cash and cash equivalents of Php130.71 million (December 31, 2025: Php170.88 million) used to settle redemptions. Total liabilities increased to Php37.50 million from Php13.14 million due to redemptions payable not yet settled at period-end.

Total equity decreased by 5.9% from Php1.66 billion to Php1.57 billion, reflecting net redemptions of Php82.21 million and the net loss for the period.

For the six months ended June 30, 2026, the Fund reported total income of Php8.07 million, 73.4% lower than Php30.38 million in the same period last year, mainly due to net fair value losses on financial assets at fair value through profit or loss. Total expenses were flat at Php19.62 million, resulting in a net loss of Php16.34 million compared with net income of Php5.27 million in the same period last year.

Top Five Key Performance Indicators

a) **Performance vis-à-vis the Benchmark** – Philam Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equity investment instruments. The Fund's return on investment (ROI) as of June 2026 was recorded at -1.04% net of fees and taxes, below benchmark by 224 bps.

b) **Portfolio Quality** – The Fund's portfolio should adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities.

c) **Market Share in the Industry** – Philam Fund cornered 15.87% of the Php9.86 Billion total net asset value of peso balanced funds as of June 2026.

d) **NAV Growth vis-à-vis Industry Growth** – For the first six months of 2026, Philam Fund's NAV declined by 4.99% compared to the 5.15% contraction in peso balanced mutual funds.

e) **Performance vis-a-vis Competition** – Philam Fund ranked 8th in year-to-date returns among peso balanced mutual funds as of June 2026.

Discussion and analysis of material events and/or uncertainties known to the management that would address the past and would have an impact on future operations.

a. **Any known trends, demands, commitments, events or uncertainties that will have material impact on the issuer's liquidity:**
Liquidity of the fund may be affected by the market's depth or the existence of readily available buyers and sellers in the market.

b. **Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation:**
None

c. All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period:
None

d. Any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures:
None

e. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations:
None

f. Any significant elements of income or loss that did not arise from the issuer's continuing operations:
The Fund Manager is not aware of any significant element of income or loss that did not arise from the Fund's continuing operations.

AS OF 31 DECEMBER 2025

Net Asset Value Per Share Per Quarter for the year 2025:

QUARTER	DATE	NAVPS	
1st	02-Feb-25	15.4060	**LOW**
	6-Jan-25	16.2740	**HIGH**
2nd	7-Apr-25	15.5013	**LOW**
	14-May-25	16.5148	**HIGH**
3rd	30-Sep-25	15.7958	**LOW**
	14-Jul-25	16.4364	**HIGH**
4th	16-Nov-25	15.3373	**LOW**
	15-Dec-25	16.0391	**HIGH**

The Philippine Stock Exchange Index (PSEi) declined by 7.29% in 2025. Foreign investors were still net sellers, with net outflows reaching USD882 million. On a sectoral basis, the Services sector outperformed the local bourse as investors favored names with leading market capitalization, good fundamentals as well as those that are high yielding.

Estimates indicated a market valuation of 10x Price-to-Earnings Ratio (PER), below its 10-year mean of ~17x.

As of 31 December 2025, Philam Fund's net asset value (NAV) per share stood at P16.0075, or -0.85% year-on-year.

Financial assets at fair value through profit or loss decreased by 17.2% from Php1.81 billion in 2024 to Php1.50 billion in 2025, reflecting the sale of investments to meet redemptions and fair value losses on equities. Total assets likewise decreased by 11.1% from Php1.89 billion to Php1.68 billion, while cash and cash equivalents increased to Php170.88 million from Php72.60 million. Total liabilities remained relatively unchanged at Php13.14 million (2024: Php13.41 million).

Total equity decreased by 11.2% from Php1.87 billion to Php1.66 billion, due to net redemptions of Php193.84 million and the net loss for the year.

The Fund reported total income of Php34.57 million in 2025, 72.4% lower than Php125.46 million in 2024, as income from financial assets at fair value through profit or loss turned to a net loss of Php2.54 million from a net gain of Php90.61 million amid the decline in Philippine equities. Total expenses decreased by 12.1% to Php39.54 million on lower management fees, resulting in a net loss of Php15.49 million compared with net income of Php68.85 million in 2024.

Top Five Key Performance Indicators

a) **Performance vis-à-vis the Benchmark** – Philam Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equity investment instruments. The Fund's return on investment (ROI) as of December 2025 is -0.85% net of fees and taxes, underperforming its benchmark by 198 bps.

b) **Portfolio Quality** – The Fund's portfolio should adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities.

c) **Market Share in the Industry** – Philam Fund cornered 17.50% of the P9.51 Billion total net asset value of peso balanced funds as of December 2025.

d) **NAV Growth vis-à-vis Industry Growth** – For the year ended 31 December 2025, Philam Fund's NAV contracted by 11.18% compared to the 13.91% contraction in peso balanced mutual funds.

e) **Performance vis-a-vis Competition** – Philam Fund ranked 7th in 2025 returns among peso balanced mutual funds.

AS OF 31 DECEMBER 2024

Net Asset Value Per Share Per Quarter for the year 2024:

QUARTER	DATE	NAVPS	
1st	21-Jan-24	15.5680	**LOW**
	14-Mar-24	16.2803	**HIGH**
2nd	23-Jun-24	15.2627	**LOW**
	1-Apr-24	16.3201	**HIGH**
3rd	2-Jul-24	15.5613	**LOW**
	26-Sep-24	17.2989	**HIGH**
4th	22-Dec-24	15.9945	**LOW**
	7-Oct-24	17.4374	**HIGH**

The Philippine Stock Exchange Index (PSEi) closed 2024 with a gain of 1.22%, breaking its previous streak of four consecutive years of decline. However, foreign investors remained net seller sellers, with net outflows reaching USD408 million. On a sectoral basis, Services and Financials outperformed the broader market as investors preferred select names with leading market capitalization and good fundamentals as well as defensive and high-yielding stocks.

Consensus estimates indicated a market valuation of 11x Price-to-Earnings Ratio (PER), below its 10-year mean of around 17x.

As of 31 December 2024, Philam Fund's net asset value (NAV) per share stood at P16.1440, up by 3.73% year-on-year.

Top Five Key Performance Indicators

1. **Performance vis-à-vis the Benchmark** – Philam Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equity investment instruments. The Fund's return on investment (ROI) as of December 2024 is 3.73% net of fees and taxes, underperforming its benchmark by 88 bps.

2. **Portfolio Quality** – The Fund's portfolio should adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities.

3. **Market Share in the Industry** – Philam Fund cornered 16.96% of the P11.04 Billion total net asset value of peso balanced funds as of December 2024.

4. **NAV Growth vis-à-vis Industry Growth** – For the year ended 31 December 2024, Philam Fund's NAV contracted by 4.93% compared to the 10.23% contraction in peso balanced mutual funds.

5. **Performance vis-a-vis Competition** – Philam Fund ranked 4th in 2024 returns among peso balanced mutual funds.

AS OF DECEMBER 31, 2023

Net Asset Value Per Share Per Quarter for the year 2023:

QUARTER	DATE	NAVPS	
1st	14-Mar-23	14.9925	**LOW**
	18-Jan-23	15.8628	**HIGH**
2nd	19-Apr-23	15.1781	**LOW**
	19-May-23	15.6460	**HIGH**
3rd	20-Sep-23	14.8205	**LOW**
	27-Jul-23	15.5797	**HIGH**
4th	30-Oct-23	14.6645	**LOW**
	19-Dec-23	15.6653	**HIGH**

The PSEi continued to be challenged in 2023 returning -1.77% for the year, settling somewhere in the middle of how its ASEAN peers performed. Foreign investors continued to be sellers, with net outflows reaching USD863.3 million according to Bloomberg data. On a per sector basis, only Financials saw gains buoyed by the high interest rate environment which supported expansion of net interest margins. All other sectors underperformed the index as overall sentiment was dragged by macroeconomic concerns (e.g., high inflation & decelerating growth) and lingering hawkishness of central banks.

Market valuation remained close to 13x PE based on consensus estimates, below its 10-year mean of around 17x.

As of 31 December 2023, Philam Fund's net asset value (NAV) per share stood at P15.5631, up by 2.79% year-on-year.

Top Five Key Performance Indicators

1. **Performance vis-à-vis the Benchmark** – Philam Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equity investment instruments. The Fund's return on investment (ROI) as of December 2023 is 2.79% net of fees and taxes, underperforming its benchmark by 202 bps.

2. **Market Share in the Industry** – Philam Fund cornered 16.0% of the P12.30 Billion total net asset value of peso balanced funds as of December 2023.

3. **NAV Growth vis-à-vis Industry Growth** – For the year ended 31 December 2023, Philam Fund's NAV contracted by 4.65% compared to the 10.37% contraction in peso balanced mutual funds.

4. **Portfolio Quality** – The Fund's portfolio should adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities.

5. **Performance vis-a-vis Competition** - Philam Fund ranked 4th in 2023 returns among peso balanced mutual funds.

External Audit Fees

The following are the aggregate fees billed by the external auditors for each of the last two calendar years (in Php):

Year	Total
2025	Php 571,111.84
2024	Php676,547.87

Note:

No tax fees were paid since there were no professional services rendered by Isla Lipana for tax accounting compliance, advice, planning and any other form of tax service.

Similarly, no other fees were paid for products and services provided by Isla Lipana other than the regular annual audit report.

The following are the PFI Audit Committee's approval policies & procedures for the external auditor:

- Recommend to the Board of Directors the selection of the external auditor, who is accountable to the Board and to the Audit Committee as representatives of the shareholders, considering independence effectiveness and approval of fees and other compensation to be paid to the external auditor. On an annual basis, the Committee should review and discuss with the auditor all significant relationships with PFI to determine the auditor's independence.
- Review the performance of the external auditor and approve any proposed discharge of the external auditor when circumstances warrant.
- Periodically consult with the external auditor of PFI about internal controls and the fullness and accuracy of the organization's financial statements.
- The Committee will actively engage the external auditor in a dialogue regarding independence.
- Adhere to the following procedures for the approval of services by the external auditor:
    - The Audit Committee will annually approve the scope of, and fees payable for, the year-end audit to be performed by PFI's external auditor for the next calendar year.
    - PFI may not engage the external auditor for any services unless they are approved by the Audit Committee in advance of the engagement.
    - If PFI wishes to engage the external auditor for any services, PFI will define and present to the Audit Committee specific projects and categories of service and fee estimates, for which the advance approval of the Audit Committee is required. The Audit Committee will review these requests and determine whether to pre-approve the engagement of the external auditor for the specific projects and categories of service.
    - PFI will report to the Audit Committee regarding the actual spending for these projects and services, compared to the approved amounts on a quarterly basis.
    - The Audit Committee Chairperson will report to the Committee at each regularly scheduled meeting the nature and amount of any non-audit services that he has approved.

Corporate Governance

The Fund evaluates the level of compliance of the Board of Directors and senior management with its Manual of Corporate Governance through periodic assessments using regulatory requirements, governance standards, internal reviews, and other appropriate governance evaluation mechanisms, including the SEC Corporate Governance Self-Rating Form (CG-SRF), as applicable.

Except for amendments and enhancements required by the SEC, if any, and the improvements being considered with respect to corporate disclosure processes, the Fund has no material deviations from its Manual of Corporate Governance.

The Fund remains committed to the periodic review of its governance framework and will implement such enhancements as may be appropriate in consideration of regulatory developments, operational requirements, and evolving governance practices.

Other Disclosures

- There were no disagreements with the former accountant, on any matter of accounting any financial disclosure.
- There were no known trends, events or uncertainties with material impact on liquidity and sales. Neither were there events that would trigger direct or contingent financial obligations that are material to the Fund, including any default or acceleration of an obligation.
- There were no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) and other relationships of the Fund with unconsolidated entities or other persons created during the reporting period.
- There were no material commitments for capital expenditures. The realized and unrealized gains on stock and fixed income investments brought by market appreciation represent the significant element of income from continuing operations

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A, *AS AMENDED*

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended — **December 31, 2025**

2. SEC Identification Number — **39191**

3. BIR Tax Identification No. — **000-507-003**

4. Exact name of registrant as specified in its charter — **Philam Fund Inc.**

Metro Manila, Philippines
5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code (SEC use only) [ ]

17/F Philam Life Head Office, Net Lima Bldg, 5th Avenue Corner 26th St., Bonifacio Global City, Taguig 1634
7. Address of principal office

8. Registrant's telephone number, including area code — **(632) 8580-0900**

N/A
9. Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of each class	Number of Shares of Common Stock Outstanding as of December 31, 2025
Common voting stock	**103,945,142**

11. Are any or all of these securities listed on a Stock Exchange?

Yes ( ) No (x)

FINANCIAL INFORMATION

12. Check whether the registrant:

has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes (x) No ( )

has been subject to such filing requirements for the past ninety (90) days.

Yes (x) No ( )

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form: Please refer to the audited financial statements.

APPLICABLE ONLY TO REGISTRANTS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

14. Check whether the registrant has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Not applicable

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of the SEC Form 17-A into which the document is incorporated:

a. any annual report to security holders;
b. any information statement filed pursuant to SRC Rule 20;
c. any prospectus filed pursuant to SRC Rule 8.1.

a. Annual Report:

1. 2025 Annual Report (incorporated)
2. 2025 Audited Financial Statements (attached)

PART I - BUSINESS AND GENERAL INFORMATION

ITEM NO. 1 BUSINESS

Philam Fund Inc. (PFI) is a stock corporation incorporated on August 29, 1969. The Fund's sole product is shares (securities) of PFI.

PFI is an open-ended mutual fund whose shares will be offered to the public at net asset value. PFI considers a medium to long-term investment horizon for its shareholders.

The Fund Manager, Fund Advisor, and Principal Distributor of the Fund is BPI Wealth – A Trust Corporation ("BPI Wealth").

BPI Wealth is a wholly owned subsidiary of Bank of the Philippine Islands and is a standalone trust corporation duly authorized and licensed by the BSP. BPI Wealth has been duly registered and licensed by SEC as Investment Company Adviser, with license number 01-2023-00297, with authority to act as fund manager of mutual funds, beginning 14 March 2023. Currently, BPI Wealth is the designated fund manager of the ALFM Mutual Funds, PAMI Mutual Funds, Solidaritas Fund, Ekklesia Mutual Fund, Affinity Global Multi-Asset Fund, BPI Wealth Builder and NCM Mutual Fund. As an SEC-licensed Investment Company Adviser, BPI Wealth is also authorized to distribute the mutual funds it manages.

As Fund Manager, BPI Wealth shall formulate and implement the investment strategy, provide and render management, technical, and administrative services, whereby authorizing BPI Wealth to purchase and sell investment securities for the account of the Fund.

As Fund Advisor, BPI Wealth is tasked to render services which include investment research and advice, preparation of economic, industry, market, corporate, and security analyses, and assistance and recommendations in the formulation of investment guidelines.

As the Fund's Principal Distributor, BPI Wealth shall perform principally all related daily functions in connection with the marketing and the growth of the level of assets of the Fund.

BPI Investments Inc. ("BII") is the Transfer Agent[1] of the Fund. It is a wholly owned subsidiary of the Bank of the Philippine Islands incorporated on July 30, 1974 as Ayala Investment Management, Inc. to principally engage in the business of managing an investment company. BII is licensed by the Securities and Exchange Commission as a Transfer Agent with C.R No. 01-2004-00151. Its 2024 Transfer Agent license was renewed on July 4, 2024, and subsequently reissued on February 18, 2025, to reflect the company's new corporate name.

As the Fund's appointed Transfer Agent, BII shall provide transfer agency services including the maintenance of the official stock and transfer book of the Fund and the issuance of Shareholders' Transaction Advice, among others.

The Fund has also appointed BPI Wealth as its Transfer Agent to apply prospectively upon issuance of BPI Wealth's Transfer Agency license by the Securities and Exchange Commission. BPI Wealth was already issued a Transfer Agency license and became the Fund's Transfer Agent effective January 16, 2026.

The Fund operates within the mutual fund industry, a type of collective investment scheme and a sub-sector of the financial services industry. The mutual fund industry offers a broad range of products, covering various asset classes and feeder fund structures. Most providers utilize private networks alongside digital and mobile strategies for distribution. With retail investors as the dominant market segment, investor education remains crucial, alongside key industry trends such as digitalization, evolving investor demographics, regulatory reforms, and a shifting competitive landscape, all of which are influencing how mutual funds operate and attract investors.[2]

The principal method of competition in this industry is the fund performance or fund return measured based on the NAVPS's appreciation over time. The Fund will rely on the active management of its appointed Fund Manager to outperform the Fund's competition while ensuring that the active risk (i.e. degree of deviation from the index or benchmark) taken by the Fund remains appropriate given the Fund's investment objective and policy.

The Fund's primary competitors are peer collective investment schemes such as other balanced mutual funds and unit investment trust funds available in the Philippines.

The Fund's Shares shall be made available to the public primarily through the following:

1. BPI Wealth, which has been appointed as the Fund's Principal Distributor with authority to appoint sub-distributors on behalf of the Fund; and

2. Other SEC authorized and accredited distribution firms that the Fund may engage through BPI Wealth.

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[1] The Fund has appointed BPI Wealth as the Fund's Transfer Agent which shall take effect only after the approval by the Securities and Exchange Commission of the transfer agency license application of BPI Wealth.
[2] Source: CFA Society Philippines' ASSESSMENT OF THE ASSET MANAGEMENT INDUSTRY IN THE PHILIPPINES: The Case of the Mutual Fund Sector accessible through https://bit.ly/3U0UDSV

In all cases, the Fund's distributors shall be limited only to holders of Mutual Fund Distributor license duly granted by the SEC.

Employees

PFI employs no personnel as it functions solely through its Fund Manager, BPI Wealth – A Trust Corporation.

Government Regulations and Risks

As an investment company, PFI is governed by the rules and regulations of the Securities and Exchange Commission (the "SEC"), particularly the Investment Company Act, ICA Rule 35-1, Corporation Code of the Philippines and the Securities Regulation Code. PFI observes and complies with all government laws, rules and regulations that exist. PFI is not aware of any probable government regulations that may materially affect its business.

The Fund, however, is exposed to financial risk through its financial assets and financial liabilities. The Fund's NAVPS may fluctuate due to changes in market value of its financial assets. Such changes in market value may be attributable to various factors such as:

- Market Risk: This is the risk of change in the fair value of financial assets due to market fluctuations (market prices and interest rates) whether such change in price is caused by factors specific to the individual asset or fund or its issuer or by factors affecting all assets traded in the market. The Fund's fixed rate investments and receivables are exposed to such risk.

  The Fund will manage interest rate risk through continuous monitoring of the interest rate environment. During periods of increasing rates and widening of credit spreads, the Fund Manager will shorten the duration of the fixed income portfolio. During periods of decreasing rates and narrowing credit spreads, the fund manager will lengthen the duration of the fixed income portfolio.

- Liquidity Risk: Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with 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 redemption of its issued shares. It therefore invests majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund also has a liquidity contingency plan in place in order to service redemptions in a liquidity crisis scenario.

- Credit Risk: This is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

  The Fund manages the level of credit risk it accepts through the following: setting up of exposure limits by each counterparty or group of counterparties; reporting of credit risk exposures; monitoring compliance with credit risk policy, and review of credit risk policy for pertinence and changing environment.

These risks arise from open positions in interest rate products, all of which are exposed to general and specific market movements. The Fund will manage risks by constant monitoring of interest rates, economic indicators and developments in the socio-political scene.

ITEM NO. 2 PROPERTIES

PFI does not own any real or personal properties (such as real estate, plant and equipment, mines, patent, etc.). Neither does the Fund lease any property nor does it intend to acquire any real or personal properties within the next 12 months.

ITEM NO. 3 LEGAL PROCEEDINGS

There is no pending litigation or arbitration proceedings where PFI is a party and no litigation or claim of material importance is known to the Directors of PFI to be pending or threatened against the Fund during the past five (5) years up to the date of this document.

ITEM NO. 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable

PART II - OPERATIONAL AND FINANCIAL INFORMATION

ITEM NO. 5 MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

PFI is not listed in the Philippine Stock Exchange. The shares are being sold by SEC Certified Investment Solicitors (CISols) thru the fund's authorized distributors.

Net Asset Value Per Share Per Quarter for the year 2025:

QUARTER	DATE	NAVPS	
1st	02-Feb-25	15.4060	LOW
	6-Jan-25	16.2740	HIGH
2nd	7-Apr-25	15.5013	LOW
	14-May-25	16.5148	HIGH
3rd	30-Sep-25	15.7958	LOW
	14-Jul-25	16.4364	HIGH
4th	16-Nov-25	15.3373	LOW
	15-Dec-25	16.0391	HIGH

Net Asset Value Per Share Per Quarter for the year 2024:

QUARTER	DATE	NAVPS	
1st	21-Jan-24	15.5680	LOW
	14-Mar-24	16.2803	HIGH
2nd	23-Jun-24	15.2627	LOW
	1-Apr-24	16.3201	HIGH
3rd	2-Jul-24	15.5613	LOW
	26-Sep-24	17.2989	HIGH
4th	22-Dec-24	15.9945	LOW
	7-Oct-24	17.4374	HIGH

Net Asset Value Per Share Per Quarter for the year 2023:

QUARTER	DATE	NAVPS	
1st	14-Mar-23	14.9925	LOW
	18-Jan-23	15.8628	HIGH
2nd	19-Apr-23	15.1781	LOW
	19-May-23	15.6460	HIGH
3rd	20-Sep-23	14.8205	LOW
	27-Jul-23	15.5797	HIGH
4th	30-Oct-23	14.6645	LOW
	19-Dec-23	15.6653	HIGH

Dividends

Although there are no restrictions that limit the Fund's ability to pay dividends, PFI has not declared any cash dividends for the last three (3) years. The Board of Directors of PFI may decide to declare dividends, whether in the form of cash, property or stock, from the unrestricted retained earnings of the Fund at a time and percentage as the PFI Board may deem proper and in accordance with the pertinent laws.

Under R.A. 2629, it shall be unlawful for any registered investment company to pay any dividend, or make any distribution in the nature of a dividend payment, wholly or partly from any source other than: (i) from the investment company's accumulated undistributed net income, determined in accordance with good accounting practice and including profits or losses realized upon the sale of securities or properties; or (ii) from the Fund's earned surplus so determined for the current or preceding fiscal year, unless such payment is accompanied by a written statement which adequately discloses the source or sources of such payment. The SEC may prescribe the form of such statement by rules or regulations or by order in the public interest and for the protection of investors. It shall also be unlawful to advertise such dividends in terms of centavos or pesos per share without also stating the percentage they bear to the par value per share.

Holders

As of December 31, 2025, there were a total of 6,672 holders of redeemable common stock (one class of shares only). Following are the top 20 shareholders:

No.	Name of Client	No. of Shares	% of Ownership
1	Telengtan Brothers And Sons, Inc.	8,388,274	8.07%
2	Lhuillier, Jean Henri D	5,126,520	4.93%
3	Jiao, Mary Anne D or Lazaro, Cheryl Rebecca J	2,271,996	2.19%
4	Guanio, Lisa V or Guanio, Edna Alberta V	2,200,089	2.12%
5	Statefields School Inc	1,671,777	1.61%
6	Kalayaan Development & Industrial Corp.	1,659,930	1.60%
7	Philippine Golf Foundation Inc	1,507,502	1.45%
8	BDO PB Trust Fao 1214899301	1,236,413	1.19%
9	Sycip Salazar Employees Retirement Plan	1,203,793	1.16%
10	CTC BPO Inc.	1,186,030	1.14%
11	Castro, Charmaine Ong or Ong, Joseph Jerome Dayro or Ong, Jason Dayro	1,081,578	1.04%
12	BPI Wealth Fao TA 13508300	1,048,410	1.01%

13	Philippine Stock Exchange Centre Condominium Corp.	986,007	0.95%
14	Jepp Real Estate Co., Inc.	776,860	0.75%
15	Cua, Mary Ann Barrios or Cua, Edwin Yu	681,422	0.66%
16	Health Maintenance, Inc.	662,183	0.64%
17	St Elizabeth Community Development Program Inc	647,272	0.62%
18	De Vera, Ma.Corazon or De Vera, Ma. Carolina	639,195	0.61%
19	RCBC Savings Bank Trust Services Division TA# 515-40-04403-9	618,253	0.59%
20	Ong, Joseph Jerome Dayro or Ong, Geraldine De Joya	599,926	0.58%

As of December 31, 2024, there were a total of 7,429 holders of redeemable common stock (one class of shares only). Following are the top 20 shareholders:

No.	Name of Client	No. of Shares	% of Ownership
1	Telengtan Brothers And Sons, Inc.	8,388,274	7.23%
2	Lhuillier, Jean Henri D	5,033,758	4.34%
3	Jiao, Mary Anne D	2,271,996	1.96%
4	Guanio, Lisa V	2,200,089	1.90%
5	Statefields School Inc	1,671,777	1.44%
6	Kalayaan Development & Industrial Corp.	1,659,930	1.43%
7	Philippine Golf Foundation Inc	1,507,502	1.30%
8	Yupangco, Nita L	1,255,396	1.08%
9	BDO PB Trust Fao 1214899301	1,236,413	1.07%
10	Sycip Salazar Employees Retirement Plan	1,203,793	1.04%
11	CTC BPO Inc.	1,186,030	1.02%
12	Castro, Charmaine Ong	1,081,578	0.93%
13	Philippine Stock Exchange Centre Condominium Corp.	986,007	0.85%
14	University of Southern Philippines Foundation, Inc.	964,177	0.83%
15	Carada, Evelyn Trinidad	905,528	0.78%
16	Jepp Real Estate Co., Inc.	776,860	0.67%
17	Abellada, Aurora A	774,271	0.67%
18	Sese, Virgilio C	770,289	0.66%
19	Cua, Mary Ann Barrios	681,422	0.59%
20	Health Maintenance, Inc.	662,183	0.57%

As of December 31, 2023, there were a total of 7,840 holders of redeemable common stock (one class of shares only). Following are the top 20 shareholders:

No.	Name of Client	No. of Shares	% of Ownership
1	Telengtan Brothers And Sons, Inc.	8,388,274	6.63%
2	Lhuillier, Jean Henri D	4,690,039	3.70%
3	Jiao, Mary Anne D	2,271,996	1.79%
4	Guanio, Lisa V	2,200,089	1.74%
5	Statefields School Inc	1,671,777	1.32%

6	Kalayaan Development & Industrial Corp.	1,659,930	1.31%
7	Philippine Golf Foundation Inc	1,507,502	1.19%
8	BDO PB Trust Fao 1214899301	1,236,413	0.98%
9	Sycip Salazar Employees Retirement Plan	1,203,793	0.95%
10	CTC BPO Inc.	1,186,030	0.94%
11	Manila Polo Club, Inc.	1,134,488	0.90%
12	Castro, Charmaine Ong	1,081,578	0.85%
13	Philippine Stock Exchange Centre Condominium Corp.	986,007	0.78%
14	Jepp Real Estate Co., Inc.	776,860	0.61%
15	Cua, Mary Ann Barrios	681,422	0.54%
16	Health Maintenance, Inc.	662,183	0.52%
17	St Elizabeth Community Development Program Inc	647,272	0.51%
18	De Vera, Ma. Corazon	639,195	0.50%
19	RCBC Savings Bank Trust Services Division TA# 515-40-04403-9	618,253	0.49%
20	Ong, Joseph Jerome Dayro	599,926	0.47%

Institutional and retail investors

The table below shows the Fund's total number of institutional and retail investors and the percentage of their investments as of 31 December 2025.

Philam Fund	Retail	Institutional
Number of investors	5,913	759
Percentage of investments	60.83%	39.17%

Geographic concentration of investments

The geographic concentration of investments as of 31 December 2025 is as follows: Luzon (70.75%), Visayas (14.40%), and Mindanao (14.85%).

Level of compliance with FATCA regulations

FATCA Review as of 31 December 2025

PFI	No. of Transaction	More than USD50 Thousand	Less than USD50 Thousand
US CITIZEN	10	7	3
US INDICIA	32	14	18

Investment company return information

Stated below is the Fund's annualized performance (%) for five (5) years.

1 YR	2 YRS	3 YRS	4 YRS	5 YRS
-0.85	1.42	1.87	-0.93	-1.12

Recent Sales of Unregistered or Exempt Securities Including Recent Issuances of Securities Constituting an Exempt Transaction

Not applicable.

ITEM NO. 6 MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Distribution

The Fund is being distributed by the Principal Distributor through its SEC Certified Investment Solicitors (CISols) and its appointed sub-distributors. Effective March 2025, BPI Wealth assumed the function of Principal Distributor previously held by BPI Investments Inc. (BII)

Use of Proceeds

The Fund plans to use the proceeds from the sale of PFI shares to build up its investment in equities of companies listed in the primary and secondary boards of the PSE. Likewise, proceeds will also be used to build up the investment in domestic fixed-income instruments, including but not limited to, treasury bills, Bangko Sentral ng Pilipinas' (BSP) Certificate of Indebtedness, other government securities or bonds and such other evidences of obligations issued by the BSP or guaranteed by the Philippine Government.

Determination of Offering Price

The offering price is determined at Net Asset Value (NAV) per share computed for the current banking day, if payment is made within the daily cut-off time. Otherwise, the NAV per share on the following banking day will be used for payments made after the daily cut-off time. The daily cut-off time shall be 12:00 noon of a banking day. A banking day is defined as a day when commercial banks in Metro Manila are not required or authorized to close by law.

AS OF DECEMBER 31, 2025

The Philippine Stock Exchange Index (PSEi) declined by 7.29% in 2025. Foreign investors were still net sellers, with net outflows reaching USD882 million. On a sectoral basis, the Services sector outperformed the local bourse as investors favored names with leading market capitalization, good fundamentals as well as those that are high yielding.

Estimates indicated a market valuation of 10x Price-to-Earnings Ratio (PER), below its 10-year mean of ~17x.

As of 31 December 2025, Philam Fund's net asset value (NAV) per share stood at P16.0075, or -0.85% year-on-year.

Top Five Key Performance Indicators

a) Performance vis-à-vis the Benchmark – Philam Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equity investment instruments. The Fund's return on investment (ROI) as of December 2025 is -0.85% net of fees and taxes, underperforming its benchmark by 198 bps.

b) Portfolio Quality – The Fund's portfolio should adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities.

c) Market Share in the Industry – Philam Fund cornered 17.50% of the P9.51 Billion total net asset value of peso balanced funds as of December 2025.

d) NAV Growth vis-à-vis Industry Growth – For the year ended 31 December 2025, Philam Fund's NAV contracted by 11.18% compared to the 13.91% contraction in peso balanced mutual funds.

e) Performance vis-a-vis Competition - Philam Fund ranked 7th in 2025 returns among peso balanced mutual funds.

AS OF DECEMBER 31, 2024

The Philippine Stock Exchange Index (PSEi) closed 2024 with a gain of 1.22%, breaking its previous streak of four consecutive years of decline. However, foreign investors remained net seller sellers, with net outflows reaching USD408 million. On a sectoral basis, Services and Financials outperformed the broader market as investors preferred select names with leading market capitalization and good fundamentals as well as defensive and high-yielding stocks.

Consensus estimates indicated a market valuation of 11x Price-to-Earnings Ratio (PER), below its 10-year mean of around 17x.

As of 31 December 2024, Philam Fund's net asset value (NAV) per share stood at P16.1440, up by 3.73% year-on-year.

Top Five Key Performance Indicators

a) Performance vis-à-vis the Benchmark - Philam Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equity investment instruments. The Fund's return on investment (ROI) as of December 2024 is 3.73% net of fees and taxes, underperforming its benchmark by 88 bps.

b) Portfolio Quality - The Fund's portfolio should adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities.

c) Market Share in the Industry - Philam Fund cornered 16.96% of the P11.04 Billion total net asset value of peso balanced funds as of December 2024.

d) NAV Growth vis-à-vis Industry Growth - For the year ended 31 December 2024, Philam Fund's NAV contracted by 4.93% compared to the 10.23% contraction in peso balanced mutual funds.

e) Performance vis-a-vis Competition - Philam Fund ranked 4th in 2024 returns among peso balanced mutual funds.

AS OF DECEMBER 31, 2023

The PSEi continued to be challenged in 2023 returning -1.77% for the year, settling somewhere in the middle of how its ASEAN peers performed. Foreign investors continued to be sellers, with net outflows reaching USD863.3 million according to Bloomberg data. On a per sector basis, only Financials saw gains buoyed by the high interest rate environment which supported expansion of net interest margins. All other sectors underperformed the index as overall sentiment was dragged by macroeconomic concerns (e.g., high inflation & decelerating growth) and lingering hawkishness of central banks.

Market valuation remained close to 13x PE based on consensus estimates, below its 10-year mean of around 17x.

As of 31 December 2023, Philam Fund's net asset value (NAV) per share stood at P15.5631, up by 2.79% year-on-year.

Top Five Key Performance Indicators

a) Performance vis-à-vis the Benchmark – Philam Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equity investment instruments. The Fund's return on investment (ROI) as of December 2023 is 2.79% net of fees and taxes, underperforming its benchmark by 202 bps.

b) Portfolio Quality – The Fund's portfolio should adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities.

c) Market Share in the Industry – Philam Fund cornered 16.0% of the P12.30 Billion total net asset value of peso balanced funds as of December 2023.

d) NAV Growth vis-à-vis Industry Growth – For the year ended 31 December 2023, Philam Fund's NAV contracted by 4.65% compared to the 10.37% contraction in peso balanced mutual funds.

e) Performance vis-a-vis Competition – Philam Fund ranked 4th in 2023 returns among peso balanced mutual funds.

ITEM NO. 7 FINANCIAL STATEMENTS

Copies of the following audited financial statements are attached:

a. Statement of Financial Position as of December 31, 2025 and 2024
b. Statement of Total Comprehensive Income for the years ended December 31, 2025 and 2024
c. Statement of Changes in Equity for the years ended December 31, 2025 and 2024
d. Statement of Cash Flows for the years ended December 31, 2025 and 2024

ITEM NO. 8 CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM NO. 9 DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

The date of this document, the Board of Directors and Executive Officers of PFI are as follows:

Name	Age	Citizenship	Position	Term	Years of Service
Roberto F. De Ocampo	80	Filipino	Chairman of the Board	2025-2026	26
Reynaldo G. Geronimo	81	Filipino	President and Director	2025-2026	14
Ramon Paulo L. Tayag	45	Filipino	Director	2025-2026	2
Lee Longa	52	Filipino	Director	2025-2026	4
Tomas S. Chuidian[3]	59	Filipino	Director	2024-2025	2
Fernando Jose E. Sison III	73	Filipino	Independent Director	2025-2026	6
Simon R. Paterno	66	Filipino	Independent Director	2025-2026	3
Ma. Floriliz L. Pedernal	56	Filipino	Treasurer	2025-2026	5

[3] In March 2026, the Company amended its General Information Sheet following the election of Andrae V. Manalo as Director, succeedingTomas S. Chuidian.

Hany Mae V. Dureza	36	Filipino	Compliance Officer / Data Protection Officer / AML Officer	2025-2026	2

ROBERTO F. DE OCAMPO
Chairman of the Board

Dr. De Ocampo is a Cum Laude graduate with a Bachelor of Arts degree in Economics from the Ateneo de Manila University. He has a Master's degree in Business Administration from the University of Michigan and a post-graduate diploma from the London School of Economics. He has also been conferred three Doctorates (Honoris Causas). Since 2008, Mr. De Ocampo is Chairman of the Board of the following PAMI-managed funds: Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc. (each since 2005), PAMI Global Bond Fund, Inc. (since 2008), PAMI Horizon Fund, Inc. (since 2011), and PAMI Equity Index Fund, Inc. (since 2014). Dr. De Ocampo was previously the President of the Asian Institute of Management. From 1992 to 1998, he served as the Secretary of Finance under the Ramos administration and was widely recognized as the principal architect of the resurgence of the Philippine economy. He was the first Filipino and the first ASEAN finance minister to be recognized and was cited as the "Finance Minister of the Year" in 1996 by Euromoney. He was conferred the Legion of Honor in 1998, the highest honor conferred on Filipino civilians by the Philippine government and was conferred the Ordré National de la Legion d' Honneur by the Republic of France with the rank of Chevalier.

REYNALDO G. GERONIMO
President

Atty. Geronimo is a Cum Laude graduate of Bachelor of Arts (A.B.) at the Ateneo de Manila University. He graduated Second Honors from Ateneo Law School in 1968. He also has a Master of Laws with specialization in Trusts and Estates from the University of Pennsylvania. He is currently a partner in the Romulo Mabanta Buenaventura Sayoc & de los Angeles Law Firm and a co-Chairman of the Banking Group. Atty. Geronimo is known as the Trust Guru, with a regular column in the Manila Standard Today. He is also a bar reviewer in Taxation at the UP Law Center, the UP College of Law, the Law School of UST's Civil Law Faculty, the College of Law of Liceo de Cagayan, and the Ateneo Law School. Atty. Geronimo is President and Director of the following PAMImanaged funds since 2010: Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Horizon Fund Inc., and PAMI Equity Index Fund, Inc. (since 2014)

RAMON PAULO L. TAYAG
Director

Mr. Tayag is the current Head of Agency Distribution for BII. He graduated from Ateneo De Manila with a degree in BS Legal Management and earned his Master's Degree in Business Administration from Ateneo as well. He has a total of 20 years experience in retail banking and investment sales. The first 6 years were in the retail lending industry via leasing and credit cards. He joined Citibank in 2008 as a Citigold Relationship Officer and specialized in investment sales. He first joined BPI Asset Management and Trust Group in 2013 until 2018 handling various area divisions of the Bank. He returned in 2020 after his exposure to agency management from Sun Life Asset Management Company Inc. Mr. Tayag has been a director of PAMI Asia Balanced Fund, Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Horizon Fund Inc., and PAMI Equity Index Fund, Inc. since July 2023 up to present

LEE LONGA
Director

Mr. Longa was appointed as the AIA Philippines Chief Investment Officer on April 4, 2022. He has a wealth of experience in the insurance and investments industry. His past positions include CEO of Prulife Asset Management and Trust Company and Chief Finance Officer of Pru Life UK Philippines. He also held roles in ACE insurance, Asian Life, and Blue Cross. He is a Certified Public Accountant and a 2014 and 2015 grand finalist for the ING Insurance CFO of the year award.

TOMAS S. CHUIDIAN
Director

Mr. Chuidian was the President of BPI Investments Inc. (BII) until June 2025 and concurrently functions as Director of BPI International Finance, Ltd., a wholly owned subsidiary of BPI based in Hong Kong, since 2015. He also headed the Bank's Private Banking unit for almost 10 years before being assigned to BIMI. Prior to joining BPI, Mr. Chuidian served as Executive Director for Global Wealth Management at Merrill Lynch in Hong Kong. He has over 25 years of banking experience, having held positions at ABN AMRO Bank N.V., DBS Bank and PNB as an investment management professional across all asset classes, advising high net-worth families, middle-market companies, and non-profit endowment funds. Before entering the world of finance, Mr. Chuidian managed specialized biotechnology products at Digene Diagnostics, a start-up company founded in the United States. Mr. Chuidian holds a Master's Degree in International Management from the University of Maryland and a Bachelor of Science Degree in Chemistry and Biology from College of the Ozarks in Missouri. Tim was born in the Philippines and prior to pursuing his college and graduate studies in the United States, was one of the first graduates from La Salle Zobel.

FERNANDO JOSE E. SISON III
Independent Director

Mr. Sison is the Treasurer of ALFM Money Market Fund, Inc., ALFM Peso Bond Fund, Inc., ALFM Dollar Bond Fund, Inc., ALFM Euro Bond Fund, Inc., ALFM Growth Fund, Inc., and Philippine Stock Index Fund, Corp. He is also a Director and the Treasurer of ALFM Global MultiAsset Income Fund, Inc. and an Independent Director of ALFM Retail Corporate Fixed Income Fund, Inc. and ALFM Fixed Income Feeder Fund, Inc. (formerly ALFM Principal Preservation Fund, Inc.) He used to be the President of BPI Investments, Inc. from May 2004 up to June 2012. He previously served as Vice President and head of many of BPI's divisions, including AMTG Retail Trust Division, AMTG Portfolio Management Division, SDG Retail Funds Distribution, and Private Banking Unit. He was assigned to BPI International Finance Ltd. (HK) as Head of Investment Management Division and to BPI Capital Corporation - Corporate Finance Group as Vice President and Head of Syndications and Underwriting. Mr. Sison has been an independent director of PAMI Asia Balanced Fund, Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Horizon Fund Inc., and PAMI Equity Index Fund, Inc. since 2021 up to present.

SIMON R. PATERNO
Independent Director

Mr. Simon R. Paterno, Filipino, born in 1959, 66 years old, served as Head of the Financial Products and Services Group of the Bank of the Philippine Islands. He was responsible for managing the product businesses of the Bank, including Investment Banking, Corporate Loans, Transaction Banking, Retail Lending, Cards and Payments, Asset Management and Trust, Electronic Channels, and Deposits. He also supervised subsidiaries and affiliates in insurance, leasing, and merchant acquiring. He was a member of the Management Committee of BPI. Mr. Paterno is the former President and CEO of the Development Bank of the Philippines, serving from 2002-2004. He worked for 18 years at the New York, Hong Kong, and Manila offices of J.P. Morgan, serving finally as Managing Director in charge of

sovereign clients during the Asian Financial Crisis of 1997-98, and as Country Manager for the Philippines until 2002. He also worked for 8 years at Credit Suisse as Managing Director and Country Manager for the Philippines. Mr. Paterno obtained his MBA from Stanford University in 1984. He was awarded his A.B., cum laude, Honors Program in Economics from Ateneo de Manila University in 1980. In 2005, he was elected President of the Management Association of the Philippines. He serves on the boards of the Foundation for Economic Freedom and Ateneo Scholarship Foundation. He was named a TOYM awardee for Investment Banking in 1999. Mr. Paterno has been an independent director of PAMI Asia Balanced Fund, Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Horizon Fund Inc., and PAMI Equity Index Fund, Inc. since 2021 up to present.

MA. FLORILIZ L. PEDERNAL
Treasurer

Ms. Pedernal is the Operations Accounting Head of BPI Investment Management Inc. from 2017 to March 2023 and Operations Accounting Head of BPI Wealth from April 2023 to February 2025. She started as an accounting staff in BPI Unibank Central Accounting Department in 1991 before joining the BPI Officership Training Program in December 2004. She assumed the position of Operations Accounting Officer of then BPI Asset Management and Trust Group from July 1, 2005 to December 2016 before joining BIMI in 2017. She completed her Accounting Degree from Miriam College Foundation Inc. in 1991 and passed the CPA Board in October in the same year.

MA. ADELINA S. GATDULA
Corporate Secretary

Atty. Gatdula has been a Partner in Picazo Buyco Tan Fider & Santos Law Office since July 1995. She joined the said law office in September 1989. Prior thereto, she worked as a Confidential Attorney of Justice Irene R. Cortes in the Supreme Court. Atty. Gatdula obtained her Bachelor of Laws from the University of the Philippines in 1987, and Bachelor of Arts in Economics (cum laude) also from the same university in November 1982. She represents private companies engaged in real estate development and services, outsource business processing, software development, finance, investment, insurance and insurance brokerage and consultancy, manufacturing and trading, and radio broadcasting, in a wide array of corporate and financial matters, and various condominium corporations and non-government religious and charitable organizations.

HANY MAE V. DUREZA
Compliance, AML and Data Protection Officer

Ms. Hany Mae V. Dureza, Filipino, 36 years old, is a Senior Manager and Head of Investments Compliance and Accounts Review at BPI Wealth. She is also the Compliance Officer for ALFM Mutual Funds, PAMI Mutual Funds, Ekklesia Mutual Fund, Inc., and Solidaritas Fund, Inc. Her tenure at BPI reflects a steady expansion of responsibilities, progressing from leading the Investments Compliance function to overseeing both Investments Compliance and Accounts Review, demonstrating her deep expertise and strong leadership in these areas. Before joining BPI, Ms. Dureza worked as a Senior Associate in Assurance at SGV & Co., where she honed her skills in financial assurance.

She holds a Master's in Business Administration from the Asian Institute of Management, where she graduated with Distinction. She also earned a Bachelor of Science in Accountancy, magna cum laude, from the University of the Philippines - Visayas. Her dedication to her profession is further highlighted by her participation in various relevant training programs and her membership in the Philippine Institute of Certified Public Accountants.

Incorporators

The incorporators of the Fund are the following:

1) Mr. Oscar Ledesma
2) Mr. Raul Manglapus
3) Mr. Teodoro Valencia
4) Mr. Manuel De Leon
5) Mr. Alexander Sycip
6) Mr. Gregorio R. Castillo

Significant Employee

There is no significant employee who is expected by the Fund to make a significant contribution to the business.

Family Relationships

None of the Fund's directors and executive officers is related to each other up to the fourth civil degree of consanguinity or affinity.

Involvement in Certain Legal Proceedings

To the best of the Fund's knowledge, there has been no occurrence during the past five (5) years up to the date of this SEC Form 17-A of any of the following events that are material to the evaluation of ability or integrity of any director, any nominee for election as director, executive officer or controlling person of the Fund:

1. 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 years prior to that time;
2. Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Being 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
4. Being 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 other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

ITEM NO. 10 EXECUTIVE COMPENSATION

Executive Compensation

Information as to the aggregate compensation paid or accrued during the last previous fiscal year and the preceding two fiscal years to the PFI Board of Directors is as follows:

Year	Total (In Thousands of Philippine Peso)
2025	150
2024	52.5
2023	81

Estimated per diem of PFI directors, excluding bonus, for year 2026 is Php150,000.00.

Directors' Compensation

The Fund does not have any executives under its employ and therefore does not pay any executive compensation. For every board meeting attended by each Director, he will receive a per diem of Php7,500.00.

Employment Contracts and Termination of Employment and Change-In-Control Arrangements

None of the Executive Officers have employment contracts with the Fund.

There are no arrangements that exist which could result in a change in control of the Fund.

ITEM NO. 11 SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

AS OF DECEMBER 31, 2025

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Roberto F. De Ocampo Eugenio Lopez Foundation Building, Col. Joseph R. Mcmicking Campus, 123 Paseo de Roxas, Makati City, (Chairman)	1 (record)	Filipino	0.00%
Common	Reynaldo G. Geronimo No. 5 Zinia Street, Valle Verde 2, Pasig City, (President/Director)	1 (record)	Filipino	0.00%
Common	Ramon Paulo L. Tayag Blk 6 Lot 16 Salvador Place Brazilia Heights Susana Heights Muntinlupa (Director)	1 (record)	Filipino	0.00%
Common	Lee Longa 3 Carbine Loop Alabang 400 Village Muntinlupa City, (Director)	1 (record)	Filipino	0.00%
Common	Tomas S. Chuidian 39 Tamarind Rd Forbes Park Makati City (Director)	1 (record)	Filipino	0.00%
Common	Simon R. Paterno 58 McKinley Road, Forbes Park, Makati City, (Director)	1 (record)	Filipino	0.00%
Common	Fernando Jose E. Sison III 3 Jocson St., Xavierville 1, Loyola Heights, Quezon City, (Director)	1 (record)	Filipino	0.00%
Common	Ma. Floriliz L. Pedernal 17/F Net Lima Bldg., 5th Avenue cor. 26th Street, Bonifacio Global City, Taguig City (Treasurer)	0	Filipino	0.00%
Common	Ma. Adelina S. Gatdula Penthouse, Liberty Center, 104 H.V. Dela Costa Street, Salcedo Village, Makati City (Corporate Secretary)	0	Filipino	0.00%
Common	Hany Mae V. Dureza	0	Filipino	0.00%

	Unit 2172, Skyway Twin Towers, Capt. Henry Javier St., Oranbo, Pasig (Compliance Officer / AML Officer / Data Protection Officer)			

AS OF DECEMBER 31, 2024

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Roberto F. De Ocampo Eugenio Lopez Foundation Building, Col. Joseph R. Mcmicking Campus, 123 Paseo de Roxas, Makati City, (Chairman)	1 (record)	Filipino	0.00%
Common	Reynaldo G. Geronimo No. 5 Zinia Street, Valle Verde 2, Pasig City, (President/Director)	1 (record)	Filipino	0.00%
Common	Ramon Paulo L. Tayag Blk 6 Lot 16 Salvador Place Brazilia Heights Susana Heights Muntinlupa (Director)	1 (record)	Filipino	0.00%
Common	Lee Longa 3 Carbine Loop Alabang 400 Village Muntinlupa City, (Director)	1 (record)	Filipino	0.00%
Common	Tomas S. Chuidian 39 Tamarind Rd Forbes Park Makati City (Director)	1 (record)	Filipino	0.00%
Common	Simon R. Paterno 58 McKinley Road, Forbes Park, Makati City, (Director)	1 (record)	Filipino	0.00%
Common	Fernando Jose E. Sison III 3 Jocson St., Xavierville 1, Loyola Heights, Quezon City, (Director)	1 (record)	Filipino	0.00%
Common	Ma. Floriliz L. Pedernal 17/F Net Lima Bldg., 5th Avenue cor. 26th Street, Bonifacio Global City, Taguig City (Treasurer)	0	Filipino	0.00%
Common	Ma. Adelina S. Gatdula Penthouse, Liberty Center, 104 H.V. Dela Costa Street, Salcedo Village, Makati City (Corporate Secretary)	0	Filipino	0.00%
Common	Hany Mae V. Dureza Unit 2172, Skyway Twin Towers, Capt. Henry Javier St., Oranbo, Pasig (Compliance Officer / AML Officer / Data Protection Officer)	0	Filipino	0.00%

AS OF DECEMBER 31, 2023

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Roberto F. De Ocampo Eugenio Lopez Foundation Building, Col. Joseph R. Mcmicking Campus, 123 Paseo de Roxas, Makati City, (Chairman)	1 (record)	Filipino	0.00%
Common	Reynaldo G. Geronimo No. 5 Zinia Street, Valle Verde 2, Pasig City (President/ Director)	1 (record)	Filipino	0.00%
Common	Ramon Paulo L. Tayag Blk 6 Lot 16 Salvador Place Brazilia Heights Susana Heights Muntinlupa (Director)	1 (record)	Filipino	0.00%
Common	Tomas S. Chuidian 39 Tamarind Rd Forbes Park Makati City (Director)	1 (record)	Filipino	0.00%
Common	Simon R. Paterno 58 McKinley Road, Forbes Park, Makati City, (Director)	1 (record)	Filipino	0.00%
Common	Fernando Jose E. Sison III 3 Jocson St., Xavierville 1, Loyola Heights, Quezon City, (Director)	1 (record)	Filipino	0.00%
Common	Ma. Floriliz L. Pedernal 17/F Net Lima Bldg., 5th Avenue cor. 26th Street, Bonifacio Global City, Taguig City (Treasurer)	0	Filipino	0.00%
Common	Ma. Adelina S. Gatdula Penthouse, Liberty Center, 104 H.V. Dela Costa Street, Salcedo Village, Makati City (Corporate Secretary)	0	Filipino	0.00%
Common	Glenn Noel L. Llaneta 7F, BPI Buendia Center, Sen. Gil Puyat Avenue, Makati City 1209 (Compliance and Risk Officer)	0	Filipino	0.00%

Voting Trust

The Fund knows of no persons holding more than 5.0% of its shares under a voting trust or similar agreement which may result in a change in control of the Fund.

External Audit Fees

The external auditor's fee is included as part of "Professional fees" in the Statements of Comprehensive Income in the attached audited financial statements. Except for the year-end audit, there were no other services performed by or availed from the external auditors for the year ended December 31, 2020 to 2025.

Year	Total
2025	Php 571,111.84
2024	Php 620,906.14
2023	Php 615,845.63
2022	Php 298,004.00
2021	Php 248,336.00
2020	Php 542,106.00

Audit Committee's approval policies & procedures for the External Auditor:

1. Recommend to the Board of Directors the selection of the external auditor, who is accountable to the Board and to the Audit Committee as representatives of the shareholders, considering independence effectiveness and approval of fees and other compensation to be paid to the external auditor. On an annual basis, the Committee should review and discuss with the auditor all significant relationships with PFI to determine the auditor's independence.
2. Review the performance of the external auditor and approve any proposed discharge of the external auditor when circumstances warrant.
3. Periodically consult with the external auditor of PFI about internal controls and the fullness and accuracy of the organization's financial statements.
4. The Committee will actively engage the external auditor in a dialogue regarding independence.
5. Adhere to the following procedures for the approval of services by the external auditor:

    a. The Audit Committee will annually approve the scope of, and fees payable for, the year-end audit to be performed by PFI's external auditor for the next calendar year.
    b. PFI may not engage the external auditor for any services unless they are approved by the Audit Committee in advance of the engagement.
    c. If PFI wishes to engage the external auditor for any services, PFI will define and present to the Audit Committee specific projects and categories of service and fee estimates, for which the advance approval of the Audit Committee is required. The Audit Committee will review these requests and determine whether to pre-approve the engagement of the external auditor for the specific projects and categories of service.
    d. PFI will report to the Audit Committee regarding the actual spending for these projects and services, compared to the approved amounts on a quarterly basis.
    e. The Audit Committee Chairperson will report to the Committee at each regularly scheduled meeting the nature and amount of any non-audit services that he has approved.

ITEM NO. 12 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

During the last two (2) years, there were no transactions with, either proposed or as a series of similar transactions, that involved the Fund in which a director, executive officer or stockholder who owned ten percent (10%) or more of the total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

PART IV - CORPORATE GOVERNANCE

ITEM NO. 13 CORPORATE GOVERNANCE

There were no transactions (or series of similar transactions) with or involving the Fund in which any of the Fund's director, executive officer, or stockholder owning ten percent (10%) or more of the Fund's total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

Notwithstanding the above, the following are the related relationships / interlocking positions of the Fund's officers.

Name	Fund	Others
Ma. Floriliz L. Pedernal	Accounting Officer	Senior Manager and Accounting Officer of BPI Wealth Services & Operations (BS&O), Accounting Department
Hany Mae V. Dureza	Compliance Officer	Senior Manager and Head of Investments Compliance and Accounts Review of BPI Wealth

Dealings with related parties, such as availment of products and services of BPI and/or its subsidiaries, are done on an arm's length basis and in accordance with the best execution requirements set in the established internal guidelines of the parties involved in the transaction. Some of the products and/or services from the BPI Group include, but are not limited to, deposit placements, brokerage services and short-term investment funds.

BPI Wealth was designated as fund manager and fund advisor of the Fund.

As fund manager, BPI Wealth shall formulate and implement the investment strategy, provide and render management, technical, and administrative services, whereby authorizing BPI Wealth to purchase and sell investment securities for the account of the Fund. As investment advisor, BPI Wealth is tasked to render services which include investment research and advice; the preparation of economic, industry, market, corporate, and security analyses; and assistance and recommendations in the formulation of investment guidelines.

The Fund has a distribution agreement with BPI Wealth. Under the terms of the agreement, BPI Wealth is appointed as Principal Distributor to perform principally all related daily functions in connection with the marketing and the growth of the level of assets of the Fund.

PART V - EXHIBITS AND SCHEDULES

ITEM NO. 14 EXHIBITS AND REPORTS ON SEC FORM 17-C

The following items were reported on SEC Form 17-C for 2025:

Items Reported	Date Filed
Assumption of BPI Wealth as the new Principal Distributor	March 6, 2025
Effectivity date of Deutsche Bank AG Manila as the Independent Fund Administrator	March 31, 2025
Approval of 2025 Annual Stockholders' Meeting Schedule to be held on December 9, 2025 and setting of Record Date to October 9, 2025	October 21, 2025
Notification that No Quorum was obtained for the scheduled Stockholders' Meeting on November 29, 2024	December 9, 2025

SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code, this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of _____ on APR 23 2026 2026.

PHILAM FUND, INC.
Issuer

ROBERTO F. DE OCAMPO
Chairman

REYNALDO G. GERONIMO
President

MA. FLORILIZ L. PEDERNAL
Treasurer

MA. ADELINA S. GATDULA
Corporate Secretary

JONATHAN T. TIANGCO
For BPI Wealth – A Trust Corporation
as Fund Manager

SUBSCRIBED AND SWORN to before me this _____ day of APR 23 2026 20__ affiant(s) exhibiting to me their respective competent evidence of identification, as follows:

NAMES	TAX IDENTIFICATION NO.
ROBERTO F. DE OCAMPO	120-115-828
REYNALDO G. GERONIMO	123-102-933
MA. FLORILIZ L. PEDERNAL	149-792-248
MA. ADELINA S. GATDULA	107-043-114
JONATHAN T. TIANGCO	177-762-704

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Series of 2026

SIGNATURES

JOSELITO B. GONZALES
Notary Public – Makati City
Commission No. M-257
Until December 31, 2027
PTR No. 10781028 Makati-1.15.26
IBP No. 564912/12.11.25/Roll #32836
8189 Sgt. F. Yabut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The management of **Philam Fund, Inc.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended 31 December 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statement including the schedules attached therein and submits the same to the stockholders.

Isla Lipana & Co., the independent auditor, appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Roberto F. De Ocampo
Chairman

Reynaldo G. Geronimo
President

Ma. Floriliz L. Pedernal
Treasurer

APR 2 3 2026

Sign this ____day of ____20____

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES
MAKATI, METRO MANILA

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared:

Name	**Tax Identification No.**
Roberto F. De Ocampo	120-115-828
Reynaldo G. Geronimo	123-102-933
Ma. Floriliz L. Pedernal	149-792-248

Known to me the same persons who executed the foregoing CERTIFICATE, consisting of 2 pages including this page wherefore this Acknowledgement is written and they acknowledge to me that the same is their voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and place first above written.

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Page No. 42
Book No. I
Series of 20 22

JOSELITO B. GONZALES
Notary Public – Makati City
Commission No. M-257
Until December 31, 2027
PTR No. 10781028 Makati-1.15.26
IBP No. 564912/12.11.25/Roll #32836
8139 Sgt. F. Yubut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

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

TREASURER'S CERTIFICATION

I, Ma. Floriliz L. Pedernal, of legal age, Filipino and with office address at 7F BPI Buendia Center Sen. Gil J. Puyat Ave., Makati City, after being sworn in accordance with law, hereby certify that:

1. I am the Treasurer of Philam Fund, Inc. (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines under SEC Certificate of Registration No. 39191 with principal office address at 17/F, Philam Life Head Office, Net Lima Building, 5th Avenue corner 26th Street, Bonifacio Global City, Taguig 1634.

2. The Financial Statement ("F/S") CD submitted contains the exact data stated in the hard copies of the F/S of the Corporation.

3. I am executing this certification to attest to the truth of the foregoing and in compliance with the reportorial requirements of the Securities and Exchange Commission.

WITNESS MY HAND on this APR 2 3 2026 day of _____ 20___ in Makati City.

MA. FLORILIZ L. PEDERNAL
Treasurer

SUBSCRIBE AND SWORN to before me on this APR 2 3 2026 day of _____ at MAKATI CITY. Affiant exhibited to me her Unified Multi-Purpose ID No. CRN-0033-1501827-6.

Doc. No. 197 :
Page No. 41 :
Book No. I :
Series of 2026

JOSELITO B. GONZALES
Notary Public – Makati City
Commission No. M-257
Until December 31, 2027
PTR No. 10781028 Makati-1.15.26
IBP No. 564912/12.11.25/Roll #32836
8189 Sgt. F. Yabut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

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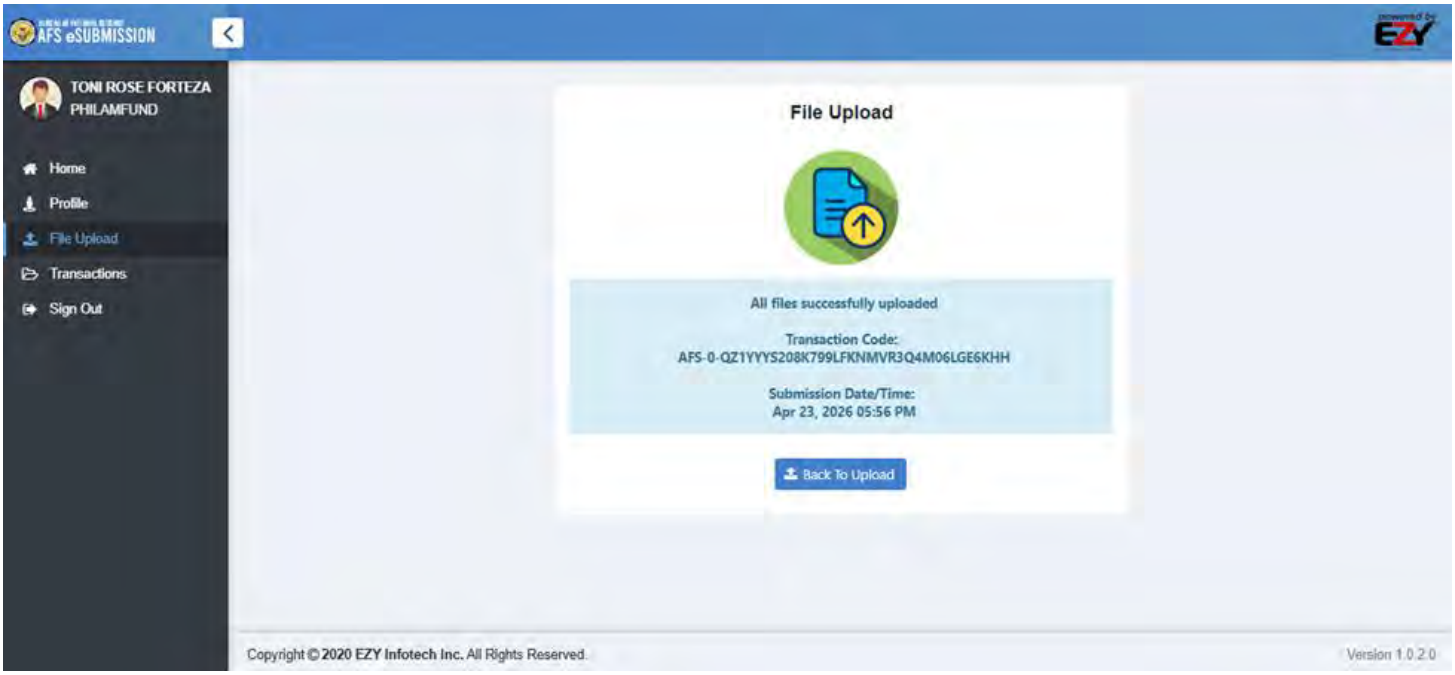
- <None>

Transaction Code: **AFS-0-QZ1YYYS208K799LFKNMVR3Q4M06LGE6KHH**
Submission Date/Time: **Apr 23, 2026 05:56 PM**
Company TIN: **000-507-003**

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- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
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COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

						3	9	1	9	1

COMPANY NAME

PHILAM FUND, INC.

PRINCIPAL OFFICE (No./Street/Barangay/City/Town/Province)

17F PHILAM LIFE HEAD OFFICE,

NET LIMA BUILDING, 5TH AVE.

COR. 26TH ST. BONIFACIO GLOBAL

CITY, TAGUIG

Form Type	Department requiring the report	Secondary License Type, if Applicable
AFS	NA	NA

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
BPI_Wealth_Operation@bpi.com.ph	8580-0900	+63918-944-6026

No. of Stockholders	Annual Meeting (Month/Day)	Fiscal Year (Month/Day)
6,672	-	12/31

CONTACT PERSON'S INFORMATION

The designated contact person *MUST* be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Jonathan T. Tiangco	jttiangco@bpi.com.ph	8580-4936	N/A

CONTACT PERSON's ADDRESS

7/F, BPI Buendia Center Building, Sen. Gil Puyat Avenue, Brgy. Bel-Air, Makati City 1209, Philippines

Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies

pwc Isla Lipana & Co.

Independent Auditor's Report

To the Board of Directors and Shareholders of
Philam Fund, Inc.
17F Philam Life Head Office, Net Lima Building
5th Avenue corner 26th St. Bonifacio Global City
Taguig 1634, Philippines

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Philam Fund, Inc. (the "Fund") as at December 31, 2025 and 2024, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The financial statements of the Fund comprise:

- the statements of financial position as at December 31, 2025 and 2024;
- the statements of total comprehensive income for each of the three years in the period ended December 31, 2025;
- the statements of changes in equity for each of the three years in the period ended December 31, 2025;
- the statements of cash flows for each of the three years in the period ended December 31, 2025; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A, but does not include the financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the Bureau of Internal Revenue Requirement

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 15 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Isla Lipana & Co.



Dexter DJ V. Toledaña
Partner
CPA Cert. No. 0121827
P.T.R. No. 0032961; issued on January 8, 2026 at Makati City
SEC A.N. (individual) as general auditors 121827-SEC, Category A;
valid to audit 2022 to 2026 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2025 financial statements
T.I.N. 255-979-765
BIR A.N. 08-000745-241-2026, issued on January 16, 2026; effective until January 15, 2029
BOA/PRC Reg. No. 0142/P-031, effective until November 14, 2028

Makati City
April 10, 2026

pwc Isla Lipana & Co.

Statement Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
Philam Fund, Inc.
17F Philam Life Head Office, Net Lima Building
5th Avenue corner 26th St. Bonifacio Global City
Taguig 1634, Philippines

We have audited the financial statements of Philam Fund, Inc. as at and for the year ended December 31, 2025, on which we have rendered the attached report dated April 10, 2026. The supplementary information shown in the Reconciliation of Retained Earnings Available for Dividend Declaration, as additional component required by Part I, Section 5 of Rule 68 of the SRC, and Schedules A, B, C, D, E, F and G, as required by Part II, Section 7 of Rule 68 of the SRC, is presented for purposes of filing with the Securities and Exchange Commission and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with Rule 68 of the SRC.

Isla Lipana & Co.

Dexter DJ V. Toledaña
Partner
CPA Cert. No. 0121827
P.T.R. No. 0032961; issued on January 8, 2026 at Makati City
SEC A.N. (individual) as general auditors 121827-SEC, Category A;
valid to audit 2022 to 2026 financial statements
SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2025 financial statements
T.I.N. 255-979-765
BIR A.N. 08-000745-241-2026, issued on January 16, 2026; effective until January 15, 2029
BOA/PRC Reg. No. 0142/P-031, effective until November 14, 2028

Makati City
April 10, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

Isla Lipana & Co. is the Philippine member firm of the PwC network. PwC refers to the Philippine group of member firms and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

Philam Fund, Inc.

Statements of Financial Position
As at December 31, 2025 and 2024
(All amounts in thousands of Philippine Peso)

	Notes	2025	2024
Assets			
Assets			
Cash and cash equivalents	2	170,878	72,600
Financial assets at fair value through profit or loss	3	1,495,554	1,806,591
Other financial assets at amortized cost	4	8,512	5,342
Other assets		2,028	2,029
Total assets		1,676,972	1,886,562
Liabilities and Equity			
Liabilities			
Accounts payable and accrued expenses	5	10,700	10,627
Due to fund manager	10	2,443	2,785
Total liabilities		13,143	13,412
Equity	6		
Share capital		103,945	116,031
Share premium		24,885	206,634
Retained earnings		1,534,999	1,550,485
Total equity		1,663,829	1,873,150
Total liabilities and equity		1,676,972	1,886,562

The notes on pages 1 to 22 are an integral part of these financial statements.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

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Philam Fund, Inc.

Statements of Total Comprehensive Income
For each of the three years in the period ended December 31, 2025
(All amounts in thousands of Philippine Peso)

	Notes	2025	2024	2023
Income				
Dividend	3	30,104	27,890	22,828
Interest from cash and cash equivalents	7	6,986	6,915	4,999
(Loss) income from financial assets at fair value through profit or loss, net	3	(2,535)	90,612	86,426
Others		18	42	5,485
		34,573	125,459	119,738
Expenses				
Management fees	10	35,726	39,748	40,755
Fees and other charges	8	2,628	2,721	2,027
Foreign exchange (loss) gain, net		755	1,977	4,313
Taxes and licenses		163	179	402
Others		263	368	225
		39,535	44,993	47,722
(Loss) income before income tax		(4,962)	80,466	72,016
Income tax expense	9,15	10,524	11,614	10,924
Net (loss) income for the year		(15,486)	68,852	61,092
Other comprehensive income		-	-	-
Total comprehensive (loss) income for the year		(15,486)	68,852	61,092
Basic (loss) earnings per share	6	(0.14)	0.57	0.47

The notes on pages 1 to 22 are an integral part of these financial statements.

Philam Fund, Inc.

Statements of Changes in Equity
For each of the three years in the period ended December 31, 2025
(All amounts in thousands of Philippine Peso)

	Notes	Share Capital	Share Premium	Retained earnings	Total
Balance at January 1, 2023	6	136,482	509,291	1,420,542	2,066,315
Comprehensive income					
Net income for the year				61,091	61,091
Other comprehensive income			-	-	-
Total comprehensive income for the year		-	-	61,091	61,091
Transactions with shareholders					
Issuance of shares		1,585	22,664	-	24,249
Redemption of shares		(11,455)	164,402)	-	(175,857)
Total transactions with shareholders	1,6	(9,870)	(141,738)	-	(151,608)
Balance at December 31, 2023	6	126,612	367,553	1,481,633	1,975,798
Comprehensive income					
Net income for the year		-	-	68,852	68,852
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	68,852	68,852
Transactions with shareholders					
Issuance of shares		1,706	25,754	-	27,460
Redemption of shares		(12,287)	(186,673)	-	(198,960)
Total transactions with shareholders	1,6	(10,581)	(160,919)	-	(171,500)
Balance at December 31, 2024	6	116,031	206,634	1,550,485	1,873,150
Comprehensive income					
Net loss for the year		-	-	(15,486)	(15,486)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(15,486)	(15,486)
Transactions with shareholders					
Issuance of shares		414	6,221	-	6,635
Redemption of shares		(12,500)	(187,970)	-	(200,470)
Total transactions with shareholders	1,6	(12,086)	(181,749)	-	(193,835)
Balance at December 31, 2025		103,945	24,885	1,534,999	1,663,829

The notes on pages 1 to 22 are an integral part of these financial statements.

Philam Fund, Inc.

Statements of Cash Flows
For each of the three years in the period ended December 31, 2025
(All amounts in thousands of Philippine Peso)

	Notes	2025	2024	2023
Cash flows from operating activities				
(Loss) income before tax		(4,962)	80,466	72,015
Adjustments for:				
Losses (income) from financial assets at fair value through profit or loss, net	3	2,535	(88,635)	(82,112)
Dividend income	3	(30,104)	(27,890)	(22,828)
Interest income from cash and cash equivalents	7	(6,986)	(6,915)	(4,999)
Operating loss before changes in operating assets and liabilities		(39,517)	(42,974)	(37,924)
Changes in operating assets and liabilities				
Decrease (increase) in:				
Financial assets at fair value through profit or loss		308,502	181,735	39,386
Other financial assets at amortized cost		(23,739)	(8,839)	22,827
Other assets		1	-	72
(Decrease) increase in:				
Accounts payable and accrued expenses		73	(4,298)	(160,513)
Due to fund manager		(342)	(118)	(148)
Net cash generated from (absorbed by) operations		244,978	125,506	(136,300)
Interest received		27,255	20,320	13,458
Dividends received		30,404	28,100	24,437
Income taxes paid		(10,524)	(11,614)	(10,924)
Net cash from (used in) operating activities		292,113	162,312	(109,329)
Cash flows from financing activities				
Proceeds from issuance of shares	6	6,635	27,460	24,249
Payments for shares redeemed	6	(200,470)	(198,960)	(175,857)
Net cash used in financing activities		(193,835)	(171,500)	(151,608)
Net increase (decrease) in cash and cash equivalents		98,278	(9,188)	(260,937)
Cash and cash equivalents				
January 1		72,600	81,788	342,725
December 31	2	170,878	72,600	81,788

The notes on pages 1 to 22 are integral part of these financial statements.

Philam Fund, Inc.

Notes to the Financial Statements
As at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025
(In the notes, all amounts are shown in Philippine Pesos unless otherwise stated)

1 General information

Philam Fund, Inc. (the "Fund") is an open-end mutual fund company engaged in the sale of its shares of stock, the proceeds of which are invested in equity and fixed income securities. It was registered with the Securities and Exchange Commission (SEC) on August 29, 1969 under the Investment Company Act of 1960 or Republic Act 2629 and The Revised Securities Act or Batas Pambansa Blg. 178.

The Fund aims to achieve long-term capital appreciation by investing in a diversified portfolio of equities and fixed income instruments. As an open-end investment company, the Fund stands ready at any time to redeem its outstanding shares at a value defined under the Fund's prospectus (Note 6).

The Fund is registered as an issuer of securities with the SEC under Section 12 of the Securities Regulation Code (SRC). The Fund's track record of securities registration is shown in Note 6. In compliance with the SRC, the Fund is required to file registration statements for each instance of increase in authorized shares. The last registration statement filed by the Fund for an increase in authorized shares and permit to offer securities for sale were approved by the SEC (Note 6).

The Fund's registered office address, which is also its principal place of business, is located at the 17F Philam Life Head Office, Net Lima Building, 5th Avenue corner 26th St., Bonifacio Global City, Taguig 1634, Philippines.

Fund management

The Fund has no employees. The principal management and administration functions of the Fund are outsourced from BPI Wealth, A Trust Corporation (BPI Wealth) (the "Fund Manager") (Note 10).

Effective January 29, 2020, Philam Asset Management, Inc. (PAMI), a wholly-owned subsidiary of AIA Philippines Life and General Insurance Company Inc. (formerly "The Philippine American Life and General Insurance (Philam Life) Company") assigned all its rights, interests, and obligations as fund manager, advisor, distributor, and transfer agent of the Fund to BPI Investment Management, Inc. (BIMI), a wholly-owned subsidiary of Bank of the Philippine Islands (BPI). Henceforth, the management, distribution and transfer agency functions are performed by BIMI over the Fund. Services, contracts and agreements are in force with BIMI at effective date.

On April 1, 2023, BIMI transferred all its rights, interest and obligations as fund manager and fund advisor to BPI Wealth. On effective date, the management functions over the Fund is performed by BPI Wealth but the distribution and transfer agency functions of the Fund were retained by BIMI. In 2024, the corporate name of BIMI has been changed to BPI Investment Inc. Effective March 1, 2025, the Principal Distribution Function has assumed by BPI Wealth.

Effective March 1, 2025, the Principal Distribution Function has assumed by BPI Wealth. Moreover, the company approved the appointment of BPI Wealth as Transfer Agent of the Fund, subject to the approval of the Securities and Exchange Commission of BPI Wealth's Transfer Agency License Application.

As of January 16, 2026, BPI Wealth has already been confirmed as the duly appointed Transfer Agent of the Fund.

Approval and authorization for issuance of the financial statements

The accompanying financial statements have been approved and authorized for issue on April 7, 2026 by the Board of Directors (BOD). There are no material events that occurred from April 7, 2026 to April 10, 2026.

2 Cash and cash equivalents

The account at December 31 consists of:

	2025	2024
Cash in banks	538	390
Short-term deposits	170,340	72,210
	170,878	72,600

Cash in banks earn interest at prevailing bank deposit rates.

Short-term deposits as at December 31, 2025 have average maturities of 2 days (2024 - 4 days) and carry effective interest rates of 3.00% to 5.00% (2024 - 1.75% to 5.50%).

Interest earned from cash and cash equivalents is disclosed in Note 7.

Cash and cash equivalents as at December 31, 2025 and 2024 are readily available for fund's operations and classified as current.

3 Financial assets at fair value through profit or loss

The account at December 31 consists of:

	2025	2024
Listed equity securities	826,462	897,687
Government securities	669,092	581,994
Corporate debt securities	-	326,910
	1,495,554	1,806,591

For the year ended December 31, 2025, dividends earned from investments in equity securities amount to P30,104 (2024 - P27,890; 2023 - P22,828). As of December 31, 2025, dividends receivable amount to P99 (2024 - P399) (Note 4).

Government securities and corporate debt securities as at December 31, 2025 have average terms of 0.12 to 18.41 years (2024 - of 0.28 to 19.68 years and 0.17 and 0.83 years) and carry effective interest rates of 4.88% to 8.13% (2024 - 2.63% to 8.13% and 4.75% to 6.64%), respectively.

Movements in financial assets at fair value through profit or loss (FVTPL) are summarized as follows:

	2025	2024
At January 1	1,806,591	1,899,691
Additions	157,829	214,610
Disposals	(417,693)	(348,585)
Fair value (losses) gains, net	(48,168)	25,135
Other movements	(3,005)	15,740
At December 31	1,495,554	1,806,591

Proceeds from disposals of financial assets at FVTPL made for the year ended December 31, 2025 amount to P413,748 (2024 - P360,930). Realized (loss) gain on sale of financial assets at FVTPL in 2025 amounts to (P3,945) (2024 - P12,345 gain; 2023 - P11,647 gain) and is presented in the statement of total comprehensive income.

The composition of (losses) income from financial assets at FVTPL, net for the year ended December 31 are as follows:

	2025	2024	2023
Interest income on financial assets at FVTPL	45,633	51,155	49,624
Other changes on financial assets at FVTPL			
Net realized fair value (losses) gains	(3,945)	12,345	11,647
Net unrealized fair value (losses) gains	(44,223)	25,135	20,841
	(2,535)	88,635	82,112

Financial assets at FVTPL are considered held for trading and classified as current financial assets.

3.1 Breakdown of Financial assets at fair value through profit or loss

Details of listed securities held at FVTPL at December 31 are as follows:

	2025		
(in absolute amounts)	Number of shares held	Cost	Market Value
International Container Terminal Services Inc.	219,510	40,906,046	124,462,170
SM Investments Corporation	132,210	110,372,266	92,480,895
Bank of the Philippine Islands	683,879	59,846,473	79,398,352
BDO Unibank. Inc	518,454	54,608,928	69,783,908
SM Prime Holdings, Inc.	2,999,760	102,719,422	68,244,540
Metropolitan Bank & Trust Company	811,871	45,654,643	55,613,164
Manila Electric Company	78,930	24,997,657	45,305,820
Ayala Land, Inc.	1,969,205	55,676,025	44,208,652
Ayala Corporation	68,325	47,263,599	31,976,100
PLDT Inc.	23,275	29,937,095	29,326,500
Jollibee Foods Corporation	147,150	35,420,327	26,487,000
Globe Telecom, Inc.	14,160	31,104,671	22,429,440
Maynilad Water Services Inc	1,115,000	16,725,000	18,843,500
GT Capital Holdings, Inc	30,873	13,770,605	18,369,435
JG Summit Holdings, Inc	758,001	37,545,112	17,926,724
Aboitiz Equity Ventures, Inc.	634,120	37,009,099	17,755,360
RL Commercial Reit Inc	2,200,000	17,099,445	17,644,000
Universal Robina Corporation	167,000	23,038,970	11,239,100
DMCI Holdings, Inc.	888,300	9,778,932	9,362,682
LT Group, Inc.	590,000	7,040,413	8,720,200
Semirara Mining & Power Corporation.	260,000	8,243,808	7,345,000
AREIT, Inc.	106,300	3,315,517	4,624,050
Monde Nissin Corporation	617,400	8,931,860	3,580,920
Robinsons Land Corporation	71,500	1,143,708	1,155,440
Acen Corporation	65,738	460,166	178,807
	15,170,961	822,609,787	826,461,759

	2024		
(in absolute amounts)	Number of shares held	Cost	Market Value
International Container Terminal Services, Inc.	132,210	115,287,120	118,856,790
Robinsons Land Corporation	252,510	62,319,468	97,468,860
Century Pacific Food, Inc.	620,740	81,468,103	89,386,560
Semirara Mining & Power Corporation	673,879	69,948,640	82,213,238
BDO Unibank, Inc.	2,994,360	97,937,187	75,308,154
Bank of the Philippine Islands (“BPI”)	811,871	43,699,658	58,454,712
SM Prime Holdings, Inc.	95,325	64,916,325	57,099,675
DMCI Holdings, Inc.	2,039,205	70,250,612	53,427,171
Metropolitan Bank & Trust Company	156,670	39,386,838	42,144,230
Ayala Corporation	78,930	31,493,070	38,517,840
Ayala Land, Inc.	15,160	26,794,691	33,109,440
AREIT, Inc.	23,275	29,768,725	30,141,125
ACEN Corporation	634,120	28,281,752	21,782,022
Jollibee Foods Corporation	30,873	18,215,070	20,314,434
Manila Electric Company "A"	205,000	24,231,000	16,195,000
Globe Telecom, Inc.	758,001	28,917,738	15,576,921
PLDT, Inc.	1,294,200	10,845,396	11,130,120
Aboitiz Equity Ventures, Inc.	222,887	7,381,302	9,350,110
GT Capital Holdings, Inc.	260,000	8,294,698	9,074,000
Universal Robina Corporation	599,700	6,598,681	6,488,754
JG Summit Holdings, Inc.	143,200	4,466,435	5,434,440
SM Investments Corporation	1,315,530	5,762,021	5,262,120
Monde Nissin Corporation	71,500	1,143,708	950,950
	13,429,146	877,408,238	897,686,666

Details of debt securities held at FVTPL at December 31 are as follows:

(in absolute amounts)	2025	
Description	Maturity Date	Market Value
Government debt securities		
Fixed Rate Treasury Note 20-25 PIBD2042K253 8.125%	November 24, 2042	175,214,045
Fixed Rate Treasury Note 10-68 PIBD1032F689 7.25%	June 23, 2032	106,187,042
Fixed Rate Treasury Note PIBD1032J701 7.5%	October 20, 2032	54,364,607
Fixed Rate Treasury Note PH0000058786 6.875%	May 23, 2044	52,571,137
Fixed Rate Treasury Note PH0000060345 6.375%	April 28, 2035	51,611,927
Fixed Rate Treasury Note PIID0528B176 6.125%	August 22, 2028	51,013,596
Fixed Rate Treasury Note PH0000060907 6%	August 20, 2030	50,616,650
Government Bonds PH0000058240 6.25%	February 28, 2044	50,439,306
Government Bonds PIID0527C159 4.875%	March 4, 2027	12,147,040
Fixed Rate Treasury Note 25-8 PHY6972FNA49 8.125%	December 16, 2035	11,276,733
Fixed Rate Treasury Note 20-17 PHY6972FPV67 8.00%	July 19, 2029	11,230,280
Fixed Rate Treasury Note 10-72 PH0000058133 6.25%	January 25, 1934	10,403,012
Fixed Rate Treasury Note -71 PH0000058125 6.125%	January 18, 2031	10,369,881
Government Bonds R25-1 PHY6972FRD42 6.125%	October 24, 2037	10,105,630
Fixed Rate Treasury Note 07-62 PHY6972HDE37 6.25%	February 14, 2026	7,757,427
Fixed Rate Treasury Note 10-64 PIBD1029A644 6.875%	January 10, 2020	2,855,977
Fixed Rate Treasury Note 1063 6.25% PHY6972HAJ50	March 22, 2028	928,205
		669,092,495

(in absolute amounts)	2024	
Description	Maturity Date	Market Value
Government debt securities		
Fixed Rate Treasury Note 20-25 PIBD2042K253 8.125%	November 24, 2042	178,464,626
Fixed Rate Treasury Note 10-68 PIBD1032F689 7.25%	June 23, 2032	106,231,183
Fixed Rate Treasury Note PIBD1032J701 7.5%	October 20, 2032	54,488,642
Fixed Rate Treasury Note PH0000058786 6.875%	May 23, 2044	53,186,709
Government Bond PH0000058240 6.25%	February 28, 2044	51,831,899
Fixed Rate Treasury Note PIID0528B176 6.125%	August 22, 2028	50,447,593
Government Bond PIID0527C159 4.875%	March 4, 2027	11,941,308
Fixed Rate Treasury Note 25-8 PHY6972FNA49 8.125%	December 16, 2035	11,337,389
Fixed Rate Treasury Note 20-17 PHY6972FPV67 8.00%	July 19, 2031	11,166,675
Fixed Rate Treasury Note 10-72 PH0000058133 6.25%	January 25, 2034	10,317,794
Government Bond PH0000058281 6.25%	February 28, 2029	10,100,976
Government Bond R25-1 PHY6972FRD42 6.125%	October 24, 2037	10,077,512
Fixed Rate Treasury Note 07-62 PHY6972HDE37 6.25%	February 14, 2026	7,770,976
Fixed Rate Treasury Note 7-71 PH0000058125 6.125%	January 18, 2031	5,135,751
Government Bond R513 PIID0525H130 2.625%	August 12, 2025	4,833,893
Fixed Rate Treasury Note 10-64 PIBD1029A644 6.875%	January 10, 2029	2,832,012
Fixed Rate Treasury Note 1063 6.25% PHY6972HAJ50	March 22, 2028	918,434
Government Bond FXTN R7-61 PHY6972HAL07 5.75%	April 12, 2025	910,497
		581,993,869

Description	Maturity Date	Market Value
Corporate debt securities		
Corporate Bond ALI 4.75%	November 24, 2042	33,240,788
Corporate Bond NLEX CORP 6.6407%	June 23, 2032	16,240,582
Corporate Bond SMFBFXBD2025 5.05%	October 20, 2032	124,560,479
Corporate Bond SMPH2025 6.0804%	May 23, 2044	152,868,600
		326,910,449

4 Other financial assets at amortized cost

The account at December 31 consists of:

	2025	2024
Due from brokers	3,482	4
Others	5,030	5,338
	8,512	5,342

Others is composed of dividends receivable, interest receivable and due from affiliates.

As at December 31, 2025 and 2024, the other financial assets of the Fund are expected to be collected in the next 12 months and are classified as current assets.

5 Accounts payable and accrued expenses

The account at December 31 consists of:

	2025	2024
Accounts payable	9,964	9,969
Accrued expenses	736	658
	10,700	10,627

Accounts payable include taxes payable and payable to investors due to redemptions that have been contracted for but not yet settled as at reporting date.

Accrued expenses mainly consist of amounts payable for fund accounting services (Note 11), registry and transfer agent fees and legal and audit fees.

The Fund's accounts payable and accrued expenses are expected to be settled in the next 12 months and are classified as current.

6 Net assets attributable to shareholders

The details of net assets attributable to shareholders at at December 31 are as follows:

	2025	2024	2023
Share capital - P1.00 par value			
Authorized - 603,315,664 shares			
Issued and outstanding	103,945	116,031	126,612
Share premium	24,885	206,634	367,553
Retained earnings	1,534,999	1,550,485	1,481,633
	1,663,829	1,873,150	1,975,798

The movements in the number of issued and outstanding shares are as follows (in absolute number of shares):

	Note	2025	2024	2023
Issued and outstanding, January 1		116,031,339	126,612,263	136,482,460
Issuances of shares		413,514	1,705,805	1,584,507
Redemptions of shares		(12,499,711)	(12,286,729)	(11,454,704)
Issued and outstanding, December 31	1	103,945,142	116,031,339	126,612,263

The movements in the amount of issued and outstanding shares follow:

	2025		2024		2023	
	Share capital	Share premium	Share capital	Share premium	Share capital	Share premium
At January 1	116,031	206,634	126,612	367,553	136,482	509,291
Issuance of shares	414	6,221	1,706	25,754	1,585	22,664
Redemptions of shares	(12,500)	(187,970)	(12,287)	(186,673)	(11,455)	(164,402)
At December 31	103,945	24,885	116,031	206,634	126,612	367,553

As at December 31, 2025, the Fund has 6,672 shareholders (2024 - 7,429 shareholders). Issue or offer price is equivalent to the NAV per share at the time of issuance.

The Fund computes its NAV per share by dividing the net assets attributable to shareholders as at reporting date by the number of issued and outstanding shares during the year. The total equity as shown in the statement of financial position represents the Fund's NAV based on Philippine Financial Reporting Standards ("PFRS NAV").

Issue or offer price is equivalent to the Trading NAV per share at the time of issuance.

A reconciliation of the Fund's PFRS NAV to Trading NAV is provided below:

(in millions PHP)	2025	2024	2023
PFRS NAV	1,663.83	1,873.15	1,975.80
Recognition of transactions which were recorded subsequent to the close of the year	-	0.04	(5.33)
Trading NAV	1,663.83	1,873.19	1,970.47

Trading NAV per share at December 31 is computed as follows:

	2025	2024	2023
Trading NAV attributable to shareholders (in millions of US Dollar)	1,663.83	1,873.19	1,970.47
Number of shares outstanding (in millions)	103.95	116.03	126.61
Trading NAV per share	16.01	16.14	15.56

PFRS NAV per share at December 31 is computed as follows:

	2025	2024	2023
PFRS NAV attributable to shareholders (in millions of US Dollar)	1,663.83	1,873.15	1,975.80
Number of shares outstanding (in millions)	103.95	16.03	126.61
PFRS NAV per share	16.01	16.14	15.61

As disclosed in Note 1, the Fund is an open-end investment company which stands ready at any time to redeem its outstanding shares at a value defined under its prospectus. Any changes in the value of the shareholders' investment are reflected in the increase or decrease in the Fund's NAV.

The Fund's retained earnings may exceed 100% of its paid-up capital from time to time. This, however, is not construed as a compelling factor for the Fund to declare dividends considering the nature of the Fund's business. Such retained earnings may be used for reinvestment and will be converted into realized profits by the shareholders upon redemption of their shareholdings in the Fund.

(Loss) Earnings per share for the years ended December 31 are computed as follows:

	2025	2024	2023
Net (loss) income for the year	(15,486)	68,852	61,091
Weighted average number of common shares outstanding (in thousands) during the year	110,025	120,850	131,423
(Loss) earnings per share	(0.14)	0.57	0.47

In compliance with the SRC, the Fund is required to file registration statement for each instance of increase in authorized capital shares. The table below shows the Fund's track record of registration of securities under the SRC (in absolute amounts).

SEC approval date	Number of shares	Par value
December 17, 2013	286,160,520	P1.00
August 1, 2008	117,155,144	P1.00
August 29, 1969	200,000,000	P1.00

7 Interest income

The interest earned from cash and cash equivalents as at December 31, 2025 amounting to P6,986 (2024 - P6,915; 2023 - P4,999). This is presented under interest income in the statement of total comprehensive income.

8 Fees and other charges

The details of the account for the years ended December 31 are as follows:

	Notes	2025	2024	2023
Professional fees		927	1,117	185
Registry and transfer charges	10	893	994	1,019
Administration fees	11	525	557	560
Fees to custodian bank		160	-	263
Directors' fees		123	52	-
		2,628	2,721	2,027

Professional fees pertain to amounts paid to third party service providers.

Registry and transfer agent fees pertain to the fees paid to the transfer agent for the record keeping of individual shareholdings and the issuance and cancellation of stock certificates.

Administration fees are the amounts paid to the Fund's accountant for services rendered which include, among others, the preparation and maintenance of books of accounts and computation of NAV.

Fees to custodian bank pertain to amounts paid to a custodian bank for the safekeeping of the securities, arranging settlement of any purchases and sales and collecting information on and income from such assets.

Directors' fees pertain to per diem of the directors of the Fund.

9 Income tax

Income tax expense mainly represents final tax withheld on interest income earned from cash and cash equivalents and financial assets at FVTPL.

Details of the Fund's net operating loss carryover (NOLCO) which is available for offset against future taxable income follow:

Year of incurrence	Year of expiration	2025	2024	2023
2025	2028	38,762	-	-
2024	2027	42,975	42,975	-
2023	2026	37,922	37,922	37,922
2022	2025	150,114	150,114	150,114
2021	2026	231,773	231,773	231,773
2020	2025	223,416	223,416	223,416
		724,961	686,200	643,335
Expired NOLCO		(373,530)	-	-
		351,432	686,200	643,335
Income tax rate		25%	25%	25%
Unrecognized DIT asset		87,858	171,550	160,806

Deferred income tax asset from NOLCO has not been recognized because the Fund believes that there is limited capacity to generate sufficient taxable profit against which the benefit from NOLCO can be utilized.

On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 25-2020, Rules and Regulations Implementing Section 4 (b) of Republic Act No. 11494 (Bayanihan to Recover as One Act) relative to NOLCO under Section 34 (D)(3) of the National Internal Revenue Code, as amended, allowing qualified businesses or enterprises which incurred net operating loss for taxable years 2020 and 2021 to carry over the same as a deduction from its gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

The reconciliation of statutory income tax rate to the effective income tax rate follows:

	2025	2024	2023
Statutory income tax rate	25.00%	25.00%	25.00%
Adjustments for tax effects of:			
NOLCO not recognized	(195.32%)	13.35%	52.66%
Interest income subject to final tax	53.03%	(3.61%)	(6.94%)
Non-deductible expense (non-taxable gains)	(94.82%)	(20.31%)	(5.55%)
Effective income tax rate	(212.11%)	14.43%	15.17%

10 Related party transactions

The Fund had a management and distribution agreement with PAMI, whereby the latter is appointed as the Fund's investment advisor and manager. PAMI also functioned as the principal distributor of the Fund. As such, it took charged of the sales of the Fund's shares to prospective investors, and paid certain expenses on behalf of the Fund. The Fund also had a registry and transfer agency agreement with PAMI.

Effective January 29, 2020, PAMI assigned all its rights, interests, and obligations as fund manager, advisor, distributor, and transfer agent of the Fund to BII. Hence, on effective date, the management, distribution, and transfer agency functions were performed by BII over the Fund.

On April 1, 2023, BII transferred all its rights, interest and obligations as fund manager and fund advisor to BPI Wealth. On effective date, the management functions over the Fund is performed by BPI Wealth but the distribution and transfer agency functions of the Fund were retained by BII.

As of December 31, 2025, BPI Wealth is the Fund Manager, Fund Advisor, and Principal Distributor of the Fund. The Fund has also appointed BPI Wealth as its Transfer Agent to apply prospectively upon issuance of BPI Wealth's Transfer Agency license by the Securities and Exchange Commission. BPI Wealth was already issued a Transfer Agency license and became the Fund's Transfer Agent effective January 16, 2026.

In consideration of all its services, the Fund pays BPI Wealth a fee of not more than 2% per annum of the Fund's NAV, net of fees to designated sub-distributors and/or licensed sales agents.

As Fund Manager, BPI Wealth shall formulate and implement the investment strategy, provide and render management, technical, and administrative services, whereby authorizing BPI Wealth to purchase and sell investment securities for the account of the Fund.

As Fund Advisor, BPI Wealth is tasked to render services which include investment research and advice, preparation of economic, industry, market, corporate, and security analyses, and assistance and recommendations in the formulation of investment guidelines.

As the Fund's Principal Distributor, BPI Wealth shall perform principally all related daily functions in connection with the marketing and the growth of the level of assets of the Fund.

As the Fund's Transfer Agent, BPI Wealth shall provide transfer agency services including the maintenance of the official stock and transfer book of the Fund and the issuance of Shareholders' Transaction Advice, among others.

The table below summarizes the Fund's transactions and balances with its related parties:

	Transactions (Charges to profit or loss)	Outstanding balance (Due to fund manager)	Outstanding balance's terms and conditions
Fund Manager			- Management fee is computed as one percent (2%) per annum of the fund's Net Asset Value ("NAV"), net of distribution fees payable to designated distributors and licensed sales agents - Outstanding balance is unguaranteed, unsecured and non-interest bearing; payable in cash at gross amount within the following month
Management fees			
December 31, 2025	35,726	2,443	
December 31, 2024	39,748	2,785	
December 31, 2023	40,755	2,903	
Transfer agent/distributor			- Registry and transfer fee is computed as one-twentieth (1/20) of one percent (1%) of the Fund's NAV determined on a daily basis - Outstanding balance is unguaranteed, unsecured and non-interest bearing; payable in cash at gross amount within the following month
Registry and transfer fees			
December 31, 2025	893	72	
December 31, 2024	994	81	
December 31, 2023	1,019	85	

At December 31, 2025, the Fund holds several investments with BPI, the parent company of BII and BPI Wealth. The investments include shares amounting to P79,398,352 (2024 - P82,213,238). Additionally, the Fund has time deposits amounting to P117,340,000 (2024 - P41,210,000) with BPI.

11 Fund accounting services

On July 1, 2008, the Fund and Deutsche Bank entered into a fund accounting agreement wherein Deutsche Bank shall perform administrative functions, which include, among others, the preparation and maintenance of books of accounts and computation of NAV. As compensation for services rendered, Deutsche Bank shall be entitled to an administration fee equivalent to 0.0275% per annum based on the NAV of the Fund.

Administration fees for the year ended December 31, 2025 amount to P525 (2024 - P557; 2023 - P560) and is included under Fees and other charges in the statement of total comprehensive income (Note 8). As at December 31, 2024, administration fees payable to Deutsche Bank included in Accounts payable and accrued expenses amount to P117 (2024 - P45) (Note 5).

12 Critical accounting estimates and judgments

Estimates, assumptions and judgments used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The accounting judgment that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

12.1 Critical accounting judgment

Recognition of deferred income tax assets (Note 9)

Deferred income tax asset from NOLCO has not been recognized because the Fund believes that there is limited capacity to generate sufficient taxable profit against which benefit from NOLCO can be utilized. The Fund assesses the unrecognized deferred income tax assets and will recognize a previously unrecognized deferred income tax asset to the extent that it has become probable that future taxable income will allow the deferred income tax assets to be recovered.

13 Capital and financial risk management

13.1 Governance framework

The primary objective of the Fund's financial risk management framework is to protect the Fund from events that hinder the sustainable achievement of the Fund's performance objectives, including failing to exploit opportunities. The Fund recognizes the critical importance of having efficient and effective risk management systems in place.

The BOD has approved the Fund's risk management policies and meets regularly to approve on any commercial, regulatory and own organizational requirements in such policies. The policies define the Fund's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, alignment of investment strategy to the corporate goals and specific reporting requirements.

13.2 Capital management

The Fund's objectives for managing capital are: (a) to invest the capital in investments meeting the description and risk exposure indicated in its prospectus; (b) to achieve consistent returns while safeguarding capital; and (c) to maintain sufficient liquidity to meet the expenses of the Fund and to meet redemption requests as they arise.

As provided by the Investment Company Act of 1960, minimum required capitalization for funds amounts to P50 million. The Fund's existing capitalization as at reporting date is more than the amount required by the SEC.

The Fund considers the net assets attributable to shareholders as its capital (or total equity as shown in the statement of financial position). As at December 31, 2025, the net assets attributable to shareholders amount to P1,663,829 (2024 - P1,873,150) (Note 6).

13.3 Regulatory framework

The operations of the Fund are also subject to the regulatory requirements of the SEC. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions. Unless ordered otherwise by the SEC, the Fund shall not sell securities short or invest in any of the following:

a. margin purchase of securities (investments in partially paid shares are excluded);
b. commodity future contracts;
c. precious metals;
d. unlimited liability investments;
e. short selling of currencies;
f. short selling of investments; and
g. other investments as the SEC shall, from time to time, prescribe.

Any changes in the Fund's investment objective should be with notice and prior approval of the SEC. An investment company shall not change its investment objective without the approval from the majority of the Fund's shareholders.

In addition, the SEC also provides maximum limits on exposure to counterparties, maintenance of a certain level of liquid assets and conditions for incurring borrowings (Note 13.5 - Credit risk).

The Fund is fully compliant with the above regulatory requirements as at December 31, 2025 and 2024.

13.4 Fair value of financial instruments

The Fund ranks its financial instruments based on the hierarchy of valuation techniques required by PFRS 13, which is determined based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Fund's market assumptions. These two types of inputs lead to the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

This hierarchy requires the use of observable market data when available. The Fund considers relevant and observable market prices in its valuations where possible.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from the exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2.

Financial instruments classified within Level 3 have significant unobservable inputs, as they trade infrequently.

The table below shows the fair value hierarchy levels for financial assets that are measured at fair value through profit or loss as at December 31:

2025	Level 1	Level 2	Level 3	Total
Listed Equity Securities	826,462	-	-	826,462
Government Securities	-	669,092	-	669,092
Corporate Bonds	-	-	-	-
	826,462	669,092	-	1,495,554

2024	Level 1	Level 2	Level 3	Total
Listed Equity Securities	897,687	-	-	897,687
Government Securities	-	581,994	-	581,994
Corporate Bonds	-	326,910	-	326,910
	897,687	908,904	-	1,806,591

13.5 Financial risk

The Fund's equity portfolio shall include securities listed in the primary board of the Philippine Stock Exchange (PSE). However, the Fund may also invest in companies listed on the secondary board and from time to time on shares of non-listed companies that are about to get listed within three months. The total investment in the secondary board of the PSE may not, in total, exceed (20%) of the total investments of the Fund. Furthermore, a maximum of 20% of the Fund may be invested in foreign securities with positive track record of at least three consecutive years.

The Fund has complied with these requirements as at December 31, 2025 and 2024.

For defensive purposes, the Fund may invest in SEC-registered debt papers or other certificate of indebtedness/obligations, issuers of whom had been determined as financially sound and approved by the Investment Committee of the Fund manager.

The Fund may also trade in medium-term to long-term government securities (5-year to 20-year notes, bonds and other certificates of indebtedness) issued by the Philippine Government.

The Fund has complied with these requirements as at December 31, 2025 and 2024.

The Fund is exposed to financial risk through its financial assets. The most important components are credit risk, liquidity risk and market risk. These risks arise from open positions in interest rate and equity securities, all of which are exposed to general and specific market movements.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Fund manages the level of credit risk it accepts through setting up of exposure limits by each counterparty or group of counterparties. The maximum investment of the Fund in any single enterprise shall not exceed an amount equivalent to 15% of the Fund's NAV except obligations of the Philippine government or its instrumentalities, provided that in no case shall the total investment of the Fund exceed 10% of the outstanding securities of any one investee company. The Fund also transacts only with institutions with high credit rating or standing. The Fund has complied with these requirements as at December 31, 2025 and 2024.

In addition, the Fund manages the level of credit risk it accepts through reporting of credit risk exposures, monitoring compliance with credit risk policy and review of credit risk policy for pertinence and changing environment. The Fund cannot lend to individual borrowers.

The fund manager's high-grade credit process combines top down and bottom up elements reflecting the observation that the weaker the credit quality, the more security specific risk comes to dominate overall portfolio risk. The bottom-up element focuses on the analysis of individual credits. The top down element focuses on the analysis of sectors. In order to manage risk, the high-grade portfolios combine diversification rules with a number of filters designed to help avoid downgrade and default candidates. Key to the Fund's credit process is the minimization of the impact from security default or downgrade.

The Fund's maximum credit risk exposure as at December 31 are summarized below:

	2025	2024
Cash and cash equivalents	170,878	72,600
Financial assets at FVTPL	669,092	908,904
Other financial assets at amortized cost	8,512	5,342
	848,482	986,846

The credit quality of the Fund's financial assets as at December 31, 2025 and 2024 follows:

*(*a) Cash and cash equivalents

The Fund's cash in banks and short-term deposits are with a highly reputable universal bank in the Philippines with an equivalent credit rating of Baa1 by Moody's.

(b) Financial asset at FVTPL

Debt securities classified as financial asset at FVTPL is composed of government securities and corporate debt securities with credit rating of AA or higher and considered as investment grade securities.

(c) Other financial assets at amortized cost

Due from brokers arise from sale of investments in equity securities during the last three (3) trading days of the reporting period and are usually settled three (3) days after trade date. The Fund's brokers are registered trading participants of the PSE.

Dividend receivable arises from dividends declared but not yet received as at year-end.

Interest receivable is from interest income earned but not yet received as at year-end.

There are no collaterals held as security and other credit enhancements attached to the financial assets at amortized cost as at December 31, 2025 and 2024.

For financial assets at amortized cost, the Fund measures credit risk and expected credit losses (ECL) using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any ECL. As a result, no loss allowance has been recognized based on 12-month ECL as any such impairment would be insignificant to the Fund.

As at December 31, 2025 and 2024, all of the Fund's financial assets are classified as stage 1 (performing) accounts. There are no financial assets classified under stages 2 (underperforming) and 3 (impaired).

Liquidity risk

Liquidity or funding risk is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with 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 its issued shares. It invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Fund manages liquidity through specifying minimum proportion of funds to meet emergency calls. Unless otherwise prescribed by the SEC, at least 10% of the Fund shall be invested in liquid/semi-liquid assets such as:

a. Tradable Long-Term Negotiable Certificate of Time Deposits (LTNCDs);
b. Government debt securities where the issuer or the guarantor is a foreign government, sovereign or central bank with an international long-term issuer rating of investment grade;
c. Savings or time deposits with government-owned banks or commercial banks, provided that in no case shall any such savings or time deposits accounts be accepted or allowed under a "bearer," "numbered" account or other similar arrangement;
d. Money market instruments issued by Philippine regulated qualified buyers or those issued by an investment grade issuing body; and,
e. Other collective schemes wholly invested in liquid/semi-liquid assets.

The investment company may implement a decreased investment of less than ten percent (10%) of its assets in liquid/semi-liquid assets, provided, however, that it shall submit a notarized liquidity contingency plan, signed by the president of the fund and its fund manager.

The Fund has complied with these requirements as at December 31, 2025 and 2024.

The Fund may not incur any further debt or borrowings unless at the time of its occurrence or immediately thereafter, there is an asset coverage of at least 300% for all its borrowings. In the event that such asset coverage shall fall below 300%, the Fund shall, within three (3) days thereafter, reduce the amount of borrowings to an extent that the asset coverage of such borrowings shall be at least 300%. The Fund has not breached the said asset coverage requirement as at December 31, 2025 and 2024.

In addition, the Fund manages liquidity through reporting of liquidity risk exposures, monitoring compliance with liquidity risk policy and review of liquidity risk policy for pertinence and changing environment.

The Fund's financial liability pertains to management and distribution fees and other payables and accrued expenses which are contractually due in less than one (1) month. The Fund expects to settle its obligations in accordance with the maturity date through trading of its financial assets at fair value through profit or loss.

Market risk

Market risk is the risk of change in fair value of financial instruments from fluctuation in foreign exchange rates (currency risk), interest rates (interest rate risk) and market prices (price risk), whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Fund is not exposed to significant cash flow interest rate risk given the nature of its financial assets and liabilities.

The Fund structures levels of market risk it accepts through a market risk policy that determines what constitutes market risk for the Fund; basis used to fair value financial assets and liabilities; sets out the net exposure limits by each counterparty or group of counterparties and industry segments; reporting of market risk exposures; monitoring compliance with market risk policy and review of market risk policy for pertinence and changing environment.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Fund holds no investment in and does not plan to invest in foreign securities. However, SEC allows mutual fund companies to invest up to 100% of its net assets in foreign securities subject to safety nets and standards set by the SEC.

The transactions of the Fund are mainly carried out in its functional currency (Philippine Peso). Accordingly, the currency risk is minimal.

	Change in interest rate	Impact on pre-tax profit Increase (decrease)
December 31, 2025	+1%	(42,027)
	-1%	54,565
December 31, 2024	+1%	(42,441)
	-1%	47,925
December 31, 2023	+1%	(34,540)
	-1%	38,451

Fair value interest rate risk

Fair value interest rate risk is the risk that the value/future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund's market risk policy requires it to manage the maturities of interest-bearing financial assets and financial liabilities.

The following table shows the information relating to the Fund's investments in fixed income securities that are exposed to fair value interest rate risk presented by maturity profile.

	Range of rates	Up to a year	1-5 years	Over 5 years	Total
December 31, 2025					
Financial assets at FVTPL					
Government securities	4.88% - 8.13%	7,757	117,561	543,774	669,092
Corporate debt securities	-	-	-	-	-
	4.88% - 8.13%	7,757	117,561	543,774	669,092

	Range of rates	Up to a year	1-5 years	Over 5 years	Total
December 31, 2024					
Financial assets at FVTPL					
Government securities	2.63% - 8.13%	5,745	84,011	492,238	581,994
Corporate debt securities	4.75% - 6.64%	326,910	-	-	326,910
		332,655	84,011	492,238	908,904

The analysis below is performed for reasonably possible movements in interest rate with all other variables held constant, showing the impact on pre-tax profit.

As at December 31, 2025 and 2024, the Fund determines the reasonable possible change in interest rates using the percentage changes in weighted average yield rates of outstanding securities for the past three years.

Price risk

Price risk relates to financial assets and liabilities whose values will fluctuate as a result of changes in market prices carried at FVPTL.

The Fund is exposed to price risk primarily in respect of its investments in equities listed in the PSE which are classified as financial assets at FVTPL.

The Fund's market risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investment, diversification plan and limits on investments.

As at December 31, 2025, the investments amount to P826,462 (2024 - P897,687).

The analysis below is performed for reasonably possible movements in interest rate with all other variables held constant, showing the impact on pre-tax profit.

	Change in PSE index	Impact on pre-tax profit
December 31, 2025	+/-7.31%	+/- 75,330
December 31, 2024	+/-1.21%	+/-10,828

14 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

14.1 Basis of preparation

The accompanying financial statements of the Fund have been prepared in accordance with PFRS Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the Securities and Exchange Commission (SEC):

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee, Philippine Interpretations Committee, and Standing Interpretations Committee

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at FVTPL. The Fund's functional currency is the Philippine Peso.

The preparation of these financial statements in conformity with PFRS Accounting Standards requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. There are no areas where assumptions and estimates are significant to the financial statements. The area involving a higher degree of judgment significant is disclosed in Note 12.1.

Changes in accounting policy and disclosures

(a) Amendments to existing standards and interpretations adopted by the Fund effective January 1, 2025

There are no new standards, interpretations and amendments to existing standards effective January 1, 2025 that are considered to be relevant or have a material impact on the Fund's financial statements.

(b) Amendments to existing standards not yet effective and not early adopted by the Fund

The following amendments to existing standards are not mandatory for December 31, 2025 reporting period and have not been early adopted by the Fund:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 *(Effective beginning on or after January 1, 2026)*

  In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. In July 2024, the FSRSC adopted the targeted amendments to PFRS 9 and PFRS 7. These amendments:
  - clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The adoption of the above amendments is not expected to have a material impact on the financial statements of the Fund except on the timing of derecognition of financial liability through electronic fund transfers and checks.

- PFRS 18 Presentation and Disclosure in Financial Statements *(Effective for annual periods beginning on or after January 1, 2027)*

  PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The amendments to PFRS 9, PFRS 7 and PFRS 18, as well as the annual improvements to PFRS Accounting Standards are not expected to have a material financial impact to the financial statements of the Fund.

There are no other new standards, interpretations and amendments to existing standards not yet effective as at December 31, 2025 reporting period that are considered to be relevant or have a material impact on the Fund's financial statements.

14.2 Financial instruments

The Fund recognizes a financial instrument in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument. At initial recognition, the Fund measures a financial asset or financial liability at its fair value. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all the risks and rewards of ownership.

14.2.1 Classification and subsequent measurement

The Fund classifies its financial assets in the following measurement categories:

- at fair value through profit or loss (FVTPL), and
- at amortized cost.

Gains and losses on sale of investments at FVTPL are included in the income (losses) from financial assets at FVTPL in the statement of total comprehensive income.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Classification and subsequent measurement of debt instruments depend on the Fund's business model for managing the asset and the cash flow characteristics of the asset.

Based on these factors, the Fund classifies its debt instruments into one of the following measurement categories:

- *Amortized cost*

  Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

  The Fund's financial assets at amortized cost include cash and cash equivalents and other financial assets at amortized cost.

- *Financial assets at FVTPL*

  Financial assets that do not meet the criteria for amortized cost and the collection of contractual cash flows is only incidental to achieving the Fund's business model objective are measured at fair value through profit or loss.

  The Fund's financial assets at FVTPL consists of investments in government securities.

Business model: The business model reflects how the Fund manages the financial assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of financial assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Fund in determining the business model for a group of financial assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the SPPI test). In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

The Fund reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent.

14.2.2 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets at amortized cost. The Fund recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Fund measures the loss allowance on financial assets at amortized cost at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund measures the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the counterparties, probability that the counterparties will enter bankruptcy or financial reorganization, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

14.2.3 Cash and cash equivalents

Short-term deposits of the Fund pertain to highly liquid investments with original maturities of three months or less from the date of acquisition and which are subject to insignificant changes in value.

14.2.4 Classification and measurement of financial liabilities

The Fund classifies its financial liabilities as other financial liabilities at amortized cost.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate.

14.3 Equity

The Fund issues shares, which are redeemable at the holder's option and are classified as equity in accordance with PAS 32, Financial instruments: Presentation. Each share has the following features which support the equity classification:

- It entitles the holder to a pro rata share of the Fund's net assets in the event of the entity's liquidation;
- The share has no priority over other claims to the assets of the Fund on liquidation, and it does not need to be converted into another instrument before it is classified as such; and
- All shares impose a contractual obligation on the Fund to deliver a pro rata share of its net assets on liquidation.

In addition, the Fund has no other financial instrument or contract that has:

- total cash flows based substantially on profit or loss, the change in the recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the Fund (excluding any effects of such instrument or contract); and
- the effect of substantially restricting or fixing the residual return to the shareholders.

Should the redeemable shares' terms or conditions change such that they do not comply with the strict criteria as mentioned above, the redeemable shares would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying value of the equity instrument and fair value of the liability on the date of reclassification would be recognized in equity.

Redeemable shares can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's trading NAV calculated in accordance with the Fund's regulations. Redeemed shares are not cancelled but may be reissued in the future.

Share premium

Sales of shares are recorded by crediting Share capital at par value and Share premium for the amount received in excess of the par value; redemptions are recorded by debiting those accounts. In the event that the Share premium balance is exhausted as a result of redemptions, the Retained earnings account is reduced by redemptions in excess of par.

Deposits for future stock subscriptions

Deposits for future subscriptions represent funds received by the Fund with a view to applying the same as payment for a future additional issuance of shares either from its authorized but unissued shares, from a proposed increase in authorized share capital, or as share premium. Upon application with the SEC, the amount will be credited to equity while upon the SEC's approval, the amount is transferred to Share capital for the par value of the shares and Share premium for the amount in excess of the par value.

Based on Financial Reporting Bulletin (FRB) No.006 revised on January 6, 2022, the Fund shall classify a contract to deliver its own equity instruments under equity as a separate account (e.g., DFFS) if and only if, all of the following are present at the end of the reporting period:

(a) The unissued authorized share capital is insufficient to cover the amount of shares indicated in the contract;
(b) There is BOD's approval on the proposed increase in authorized share capital (ACS) (for which a deposit was received);
(c) There is stockholders' approval of said proposed increase; and
(d) The application for the approval of the proposed increase has been proposed for filing or has been filed with the SEC.

If the criteria above are not met, the DFFS will be presented as liabilities in the statement of financial position.

To deter abuse of the Rule, it is expected that the approval of the application to increase ACS be obtained within one (1) year from the date the said application was presented to the Commission through Company Registration and Monitoring Department.

Following the issuance of SEC Memorandum Circular No. 33, series of 2020, which took effect on December 20, 2020, an investment company is no longer required to comply with the minimum subscribed and paid-up capital relative to the increase in its authorized capital stock. Thus, an investment company is no longer allowed to accept any deposits for future stock subscription starting December 20, 2020.

Any deposit for future subscription recognized as equity in the financial statements are still acceptable provided that all the elements above are present as of the end of the reporting period and the application for an increase in authorized capital stock has been filed with the Commission prior to December 20, 2020.

14.4 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the (loss) profit attributable to shareholders of the Fund by the weighted average number of shares outstanding and shares covered by DFFS during the year.

14.5 Current and deferred income tax

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of reporting period All changes to current tax assets or liabilities are recognized as a component of income tax expense in profit or loss.

Deferred income tax is recognized, using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Under the liability method, deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences and the carry-forward of unused tax losses (NOLCO) and unused tax credits (excess of minimum corporate income tax) to the extent that it is probable that taxable profit will be available against which the deferred income tax asset can be utilized.

14.6 Related party relationships and transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

15 Supplementary information required by the Bureau of Internal Revenue (BIR)

Below is the additional information required by Revenue Regulations No. 15-2010 that is relevant to the Fund. This information is presented for purposes of filing with the BIR and is not a required part of the basic financial statements. All amounts are in thousands of Philippine Peso.

(i) All other *local and national taxes*

All other local and national taxes paid for the year ended December 31, 2025 consist of:

	Total
Municipal taxes & mayor's permit	150
Documentary stamp tax	2
Community tax	11
	163

The above local and national taxes are charged under taxes and licenses account in the statement of total comprehensive income.

(ii) Withholding taxes

Withholding taxes paid and accrued for the year ended December 31, 2025 consist of:

	Paid	Accrued	Total
Expanded withholding tax	4,611	410	5,021

Accrued expanded withholding tax as December 31, 2025 is included under accounts payable and accrued expenses in the statement of financial position.

(iii) Tax assessments and cases

There are no pending tax cases as at December 31, 2025.

Philam Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at December 31, 2025
(All amounts in thousands of US Dollar)

Unappropriated Retained Earnings, beginning of the year/period		1,550,485
Add: Category A: Items that are directly credited to Unappropriated retained earnings	-	
Reversal of Retained earnings appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others (describe nature)	-	
Less: Category B: Items that are directly debited to Unappropriated retained earnings		
Dividend declaration during the reporting period	-	
Retained earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments		
Others (describe nature)	-	
Unappropriated Retained Earnings, as adjusted		1,550,485
Add/Less: Net Income (loss) for the current year/period		(15,486)
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	-

Philam Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at December 31, 2025
(All amounts in thousands of US Dollar)

Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	25,135	
Realized fair value gain of Investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	**25,135**
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to- market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-	**-**
Adjusted net income/loss		**9,649**
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)		-
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others (describe nature)	-	-

Philam Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at December 31, 2025
(All amounts in thousands of US Dollar)

Add/Less:	**Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution**		
	Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
	Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
	Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
	Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
	Others (describe nature):	-	
	Redemption of redeemable shares		
Total Retained Earnings, end of the year/period available for dividend declaration			**1,560,134**

Philam Fund, Inc.

Schedule A - Financial Assets
December 31, 2025
(All amounts in Philippine Peso)

Name of Issuing entity and association of each issue	Face value / number of shares	Amount shown in the financial statements	Value based on Market Quotation at end of Reporting Period	Income received and accrued
Cash and cash equivalents				
Cash in banks	538,002	538,002	538,002	
Time deposits				
BPI TIME DEPOSIT PHP	117,340,000	117,340,000	117,340,000	
RCBC TIME DEPOSIT	53,000,000	53,000,000	53,000,000	
Total cash and cash equivalents	**170,878,002**	**170,878,002**	**170,878,002**	**6,985,604**
Financial assets at fair value through profit or loss				
Equities				
International Container Terminal Services Inc.	219,510	124,462,170	124,462,170	
SM Investments Corporation	132,210	92,480,895	92,480,895	
Bank of the Philippine Islands	683,879	79,398,352	79,398,352	
BDO Unibank. Inc	518,454	69,783,908	69,783,908	
SM Prime Holdings, Inc.	2,999,760	68,244,540	68,244,540	
Metropolitan Bank & Trust Company	811,871	55,613,164	55,613,164	
Manila Electric Company	78,930	45,305,820	45,305,820	
Ayala Land, Inc.	1,969,205	44,208,652	44,208,652	
Ayala Corporation	68,325	31,976,100	31,976,100	
PLDT Inc.	23,275	29,326,500	29,326,500	
Jollibee Foods Corporation	147,150	26,487,000	26,487,000	
Globe Telecom, Inc.	14,160	22,429,440	22,429,440	
Maynilad Water Services Inc	1,115,000	18,843,500	18,843,500	
GT Capital Holdings, Inc	30,873	18,369,435	18,369,435	
JG Summit Holdings, Inc	758,001	17,926,724	17,926,724	
Aboitiz Equity Ventures, Inc.	634,120	17,755,360	17,755,360	
RL Commercial Reit Inc	2,200,000	17,644,000	17,644,000	
Universal Robina Corporation	167,000	11,239,100	11,239,100	
DMCI Holdings, Inc.	888,300	9,362,682	9,362,682	
LT Group, Inc.	590,000	8,720,200	8,720,200	
Semirara Mining & Power Corporation.	260,000	7,345,000	7,345,000	
Areit, Inc.	106,300	4,624,050	4,624,050	
Monde Nissin Corporation	617,400	3,580,920	3,580,920	
Robinson`s Land Corporation	71,500	1,155,440	1,155,440	
Acen Corporation	65,738	178,807	178,807	
	15,170,961	826,461,759	826,461,759	
Government Securities				
FXTN 20-25 PIBD2042K253 8.125% DUE 24NOV2042	150,000,000	175,214,045	175,214,045	
FXTN 10-68 PIBD1032F689 7.25% DUE 23JUN32	100,000,000	106,187,042	106,187,042	
FXTN PIBD1032J701 7.5% DUE 20OCT2032	50,000,000	54,364,607	54,364,607	
FXTN PH0000058786 6.875% DUE 23MAY2044	50,000,000	52,571,137	52,571,137	
FXTN PH0000060345 6.375% DUE 28APR2035	50,000,000	51,611,927	51,611,927	
FXTN PIID0528B176 6.125% DUE 22AUG2028	50,000,000	51,013,596	51,013,596	
FXTN PH0000060907 6% DUE 20AUG2030	50,000,000	50,616,649	50,616,649	
GB PH0000058240 6.25% DUE 28FEB2044	50,000,000	50,439,306	50,439,306	
GB PIID0527C159 4.875% DUE 04MAR2027	12,140,000	12,147,040	12,147,040	
FXTN 25-8 PHY6972FNA49 8.125% DUE 16DEC2035	10,000,000	11,276,733	11,276,733	
FXTN 20-17 PHY6972FPV67 8.00% DUE 19JULY31	10,000,000	11,230,280	11,230,280	
FXTN 10-72 PH0000058133 6.25% DUE 25JAN2034	10,000,000	10,403,013	10,403,013	
FXTN7-71 PH0000058125 6.125% DUE 18JAN2031	10,000,000	10,369,882	10,369,882	
GB R25-1 PHY6972FRD42 DUE 6.125% 24OCT2037	10,000,000	10,105,630	10,105,630	
FXTN 07-62 PHY6972HDE37 6.25% DUE ON 14FEB26	7,570,000	7,757,427	7,757,427	
FXTN 10-64 PIBD1029A644 6.875% DUE 10JAN2029	2,680,000	2,855,977	2,855,977	
FXTN1063 PHY6972HAJ50 6.25% DUE 22MAR2028	900,000	928,205	928,205	
	623,290,000	669,092,496	669,092,496	
Total financial assets at fair value through profit or loss	**638,460,961**	**1,495,554,255**	**1,495,554,255**	**27,569,541**
Other financial assets at amortized cost	**8,512,340**	**8,512,340**	**8,512,340**	
Total(s)		**1,674,944,597**	**1,674,944,597**	**34,555,145**

Philam Fund, Inc.

Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
December 31, 2025

Name and designation of debtor	Balance at beginning of period	Additions	Amount collected	Amount written-off	Balance at end of period
NOTHING TO REPORT					

Philam Fund, Inc.

Schedule C - Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
December 31, 2025

Name and designation of debtor	Balance at beginning of period	Additions	Amount collected	Amount written-off	Current	Non-current	Balance at end of period
NOTHING TO REPORT							

Philam Fund, Inc.

Schedule D - Long-Term Debt
December 31, 2025

Title of issue and type of obligation	Amount authorized by indenture	Amount shown in the statement of financial position
NOTHING TO REPORT		

Philam Fund, Inc.

Schedule E - Indebtedness to Related Parties
As at December 31, 2025

Name of related party	Balance at beginning of period	Balance at end of period
NOTHING TO REPORT		

Philam Fund, Inc.

Schedule F - Guarantees of Securities of Other Issuers
December 31, 2025

Name of Issuing entity of securities guaranteed by the Fund for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
NOTHING TO REPORT				

Philam Fund, Inc.

Schedule G - Capital Stock
December 31, 2025

Titles of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Redeemable Shares	603,315,664	103,945,142	-	-	7	103,945,135

Philam Fund, Inc.

Supplementary Schedule for External Auditor Fee-Related Information
December 31, 2025 and 2024

	2025	2024
Total audit fees	538,163	549,146
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	538,163	549,146

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to December 31, 2025	**1,676,972**
NET ASSET VALUE -January 1 to December 31, 2025	**1,663,829**

SECURITY NAME	MARKET VALUE (in thousands)	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES (in thousands)	OUTSTANDING SECURITIES OF AN INVESTEE CO. (in thousands)	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS:						
LISTED EQUITY SECURITIES						
ABOITIZ EQUITY VENTURES, INC. - Common Shares	17,755	1.07%	1.06%	634	162,974,828	0.01%
AC Energy Corporation - Common Shares	179	0.01%	0.01%	66	120,653,334	0.00%
AREIT -Common Shares	4,624	0.28%	0.28%	106	163,679,059	0.00%
AYALA CORPORATION - Common Shares	31,976	1.92%	1.91%	68	298,733,815	0.01%
AYALA LAND, INC. - Common Shares	44,209	2.66%	2.64%	1,969	320,928,988	0.01%
BANK OF THE PHIL ISLANDS - Common Shares	79,398	4.77%	4.73%	684	639,339,101	0.01%
BDO UNIBANK. INC - Common Shares	69,784	4.19%	4.16%	518	759,561,595	0.01%
DMCI HOLDINGS, INC. - Common Shares	9,363	0.56%	0.56%	888	140,210,083	0.01%
GLOBE TELECOM, INC. - Common Shares	22,429	1.35%	1.34%	14	231,583,044	0.01%
GT CAPITAL HOLDINGS, INC - Common Shares	18,369	1.10%	1.10%	31	127,125,549	0.01%
INT'L CONTAINER TRMNL SRVCS, INC. - Common Shares	124,462	7.48%	7.42%	220	1,182,974,762	0.01%
JG SUMMIT HOLDINGS, INC. - Common Shares	17,927	1.08%	1.07%	758	181,631,755	0.01%
JOLLIBEE FOODS CORPORATION - Common Shares	26,487	1.59%	1.58%	147	222,115,006	0.01%
LT GROUP, INC. - Common Shares	8,720	0.52%	0.52%	590	164,268,683	0.01%
MANILA ELECTRIC COMPANY "A" - Common Shares	45,306	2.72%	2.70%	79	667,802,312	0.01%
MAYNILAD WATER SERVICES INC	18,844	1.13%	1.12%	1,115	129,101,407	0.01%
METROPOLITAN BANK & TRUST COMPANY - Common Shares	55,613	3.34%	3.32%	812	316,168,314	0.02%
Monde Nissin Corporation - Common Shares	3,581	0.22%	0.21%	617	107,631,983	0.00%
PLDT COMPANY - Common Shares	29,327	1.76%	1.75%	23	272,662,388	0.01%
RL COMMERCIAL REIT INC	17,644	1.06%	1.05%	2,200	157,758,840	0.01%
ROBINSON`S LAND CORPORATION - Common Shares	1,155	0.07%	0.07%	72	79,764,748	0.00%
SEMIRARA MINING & POWER CORPORATION. - Common	7,345	0.44%	0.44%	260	123,690,936	0.01%
SM INVESTMENTS CORPORATION - Common Shares	92,481	5.56%	5.51%	132	878,709,406	0.01%
SM PRIME HOLDINGS, INC.- Common Shares	68,245	4.10%	4.07%	3,000	665,761,850	0.01%
UNIVERSAL ROBINA CORPORATION - Common Shares	11,239	0.68%	0.67%	167	147,293,530	0.01%
TOTAL LISTED EQUITY SECURITIES	**826,462**					

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to December 31, 2025	**1,676,972**
NET ASSET VALUE -January 1 to December 31, 2025	**1,663,829**

SECURITY NAME	MARKET VALUE (in thousands)	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES (in thousands)	OUTSTANDING SECURITIES OF AN INVESTEE CO. (in thousands)	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
GOVERNMENT SECURITIES						
FXTN 07-62 PHY6972HDE37 6.25% DUE ON 14FEB26	7,757	0.47%	0.46%	7,570	232,791,000	0.00%
FXTN 10-64 PIBD1029A644 6.875% DUE 10JAN2029	2,856	0.17%	0.17%	2,680	355,000,000	0.00%
FXTN 10-68 PIBD1032F689 7.25% DUE 23JUN32	106,187	6.38%	6.33%	100,000	139,892,000	0.07%
FXTN 10-72 PH0000058133 6.25% DUE 25JAN2034	10,403	0.63%	0.62%	10,000	366,850,000	0.00%
FXTN 20-17 PHY6972FPV67 8.00% DUE 19JULY31	11,230	0.67%	0.67%	10,000	413,313,150	0.00%
FXTN 20-25 PIBD2042K253 8.125% DUE 24NOV2042	175,214	10.53%	10.45%	150,000	101,597,000	0.15%
FXTN 25-8 PHY6972FNA49 8.125% DUE 16DEC2035	11,277	0.68%	0.67%	10,000	211,010,040	0.00%
FXTN PH0000058786 6.875% DUE 23MAY2044	52,571	3.16%	3.13%	50,000	244,565,000	0.02%
FXTN PH0000060345 6.375% DUE 28APR2035	51,612	3.10%	3.08%	50,000	492,603,000	0.01%
FXTN PH0000060907 6% DUE 20AUG2030	50,617	3.04%	3.02%	50,000	507,156,777	0.01%
FXTN PIBD1032J701 7.5% DUE 20OCT2032	54,365	3.27%	3.24%	50,000	35,000,000	0.14%
FXTN PIID0528B176 6.125% DUE 22AUG2028	51,014	3.07%	3.04%	50,000	283,763,658	0.02%
FXTN1063 6.25% PHY6972HAJ50 DUE ON 22MAR28	928	0.06%	0.06%	900	126,812,000	0.00%
FXTN7-71 PH0000058125 6.125% DUE 18JAN2031	10,370	0.62%	0.62%	10,000	95,000,000	0.01%
GB PH0000058240 6.25% DUE 28FEB2044	50,439	3.03%	3.01%	50,000	76,633,000	0.07%
GB PIID0527C159 4.875% DUE 04MAR2027	12,147	0.73%	0.72%	12,140	457,798,870	0.00%
GB R25-1 PHY6972FRD42 DUE 6.125% 24OCT2037	10,106	0.61%	0.60%	10,000	188,000,000	0.01%
TOTAL GOVERNMENT SECURITIES	**669,092**					
TOTAL FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT/LOSS	**1,495,554**					

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to December 31, 2025	**1,676,972**
NET ASSET VALUE -January 1 to December 31, 2025	**1,663,829**

SECURITY NAME	MARKET VALUE (in thousands)	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES (in thousands)	OUTSTANDING SECURITIES OF AN INVESTEE CO. (in thousands)	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
INVESTMENT IN SEMI LIQUID/ LIQUID INVESTMENTS						
CASH AND CASH EQUIVALENTS	170,878	10.27%	10.19%	n/a		
GOVERNMENT SECURITIES	669,092	40.21%	39.90%	n/a		
	839,970					

NO BORROWINGS FOR THE PERIOD

TOTAL OPERATING EXPENSES

AVERAGE DAILY NET ASSET VALUE - January 1 to December 31, 2025 **1,761,778**

NATURE OF EXPENSES	AMOUNT	PERCENTAGE TO NET ASSET VALUE
Management fees	35,726	2.03%
Fees and Other Charges	2,628	0.15%
Foreign exchange (loss) gain, net	755	0.04%
Taxes and Licenses	163	0.01%
Other Expenses	263	0.01%
	39,535	

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to December 31, 2024	**1,886,562**
NET ASSET VALUE -January 1 to December 31, 2024	**1,873,150**

SECURITY NAME	MARKET VALUE (in thousands)	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES (in thousands)	OUTSTANDING SECURITIES OF AN INVESTEE CO. (in thousands)	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS:						
LISTED EQUITY SECURITIES						
ABOITIZ EQUITY VENTURES, INC. - Common Shares	21,782	1.16%	1.15%	634	186,052,469	0.01%
AC Energy Corporation - Common Shares	5,262	0.28%	0.28%	1,316	150,774,100	0.00%
AREIT -Common Shares	5,434	0.29%	0.29%	143	133,690,918	0.00%
AYALA CORPORATION - Common Shares	57,100	3.05%	3.03%	95	363,556,920	0.02%
AYALA LAND, INC. - Common Shares	53,427	2.85%	2.83%	2,039	370,977,431	0.01%
BANK OF THE PHIL ISLANDS - Common Shares	82,213	4.39%	4.36%	674	622,634,436	0.01%
BDO UNIBANK. INC - Common Shares	89,387	4.77%	4.74%	621	773,440,243	0.01%
CENTURY PACIFIC FOOD, INC.	9,350	0.50%	0.50%	223	156,390,717	0.01%
DMCI HOLDINGS, INC. - Common Shares	6,489	0.35%	0.34%	600	144,193,324	0.00%
GLOBE TELECOM, INC. - Common Shares	33,109	1.77%	1.76%	15	327,743,358	0.01%
GT CAPITAL HOLDINGS, INC - Common Shares	20,314	1.08%	1.08%	31	127,663,760	0.02%
INT'L CONTAINER TRMNL SRVCS, INC. - Common Shares	97,469	5.20%	5.17%	253	795,073,803	0.01%
JG SUMMIT HOLDINGS, INC. - Common Shares	15,577	0.83%	0.83%	758	145,305,404	0.01%
JOLLIBEE FOODS CORPORATION - Common Shares	42,144	2.25%	2.23%	157	285,368,105	0.01%
MANILA ELECTRIC COMPANY "A" - Common Shares	38,518	2.06%	2.04%	79	545,512,774	0.01%
METROPOLITAN BANK & TRUST COMPANY - Common Shares	58,455	3.12%	3.10%	812	319,766,246	0.02%
Monde Nissin Corporation - Common Shares	11,130	0.59%	0.59%	1,294	136,920,820	0.01%
PLDT COMPANY - Common Shares	30,141	1.61%	1.60%	23	279,576,173	0.01%
ROBINSON`S LAND CORPORATION - Common Shares	951	0.05%	0.05%	72	61,320,318	0.00%
SEMIRARA MINING & POWER CORPORATION. - Common	9,074	0.48%	0.48%	260	148,769,167	0.01%
SM INVESTMENTS CORPORATION - Common Shares	118,857	6.35%	6.30%	132	1,019,167,481	0.01%
SM PRIME HOLDINGS, INC.- Common Shares	75,308	4.02%	3.99%	2,994	687,325,714	0.01%
UNIVERSAL ROBINA CORPORATION - Common Shares	16,195	0.86%	0.86%	205	161,149,261	0.01%
TOTAL LISTED EQUITY SECURITIES	**897,687**					

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to December 31, 2024	**1,886,562**
NET ASSET VALUE -January 1 to December 31, 2024	**1,873,150**

SECURITY NAME	MARKET VALUE (in thousands)	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES (in thousands)	OUTSTANDING SECURITIES OF AN INVESTEE CO. (in thousands)	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
GOVERNMENT SECURITIES						
FXTN 07-62 PHY6972HDE37 6.25% DUE ON 14FEB26	7,771	0.41%	0.41%	7,570	232,791,000	0.00%
FXTN 10-64 PIBD1029A644 6.875% DUE 10JAN2029	2,832	0.15%	0.15%	2,680	355,000,000	0.00%
FXTN 10-68 PIBD1032F689 7.25% DUE 23JUN32	106,231	5.67%	5.63%	100,000	139,892,000	0.07%
FXTN 10-72 PH0000058133 6.25% DUE 25JAN2034	10,318	0.55%	0.55%	10,000	266,850,000	0.00%
FXTN 20-17 PHY6972FPV67 8.00% DUE 19JULY31	11,167	0.60%	0.59%	10,000	383,313,150	0.00%
FXTN 20-25 PIBD2042K253 8.125% DUE 24NOV2042	178,465	9.53%	9.46%	150,000	101,597,000	0.15%
FXTN 25-8 PHY6972FNA49 8.125% DUE 16DEC2035	11,337	0.61%	0.60%	10,000	211,010,040	0.00%
FXTN PH0000058786 6.875% DUE 23MAY2044	53,187	2.84%	2.82%	50,000	142,717,000	0.04%
FXTN PIBD1032J701 7.5% DUE 20OCT2032	54,489	2.91%	2.89%	50,000	35,000,000	0.14%
FXTN PIID0528B176 6.125% DUE 22AUG2028	50,448	2.69%	2.67%	50,000	283,763,658	0.02%
FXTN1063 6.25% PHY6972HAJ50 DUE ON 22MAR28	918	0.05%	0.05%	900	126,812,000	0.00%
FXTN7-71 PH0000058125 6.125% DUE 18JAN2031	5,136	0.27%	0.27%	5,000	95,000,000	0.01%
GB FXTN R7-61 PHY6972HAL07 5.75% DUE ON 12APR2025	910	0.05%	0.05%	900	96,513,000	0.00%
GB PH0000058240 6.25% DUE 28FEB2044	51,832	2.77%	2.75%	50,000	76,633,000	0.07%
GB PH0000058281 6.25% DUE 28FEB2029	10,101	0.54%	0.54%	10,000	584,861,262	0.00%
GB PIID0527C159 4.875% DUE 04MAR2027	11,941	0.64%	0.63%	12,140	457,798,870	0.00%
GB R25-1 PHY6972FRD42 DUE 6.125% 24OCT2037	10,078	0.54%	0.53%	10,000	188,000,000	0.01%
GB R513 PIID0525H130 2.625% 12AUG2025	4,834	0.26%	0.26%	4,900	516,340,790	0.00%
TOTAL GOVERNMENT SECURITIES	**581,994**					

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to December 31, 2024	**1,886,562**
NET ASSET VALUE -January 1 to December 31, 2024	**1,873,150**

SECURITY NAME	MARKET VALUE (in thousands)	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES (in thousands)	OUTSTANDING SECURITIES OF AN INVESTEE CO. (in thousands)	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
CORPORATE BONDS						
CB ALI 4.75% DUE 25OCT2025	33,241	1.77%	1.76%	33,500	7,000,000	0.48%
CB NLEX CORP 6.6407% DUE 04JUL2025	16,241	0.87%	0.86%	16,000	4,000,000	0.40%
CB SMFBFXBD2025 5.05% DUE 10MAR25	124,560	6.65%	6.60%	125,000	8,000,000	1.56%
CB SMPH2025 6.0804% DUE ON 01MAR2025	152,869	8.16%	8.10%	150,000	10,000,000	1.50%
TOTAL CORPORATE BONDS	**326,910**					
TOTAL FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT/LOSS	**1,806,591**					
INVESTMENT IN SEMI LIQUID/ LIQUID INVESTMENTS						
CASH AND CASH EQUIVALENTS	72,600	3.88%	3.85%	n/a		
GOVERNMENT SECURITIES	581,994	31.07%	30.85%	n/a		
TOTAL	**654,594**					

NO BORROWINGS FOR THE PERIOD

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to December 31, 2024	**1,886,562**
NET ASSET VALUE -January 1 to December 31, 2024	**1,873,150**

SECURITY NAME	MARKET VALUE (in thousands)	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES (in thousands)	OUTSTANDING SECURITIES OF AN INVESTEE CO. (in thousands)	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.

TOTAL OPERATING EXPENSES

AVERAGE DAILY NET ASSET VALUE - January 1 to December 31, 2024 **1,953,805**

NATURE OF EXPENSES	AMOUNT	PERCENTAGE TO NET ASSET VALUE
Management fees	39,748	2.03%
Fees and Other Charges	2,721	0.14%
Taxes and Licenses	179	0.01%
Foreign exchange (loss) gain, net	1,977	0.10%
Other Expenses	368	0.02%
	44,993	

PHILAM FUND, INC

Financial Statement Ratios

(All amounts in thousands of Philippine Peso)

	January 1 to December 31, 2025	January 1 to December 31, 2024
Current Asset	1,676,972	1,886,562
Current Liabilities	13,143	13,412
Current /Liquidity Ratio	127.59	140.66
Total Liabilities	13,143	13,412
Total Equity	1,663,829	1,873,150
Debt-to-Equity Ratio	0.0079	0.0072
Total Assets	1,676,972	1,886,562
Total Equity	1,663,829	1,873,150
Asset-to-Equity Ratio	1.01	1.01
Earnings Before Income Tax	(4,962)	80,466
Interest Expense	-	-
Interest Rate Coverage Ratio	n.a.	n.a.
Net Income	(15,486)	68,852
Total Equity	1,663,829	1,873,150
Return on Equity	(0.0093)	0.0368

ANNEX C

COVER SHEET

			3	9	1	9	1		

SEC REGISTRATION Number

							P	H	I	L	A	M		F	U	N	D	,		I	N	C	.						

(Company's Full Name)

1	7	/	F		N	E	T		L	I	M	A		B	U	I	L	D	I	N	G	,							
5	T	H		A	V	E	.	,		C	O	R	.		2	6	T	H		S	T	.	,							
B	O	N	I	F	A	C	I	O		G	L	O	B	A	L		C	I	T	Y	,		T	A	G	U	I	G		

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

Analyn N. Sta. Maria	(632) 8580-4956
(Contact Person)	(Company Telephone Number)

1	2	3	1	17-Q			
Month	*Day*			FORM TYPE		*Month*	*Day*
Fiscal Year						Annual Meeting	

Secondary License Type, if Applicable

C	G	F	D

Dept. Requiring this Doc.

(Amended Articles Number/Section)

(Total Amount of Borrowings)

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel Concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended ***June 30, 2026***

2. Commission Identification Number ***39191***

3. BIR Tax Identification Number ***000-507-003-000***

4. Exact name of issuer as specified in its charter ***Philam Fund, Inc.***

5. Province, country or other jurisdiction of incorporation or organization
Metro Manila, Philippines

6. Industry Classification Code: [ ] (SEC Use Only)

7. Address of issuer's principal office Postal Code ***1634***
17/F, Philam Life Head Office, Net Lima Building, 5th Avenue Corner 26th St., Bonifacio Global City, Taguig

8. Issuer's telephone number, including area code ***(632) 8580-0900***

9. Former name, former address and former fiscal year, if changed since last report
Not applicable

10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding as of June 30, 2026
Common Stock	***98,808,630***

11. Are any or all of the securities listed on a Stock Exchange?

Yes [ ] No [x]

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [*x*] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [*x*] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Interim Financial Statements attached.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The Philippine Stock Exchange Index (PSEi) rose by 1.48% to close at 6,037.17 in the second quarter of 2026, recovering from the sharp decline recorded in Q1. The quarter's performance was uneven across months: April and May saw continued selling pressure as the index fell 1.94% and 1.11%, respectively, before a strong June rebound of 4.65% lifted the index into positive territory for the quarter.

The macro backdrop remained challenging throughout the quarter. The Iran war continued to drive elevated energy prices and inflation — Philippine headline CPI reached 7.2% in April before easing to 6.8% in May, still well above the BSP's 3% target. This prompted the Bangko Sentral ng Pilipinas (BSP) to raise its benchmark reverse repurchase rate by 25 basis points to 4.50% in April — its first hike in more than two years — and again by 25 basis points to 4.75% in June. Governor Eli Remolona signaled that further tightening remained on the table. Meanwhile, Q1 2026 GDP growth came in at 2.8% year-on-year, below the 3.3% consensus estimate and below the 3.0% pace of the prior quarter. Overseas remittances grew just 2.3% year-on-year in March, the weakest pace since June 2023.

The top three main index gainers for the quarter were International Container Terminal Services, Inc. (ICT, +29.36%), Globe Telecom, Inc. (GLO, +16.80%), and Aboitiz Equity Ventures (AEV, +10.40%), while the top three losers were DigiPlus Interactive Corp. (PLUS, -26.78%), DMCI Holdings, Inc. (DMC, -24.85%), and Jollibee Foods Corporation (JFC, -24.31%).

Top Five Key Performance Indicators

a) **Performance vis-à-vis the Benchmark** – Philam Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equity investment instruments. The Fund's return on investment (ROI) as of June 2026 was recorded at -1.04% net of fees and taxes, below benchmark by 224 bps.

b) **Portfolio Quality** – The Fund's portfolio should adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities.

c) **Market Share in the Industry** – Philam Fund cornered 15.87% of the Php9.86 Billion total net asset value of peso balanced funds as of June 2026.

d) **NAV Growth vis-à-vis Industry Growth** – For the first six months of 2026, Philam Fund's NAV declined by 4.99% compared to the 5.15% contraction in peso balanced mutual funds.

e) **Performance vis-a-vis Competition** – Philam Fund ranked 8th in year-to-date returns among peso balanced mutual funds as of June 2026.

Discussion and analysis of material events and/or uncertainties known to the management that would address the past and would have an impact on future operations.

a) **Any known trends, demands, commitments, events or uncertainties that will have material impact on the issuer's liquidity:**
Liquidity of the fund may be affected by the market's depth or the existence of readily available buyers and sellers in the market.

b) **Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation:**
None

c) **All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period:**
None

d) **Any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures:**
None

e) **Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations:**
None

f) **Any significant elements of income or loss that did not arise from the issuer's continuing operations:**
The Fund Manager is not aware of any significant element of income or loss that did not arise from the Fund's continuing operations.

PART II - OTHER INFORMATION

1. Institutional and retail investors

The table below shows the Fund's total number of institutional and retail investors and the percentage of their investments as of June 30, 2026.

Philam Fund	Institutional	Retail
Number of investors	727	5,740
Percentage of investments	39.49%	60.51%

2. Geographic concentration of investments

The geographic concentration of investments as of June 30, 2026 is as follows: Luzon (70.67%), Visayas (14.33%) , and Mindanao (15.00%).

3. Level of compliance with FATCA regulations

FATCA Review as of June 30, 2026

PFI	No. of Transaction	More than USD50 Thousand	Less than USD50 Thousand
US CITIZEN	10	7	3
US INDICIA	32	14	18

4. Investment company return information

Stated below is the Fund's annualized performance (%) for five (5) years.

1 YR	2 YRS	3 YRS	4 YRS	5 YRS
-2.20	0.64	1.13	1.25	-0.83

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has caused this report to be duly signed on its behalf by the undersigned thereunto duly authorized.

Issuer — ***Philam Fund, Inc.***

Signature and Title

Reynaldo G. Geronimo
President

Principal Financial/Accounting
Officer/Controller

Ma. Floriliz L. Pedernal
Treasurer

PHILAM FUND, INC
(An Open-End Investment Company)
1.1 STATEMENT OF ASSETS AND LIABILITIES
(All amounts in thousands of Philippine Peso)

	Notes	Unaudited as at 30-Jun-2026 (PHP)	Audited as at 31-Dec-2025 (PHP)
ASSETS			
Cash & Cash Equivalents	2	130,712	170,878
Financial Assets at Fair Value through Profit or Loss	3	1,465,140	1,495,554
Other financial assets at amortized cost	4	4,900	8,512
Other Assets		2,028	2,028
TOTAL ASSETS		1,602,780	1,676,972
LIABILITIES			
Accounts Payable and Accrued Expenses	5	35,289	10,700
Due to Fund Manager		2,215	2,443
TOTAL LIABILITIES		37,504	13,143
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		**1,565,276**	**1,663,829**
EQUITY ATTRIBUTABLE TO UNITHOLDERS	6		
Share Capital		98,809	103,945
Share Premium		-	24,885
Retained Earnings		1,466,467	1,534,999
EQUITY ATTRIBUTABLE TO UNITHOLDERS		**1,565,276**	**1,663,829**

FOR : **BPI WEALTH - A TRUST CORPORATION**
As Fund Manager of PHILAM Fund, Inc.

Jorena M. De Guzman
Head, Regulatory & Audit
BPI Wealth - A Trust Corporation

PHILAM FUND, INC
(An Open-End Investment Company)
1.2 STATEMENT OF OPERATIONS
(All amounts in thousands of Philippine Peso)

		For the Period Ended		For the Quarter Ended	
INVESTMENT INCOME/(LOSS)	**Notes**	**30-Jun-2026 (PHP)**	**30-Jun-2025 (PHP)**	**30-Jun-2026 (PHP)**	**30-Jun-2025 (PHP)**
(Losses) income from financial assets at fair value through profit or loss, net	3	(15,661)	6,911	23,562	29,606
Dividend	3	21,330	19,865	7,907	8,168
Interest from cash and cash equivalents	7	2,396	3,584	1,162	2,339
Others		2	16	1	5
Total Investment Income		8,067	30,376	32,632	40,118
OPERATING EXPENSES					
Management fees	9	16,284	18,200	7,941	9,085
Fees and Other Charges	8	1,047	1,048	382	526
Foreign exchange loss		2,052	-	488	-
Taxes and Licenses		152	162	-	1
Others		81	234	11	29
Total Operating Expenses		19,616	19,644	8,822	9,641
(Loss) income before income tax		(11,549)	10,732	23,810	30,477
Income tax expense		4,790	5,460	2,367	2,628
Net (loss) income for the year		(16,339)	5,272	21,443	27,849
Other comprehensive income		-	-	-	-
Total comprehensive (loss) income for the year		(16,339)	5,272	21,443	27,849
Weighted Average Number of shares outstanding		101,375	113,117	101,375	113,117
Basic (loss) earnings per share	6	**(PHP 0.1612)**	**PHP 0.0466**	**PHP 0.2115**	**PHP 0.2462**

PHILAM FUND, INC
(formerly GSIS MUTUAL FUND, INC.)
(An Open-End Investment Company)

1.3 STATEMENTS OF CHANGES IN NET ASSETS ATTIBUTABLE TO UNITHOLDERS

(All amounts in thousands of Philippine Peso)

	Notes	Number of Shares	Share capital	Share premium	Retained earnings (Deficit)	Total Equity
Balance at January 1, 2026	6	103,945,142	103,945	24,885	1,534,999	**1,663,829**
Comprehensive income						
Net loss			-	-	(16,339)	**(16,339)**
Other comprehensive income			-	-	-	**-**
Total comprehensive income(loss) for the year			-	-	(16,339)	**(16,339)**
Transactions with shareholders						
Issuance of shares		205,825	206	3,117	-	**3,323**
Redemption of shares and application of deposits for future subscriptions		(5,342,337)	(5,342)	(28,002)	(52,193)	**(85,537)**
Total transactions with shareholders		(5,136,512)	(5,137)	(24,885)	(52,193)	**(82,214)**
Balance at June 30, 2026	6	**98,808,630**	**98,809**	**-**	**1,466,467**	**1,565,276**
			-	-		
Balance at January 1, 2025		116,031,339	116,031	206,634	1,550,485	**1,873,150**
Comprehensive income						
Net income			-	-	5,272	**5,272**
Other comprehensive income (loss)			-	-	-	-
Total comprehensive income(loss) for the year			-	-	5,272	**5,272**
Transactions with shareholders						
Issuance of shares		172,981	173	2,603	-	**2,775**
Redemption of shares and application of deposits for future subscriptions		(5,990,416)	(5,990)	(89,997)	-	**(95,988)**
Total transactions with shareholders		(5,817,435)	(5,817)	(87,395)	-	**(93,213)**
Balance at June 30, 2025		**110,213,904**	**110,214**	**119,239**	**1,555,757**	**1,785,210**

PHILAM FUND, INC
(An Open-End Investment Company)
1.4 STATEMENT OF CASH FLOWS
(All amounts in thousands of Philippine Peso)

	Unaudited as at 30-Jun-2026	Unaudited as at 30-Jun-2025
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) income before income tax	(11,549)	10,732
Adjustmens for:		
Income from financial assets at fair value through profit or loss, net	2,920	6,911
Dividend income	(21,330)	(19,865)
Interest income from cash and cash equivalents and miscellaneous income	(2,398)	(3,584)
Operating loss before changes in operating assets and liablities	**(32,357)**	**(19,628)**
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	9,638	239,036
Other financial assets at amortized cost	3,478	232
Other assets	-	-
(Decrease)increase in:		
Accounts payable and accrued expenses	24,590	(1,174)
Due to fund manager	(228)	(248)
Net cash generated from operations	5,121	218,218
Interest received	20,288	31,369
Dividend received	21,429	20,068
Income Taxes paid	(4,790)	(5,460)
Net cash from operating activities	**42,048**	**264,195**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	3,323	2,775
Payment for shares redeemed and application of deposits for future subscription	(85,537)	(95,988)
Net cash used in Financing Activities	(82,214)	(93,213)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(40,166)	170,982
CASH AND CASH EQUIVALENTS, BEGINNING	170,878	72,600
CASH AND CASH EQUIVALENTS, END	**130,712**	**243,582**

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to June 30, 2026	**1,602,780**
NET ASSET VALUE -January 1 to June 30, 2026	**1,565,276**

SECURITY NAME	MARKET VALUE	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES	OUTSTANDING SECURITIES OF AN INVESTEE CO.	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS:						
LISTED EQUITY SECURITIES						
ABOITIZ EQUITY VENTURES, INC. - Common Shares	11,965	0.76%	0.75%	364	182,409,646	0.01%
ABOITIZ POWER CORPORATION - Common Shares	7,568	0.48%	0.47%	185	288,234,172	0.00%
AC Energy Corporation - Common Shares	199	0.01%	0.01%	66	123,849,449	0.00%
AREIT -Common Shares	11,067	0.71%	0.69%	296	155,467,604	0.01%
AYALA CORPORATION - Common Shares	28,560	1.82%	1.78%	68	298,295,809	0.01%
AYALA LAND, INC. - Common Shares	26,628	1.70%	1.66%	1,799	220,664,806	0.01%
BANK OF THE PHIL ISLANDS - Common Shares	64,692	4.13%	4.04%	674	534,932,640	0.01%
BDO UNIBANK. INC - Common Shares	60,252	3.85%	3.76%	508	658,884,537	0.01%
DMCI HOLDINGS, INC. - Common Shares	5,575	0.36%	0.35%	743	98,253,278	0.01%
GLOBE TELECOM, INC. - Common Shares	29,533	1.89%	1.84%	16	272,630,517	0.01%
GT CAPITAL HOLDINGS, INC - Common Shares	6,801	0.43%	0.42%	14	105,704,732	0.01%
INT'L CONTAINER TRMNL SRVCS, INC. - Common Shares	187,354	11.97%	11.69%	211	1,843,568,581	0.01%
JG SUMMIT HOLDINGS, INC. - Common Shares	7,897	0.50%	0.49%	298	194,793,477	0.00%
JOLLIBEE FOODS CORPORATION - Common Shares	16,833	1.08%	1.05%	125	163,398,154	0.01%
LT GROUP, INC. - Common Shares	8,803	0.56%	0.55%	590	159,290,844	0.01%
MANILA ELECTRIC COMPANY "A" - Common Shares	44,990	2.87%	2.81%	79	648,078,193	0.01%
MAYNILAD WATER SERVICES INC	18,943	1.21%	1.18%	950	145,979,343	0.01%
METROPOLITAN BANK & TRUST COMPANY - Common Shares	52,772	3.37%	3.29%	812	298,178,651	0.02%
Monde Nissin Corporation - Common Shares	4,451	0.28%	0.28%	617	126,858,397	0.00%
PLDT COMPANY - Common Shares	27,431	1.75%	1.71%	24	253,001,313	0.01%
RL COMMERCIAL REIT INC	16,465	1.05%	1.03%	2,290	142,706,262	0.01%
ROBINSON`S LAND CORPORATION - Common Shares	1,177	0.08%	0.07%	72	79,956,952	0.00%

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to June 30, 2026	**1,602,780**
NET ASSET VALUE -January 1 to June 30, 2026	**1,565,276**

SECURITY NAME	MARKET VALUE	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES	OUTSTANDING SECURITIES OF AN INVESTEE CO.	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
SEMIRARA MINING & POWER CORPORATION. - Common	5,980	0.38%	0.37%	260	93,937,102	0.01%
SM INVESTMENTS CORPORATION - Common Shares	75,414	4.82%	4.71%	128	723,424,134	0.01%
SM PRIME HOLDINGS, INC.- Common Shares	46,102	2.95%	2.88%	2,547	528,700,379	0.01%
UNIVERSAL ROBINA CORPORATION - Common Shares	10,354	0.66%	0.65%	167	135,558,596	0.01%
TOTAL LISTED EQUITY SECURITIES	**777,804**					
GOVERNMENT SECURITIES						
FXTN 07-68 PIBD0729J687 7.00% DUE 13OCT2029	20,513	1.31%	1.28%	20,000	243,046,000	0.01%
FXTN 10-64 PIBD1029A644 6.875% DUE 10JAN2029	2,795	0.18%	0.17%	2,680	355,000,000	0.00%
FXTN 10-68 PIBD1032F689 7.25% DUE 23JUN32	101,959	6.51%	6.36%	100,000	139,892,000	0.07%
FXTN 10-72 PH0000058133 6.25% DUE 25JAN2034	9,984	0.64%	0.62%	10,000	366,850,000	0.00%
FXTN 20-17 PHY6972FPV67 8.00% DUE 19JULY31	161,749	10.33%	10.09%	150,000	492,812,150	0.03%
FXTN 20-23 6.75 PHY6972HCZ74 DUE ON 24JAN39	30,452	1.95%	1.90%	30,000	184,064,000	0.02%
FXTN 20-25 PIBD2042K253 8.125% DUE 24NOV2042	33,225	2.12%	2.07%	30,000	101,597,000	0.03%
FXTN 25-8 PHY6972FNA49 8.125% DUE 16DEC2035	10,712	0.68%	0.67%	10,000	211,010,040	0.00%
FXTN 7-70 PH0000057218 6.375% DUE 27JUL2030	45,271	2.89%	2.82%	44,500	476,670,000	0.01%
FXTN PH0000060907 6% DUE 20AUG2030	49,281	3.15%	3.07%	50,000	507,156,777	0.01%
FXTN PH0000061913 5.925% DUE 23FEB2036	67,575	4.32%	4.22%	70,000	338,170,798	0.02%
FXTN PIBD1032J701 7.5% DUE 20OCT2032	52,163	3.33%	3.25%	50,000	35,000,000	0.14%
FXTN PIID0528B176 6.125% DUE 22AUG2028	50,169	3.21%	3.13%	50,000	283,763,658	0.02%
FXTN1063 6.25% PHY6972HAJ50 DUE ON 22MAR28	914	0.06%	0.06%	900	126,812,000	0.00%
FXTN7-71 PH0000058125 6.125% DUE 18JAN2031	10,082	0.64%	0.63%	10,000	245,000,000	0.00%
GB PH0000058240 6.25% DUE 28FEB2044	18,831	1.20%	1.17%	20,000	76,633,000	0.03%
GB PIID0527C159 4.875% DUE 04MAR2027	12,117	0.77%	0.76%	12,140	457,798,870	0.00%
GB R25-1 PHY6972FRD42 DUE 6.125% 24OCT2037	9,544	0.61%	0.60%	10,000	188,000,000	0.01%
TOTAL GOVERNMENT SECURITIES	**687,336**					
TOTAL FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT/LOSS	**1,465,140**					

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to June 30, 2026	**1,602,780**
NET ASSET VALUE -January 1 to June 30, 2026	**1,565,276**

SECURITY NAME	MARKET VALUE	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES	OUTSTANDING SECURITIES OF AN INVESTEE CO.	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
INVESTMENT IN SEMI LIQUID/ LIQUID INVESTMENTS						
CASH AND CASH EQUIVALENTS	130,712	8.35%	8.16%	n/a		
GOVERNMENT SECURITIES	687,336	43.91%	42.88%	n/a		
	818,048					

NO BORROWINGS FOR THE PERIOD

TOTAL OPERATING EXPENSES

AVERAGE DAILY NET ASSET VALUE - January 1 to June 30, 2026 **1,619,031**

NATURE OF EXPENSES	AMOUNT	PERCENTAGE TO NET ASSET VALUE
Management fees	16,284	1.01%
Fees and Other Charges	1,047	0.06%
Foreign exchange loss	2,052	0.13%
Taxes and Licenses	152	0.01%
Other Expenses	81	0.01%
	19,616	

PHILAM FUND, INC
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(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to June 30, 2025	**1,797,200**
NET ASSET VALUE -January 1 to June 30, 2025	**1,785,210**

SECURITY NAME	MARKET VALUE	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES	OUTSTANDING SECURITIES OF AN INVESTEE CO.	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS:						
LISTED EQUITY SECURITIES						
ABOITIZ EQUITY VENTURES, INC. - Common Shares	22,131	1.24%	1.23%	634	192,682,335	0.01%
AC Energy Corporation - Common Shares	947	0.05%	0.05%	366	102,367,679	0.00%
AREIT -Common Shares	5,871	0.33%	0.33%	143	133,530,425	0.00%
AYALA CORPORATION - Common Shares	54,335	3.04%	3.02%	95	366,933,742	0.01%
AYALA LAND, INC. - Common Shares	53,169	2.98%	2.96%	1,969	411,421,255	0.01%
BANK OF THE PHIL ISLANDS - Common Shares	88,904	4.98%	4.95%	684	674,212,143	0.01%
BDO UNIBANK. INC - Common Shares	87,318	4.89%	4.86%	571	793,727,026	0.01%
CENTURY PACIFIC FOOD, INC.	8,971	0.50%	0.50%	223	142,221,683	0.01%
DMCI HOLDINGS, INC. - Common Shares	9,682	0.54%	0.54%	888	146,583,269	0.01%
GLOBE TELECOM, INC. - Common Shares	23,817	1.33%	1.33%	14	251,664,169	0.01%
GT CAPITAL HOLDINGS, INC - Common Shares	17,721	0.99%	0.99%	31	135,198,721	0.01%
INT'L CONTAINER TRMNL SRVCS, INC. - Common Shares	91,452	5.12%	5.09%	223	838,263,166	0.01%
JG SUMMIT HOLDINGS, INC. - Common Shares	15,145	0.85%	0.84%	758	157,940,657	0.01%
JOLLIBEE FOODS CORPORATION - Common Shares	33,841	1.90%	1.88%	157	249,827,343	0.01%
LT GROUP, INC. - Common Shares	7,587	0.43%	0.42%	590	137,648,067	0.01%
MANILA ELECTRIC COMPANY "A" - Common Shares	42,504	2.38%	2.37%	79	603,558,039	0.01%
METROPOLITAN BANK & TRUST COMPANY - Common Shares	58,861	3.30%	3.28%	812	321,115,471	0.02%
Monde Nissin Corporation - Common Shares	9,577	0.54%	0.53%	1,294	129,733,375	0.01%
PLDT COMPANY - Common Shares	28,326	1.59%	1.58%	23	270,069,719	0.01%
ROBINSON`S LAND CORPORATION - Common Shares	972	0.05%	0.05%	72	69,674,027	0.00%
SEMIRARA MINING & POWER CORPORATION. - Common	8,580	0.48%	0.48%	260	140,693,126	0.01%
SM INVESTMENTS CORPORATION - Common Shares	115,287	6.46%	6.41%	132	1,087,333,497	0.01%
SM PRIME HOLDINGS, INC.- Common Shares	71,400	4.00%	3.97%	3,045	688,576,873	0.01%
UNIVERSAL ROBINA CORPORATION - Common Shares	14,955	0.84%	0.83%	167	197,062,392	0.01%
TOTAL LISTED EQUITY SECURITIES	**871,353**					

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to June 30, 2025	**1,797,200**
NET ASSET VALUE -January 1 to June 30, 2025	**1,785,210**

SECURITY NAME	MARKET VALUE	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES	OUTSTANDING SECURITIES OF AN INVESTEE CO.	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
GOVERNMENT SECURITIES						
FXTN 07-62 PHY6972HDE37 6.25% DUE ON 14FEB26	7,771	0.44%	0.43%	7,570	232,791,000	0.00%
FXTN 10-64 PIBD1029A644 6.875% DUE 10JAN2029	2,842	0.16%	0.16%	2,680	355,000,000	0.00%
FXTN 10-68 PIBD1032F689 7.25% DUE 23JUN32	105,128	5.89%	5.85%	100,000	139,892,000	0.07%
FXTN 10-72 PH0000058133 6.25% DUE 25JAN2034	10,299	0.58%	0.57%	10,000	366,850,000	0.00%
FXTN 20-17 PHY6972FPV67 8.00% DUE 19JULY31	11,193	0.63%	0.62%	10,000	413,313,150	0.00%
FXTN 20-25 PIBD2042K253 8.125% DUE 24NOV2042	171,534	9.61%	9.54%	150,000	101,597,000	0.15%
FXTN 25-8 PHY6972FNA49 8.125% DUE 16DEC2035	11,145	0.62%	0.62%	10,000	211,010,040	0.00%
FXTN PH0000058786 6.875% DUE 23MAY2044	51,745	2.90%	2.88%	50,000	192,717,000	0.03%
FXTN PH0000060345 6.375% DUE 28APR2035	50,844	2.85%	2.83%	50,000	367,603,000	0.01%
FXTN PIBD1032J701 7.5% DUE 20OCT2032	54,094	3.03%	3.01%	50,000	35,000,000	0.14%
FXTN PIID0528B176 6.125% DUE 22AUG2028	50,725	2.84%	2.82%	50,000	283,763,658	0.02%
FXTN1063 6.25% PHY6972HAJ50 DUE ON 22MAR28	924	0.05%	0.05%	900	126,812,000	0.00%
FXTN7-71 PH0000058125 6.125% DUE 18JAN2031	10,317	0.58%	0.57%	10,000	95,000,000	0.01%
GB PH0000058240 6.25% DUE 28FEB2044	49,647	2.78%	2.76%	50,000	76,633,000	0.07%
GB PH0000058281 6.25% DUE 28FEB2029	10,181	0.57%	0.57%	10,000	584,861,262	0.00%
GB PIID0527C159 4.875% DUE 04MAR2027	12,056	0.68%	0.67%	12,140	457,798,870	0.00%
GB R25-1 PHY6972FRD42 DUE 6.125% 24OCT2037	9,928	0.56%	0.55%	10,000	188,000,000	0.01%
GB R513 PIID0525H130 2.625% 12AUG2025	4,905	0.27%	0.27%	4,900	516,340,790	0.00%
TOTAL GOVERNMENT SECURITIES	**625,280**					
CORPORATE BONDS						
CB ALI 4.75% DUE 25OCT2025	33,588	1.88%	1.87%	33,500	7,000,000	0.48%
CB NLEX CORP 6.6407% DUE 04JUL2025	16,258	0.91%	0.90%	16,000	4,000,000	0.40%
TOTAL CORPORATE BONDS	**49,846**					
TOTAL FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT/LOSS	**1,546,479**					

PHILAM FUND, INC
ATTACHMENT TO FINANCIAL STATEMENTS
(All amounts in thousands of Philippine Peso)

TOTAL ASSETS -January 1 to June 30, 2025	**1,797,200**
NET ASSET VALUE -January 1 to June 30, 2025	**1,785,210**

SECURITY NAME	MARKET VALUE	PERCENTAGE TO NET ASSET VALUE	PERCENTAGE TO TOTAL ASSETS	NO. OF SHARES	OUTSTANDING SECURITIES OF AN INVESTEE CO.	PERCENTAGE TO OUTSTANDING SECURITIES OF AN INVESTEE CO.
INVESTMENT IN SEMI LIQUID/ LIQUID INVESTMENTS						
CASH AND CASH EQUIVALENTS	243,582	13.64%	13.55%	n/a		
GOVERNMENT SECURITIES	625,280	35.03%	34.79%	n/a		
	868,862					

NO BORROWINGS FOR THE PERIOD

TOTAL OPERATING EXPENSES

AVERAGE DAILY NET ASSET VALUE - January 1 to June 30, 2025 **1,810,069**

NATURE OF EXPENSES	AMOUNT	PERCENTAGE TO NET ASSET VALUE
Management fees	18,200	1.01%
Fees and Other Charges	1,048	0.06%
Taxes and Licenses	162	0.01%
Other Expenses	234	0.01%
	19,644	

PHILAM FUND, INC

Financial Statement Ratios

	January 1 to June 30, 2026	January 1 to December 31, 2025	January 1 to June 30, 2025
Current Asset	1,602,780	1,676,972	1,797,200
Current Liabilities	37,504	13,143	11,990
Current /Liquidity Ratio	42.74	127.59	149.89
Total Liabilities	37,504	13,143	11,990
Total Equity	1,565,276	1,663,829	1,785,210
Debt-to-Equity Ratio	37,461	0.0079	0.0067
Total Assets	1,602,780	1,676,972	1,797,200
Total Equity	1,565,276	1,663,829	1,785,210
Asset-to-Equity Ratio	1.02	1.01	1.01
Earnings Before Income Tax	(11,549)	(4,962)	10,732
Interest Expense	-	-	-
Interest Rate Coverage Ratio	n.a.	n.a.	n.a.
Net Income	(16,339)	(15,486)	5,272
Total Equity	1,565,276	1,663,829	1,785,210
Return on Equity	(0.0104)	(0.0093)	0.0030

Philam Fund, Inc.

Notes to the Financial Statements
As at June 30, 2026 and December 31, 2025
(In the notes, all amounts are shown in Philippine Pesos unless otherwise stated)

1 General information

Philam Fund, Inc. (the "Fund") is an open-end mutual fund company engaged in the sale of its shares of stock, the proceeds of which are invested in equity and fixed income securities. It was registered with the Securities and Exchange Commission (SEC) on August 29,1969 under the Investment Company Act of 1960 or Republic Act 2629 and The Revised Securities Act or Batas Pambansa Blg. 178.

The Fund aims to achieve long-term capital appreciation by investing in a diversified portfolio of equities and fixed income instruments. As an open-end investment company, the Fund stands ready at any time to redeem its outstanding shares at a value defined under the Fund's prospectus (Note 6).

The Fund is registered as an issuer of securities with the SEC under Section 12 of the Securities Regulation Code (SRC). The Fund's track record of securities registration is shown in Note 6. In compliance with the SRC, the Fund is required to file registration statements for each instance of increase in authorized shares. The last registration statement filed by the Fund for an increase in authorized shares and permit to offer securities for sale were approved by the SEC (Note 6).

The Fund's registered office address, which is also its principal place of business, is located at the 17F Philam Life Head Office, Net Lima Building, 5th Avenue corner 26th St., Bonifacio Global City, Taguig 1634, Philippines.

Fund management

The Fund has no employees. The principal management and administration functions of the Fund are outsourced from BPI Wealth, A Trust Corporation (BPI Wealth) (the "Fund Manager") (Note 10).

Effective January 29, 2020, Philam Asset Management, Inc. (PAMI), a wholly-owned subsidiary of AIA Philippines Life and General Insurance Company Inc. (formerly "The Philippine American Life and General Insurance (Philam Life) Company") assigned all its rights, interests, and obligations as fund manager, advisor, distributor, and transfer agent of the Fund to BPI Investment Management, Inc. (BIMI), a wholly-owned subsidiary of Bank of the Philippine Islands (BPI). Henceforth, the management, distribution and transfer agency functions are performed by BIMI over the Fund. Services, contracts and agreements are in force with BIMI at effective date.

On April 1, 2023, BIMI transferred all its rights, interest and obligations as fund manager and fund advisor to BPI Wealth. On effective date, the management functions over the Fund is performed by BPI Wealth but the distribution and transfer agency functions of the Fund were retained by BIMI. In 2024, the corporate name of BIMI has been changed to BPI Investment Inc. Effective March 1, 2025, the Principal Distribution Function has assumed by BPI Wealth.

Effective March 1, 2025, the Principal Distribution Function has assumed by BPI Wealth. Moreover, the company approved the appointment of BPI Wealth as Transfer Agent of the Fund, subject to the approval of the Securities and Exchange Commission of BPI Wealth's Transfer Agency License Application.

As of January 16, 2026, BPI Wealth has already been confirmed as the duly appointed Transfer Agent of the Fund.

2 Cash and cash equivalents

The account at June 30, 2026 and December 31, 2025 consists of:

	June 30, 2026	December 31, 2025
Cash in banks	1,872	538
Short-term deposits	128,840	170,340
	130,712	170,878

Cash in banks earn interest at prevailing bank deposit rates.

Short-term deposits as at June 30, 2026 have average maturities of 1 day (December 31, 2025 - 2 days) and carry effective interest rates of 2.83% to 3.55% (December 31, 2025 - 3.00% to 5.00%).

Interest earned from cash and cash equivalents is disclosed in Note 7.

Cash and cash equivalents as at June 30, 2026 and December 31, 2025 are readily available for fund's operations and classified as current.

3 Financial assets at fair value through profit or loss

The account at June 30, 2026 and December 31, 2025 consists of:

	June 30, 2026	December 31, 2025
Listed equity securities	777,804	826,462
Government securities	687,336	669,092
	1,465,140	1,495,554

For the period ended June 30, 2026, dividends earned from investments in equity securities amount to P21,330 (June 30, 2025 – P19,865). As of June 30, 2026, dividends receivable amount to nil (December 31, 2025 - P99) (Note 4).

Government securities as at June 30, 2026 have average terms of 0.68 to 17.68 years (December 31, 2025 - 0.12 to 18.41 years) and carry effective interest rates of 4.88% to 8.13% (December 31, 2025- 4.88% to 8.13%), respectively.

Movements in financial assets at fair value through profit or loss (FVTPL) are summarized as follows:

	June 30, 2026	December 31, 2025
At beginning	1,495,554	1,806,591
Additions	353,592	157,829
Disposals	(352,967)	(417,693)
Fair value (losses) gains, net	(20,069)	(48,168)
Other movements	(10,970)	(3,005)
At ending	1,465,140	1,495,554

Proceeds from disposals of financial assets at FVTPL made for the year ended June 30, 2026 amount to P365,707 (December 31, 2025 - P413,748). Realized (loss) gain on sale of financial assets at FVTPL in June 30, 2026 amounts to (P12,740) (December 31, 2025 – P3,945 loss) and is presented in the statement of total comprehensive income.

The composition of (losses) income from financial assets at FVTPL, net for the period ended June 30 are as follows:

	2026	2025
Interest income on financial assets at FVTPL	21,553	23,714
Other changes on financial assets at FVTPL		
Net realized fair value (losses) gains	(12,740)	1,529
Net unrealized fair value (losses) gains	(24,474)	(18,332)
	(15,661)	6,911

Financial assets at FVTPL are considered held for trading and classified as current financial assets.

4 Other financial assets at amortized cost

The account at June 30, 2026 and December 31, 2025 consists of:

	June 30, 2026	December 31, 2025
Due from brokers	4	3,482
Others	4,896	5,030
	4,900	8,512

Others is composed of dividends receivable, interest receivable and due from affiliates.

As at June 30, 2026 and December 31, 2025, the other financial assets of the Fund are expected to be collected in the next 12 months and are classified as current assets.

5 Accounts payable and accrued expenses

The account at June 30, 2026 and December 31, 2025 consists of:

	June 30, 2026	December 31, 2025
Accounts payable	34,647	9,964
Accrued expenses	642	736
	35,289	10,700

Accounts payable include taxes payable and payable to investors due to redemptions that have been contracted for but not yet settled as at reporting date.

Accrued expenses mainly consist of amounts payable for fund accounting services (Note 11), registry and transfer agent fees and legal and audit fees.

The Fund's accounts payable and accrued expenses are expected to be settled in the next 12 months and are classified as current.

6 Net assets attributable to shareholders

The details of net assets attributable to shareholders as at June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
Share capital - P1.00 par value		
Authorized - 603,315,664 shares		
Issued and outstanding	98,809	103,945
Share premium	-	24,885
Retained earnings	1,466,467	1,534,999
	1,565,276	1,663,829

The movements in the number of issued and outstanding shares are as follows (in absolute number of shares):

	June 30, 2026	December 31, 2025
Issued and outstanding, beginning	103,945,142	116,031,339
Issuances of shares	205,825	413,514
Redemptions of shares	(5,342,337)	(12,499,711)
Issued and outstanding, ending	98,808,630	103,945,142

The movements in the amount of issued and outstanding shares follow:

	June 30, 2026		December 31, 2025	
	Share capital	Share premium	Share capital	Share premium
At beginning	103,945	24,885	116,031	206,634
Issuance of shares	206	3,117	414	6,221
Redemptions of shares	(5,342)	(28,002)	(12,500)	(187,970)
At ending	98,809	-	103,945	24,885

As at June 30, 2026, the Fund has 6,467 shareholders (December 31, 2025 – 6,672 shareholders). Issue or offer price is equivalent to the NAV per share at the time of issuance.

The Fund computes its NAV per share by dividing the net assets attributable to shareholders as at reporting date by the number of issued and outstanding shares during the year. The total equity as shown in the statement of financial position represents the Fund's NAV based on Philippine Financial Reporting Standards ("PFRS NAV").

Issue or offer price is equivalent to the Trading NAV per share at the time of issuance.

A reconciliation of the Fund's PFRS NAV to Trading NAV is provided below:

(in millions PHP)	June 30, 2026	December 31, 2025
PFRS NAV	1,565.28	1,663.83
Recognition of transactions which were recorded subsequent to the close of the year	-	-
Trading NAV	1,565.28	1,663.83

Trading NAV per share at June 30, 2026 and December 31, 2025 is computed as follows:

	June 30, 2026	December 31, 2025
Trading NAV attributable to shareholders (in millions of US Dollar)	1,565.28	1,663.83
Number of shares outstanding (in millions)	98.81	103.95
Trading NAV per share	15.84	16.01

PFRS NAV per share at June 30, 2026 and December 31, 2025 is computed as follows:

	June 30, 2026	December 31, 2025
PFRS NAV attributable to shareholders (in millions of US Dollar)	1,565.28	1,663.83
Number of shares outstanding (in millions)	98.81	103.95
PFRS NAV per share	15.84	16.01

As disclosed in Note 1, the Fund is an open-end investment company which stands ready at any time to redeem its outstanding shares at a value defined under its prospectus. Any changes in the value of the shareholders' investment are reflected in the increase or decrease in the Fund's NAV.

The Fund's retained earnings may exceed 100% of its paid-up capital from time to time. This, however, is not construed as a compelling factor for the Fund to declare dividends considering the nature of the Fund's business. Such retained earnings may be used for reinvestment and will be converted into realized profits by the shareholders upon redemption of their shareholdings in the Fund.

(Loss) Earnings per share for the period ended June 30 are computed as follows:

	2026	2025
Net (loss) income for the year	(16,339)	5,272
Weighted average number of common shares outstanding (in thousands) during the year	101,375	113,117
(Loss) earnings per share	(0.16)	0.05

In compliance with the SRC, the Fund is required to file registration statement for each instance of increase in authorized capital shares. The table below shows the Fund's track record of registration of securities under the SRC (in absolute amounts).

SEC approval date	Number of shares	Par value
December 17, 2013	286,160,520	P1.00
August 1, 2008	117,155,144	P1.00
August 29, 1969	200,000,000	P1.00

7 Interest income

The interest earned from cash and cash equivalents as at June 30, 2026 amounting to P2,396 (June 30, 2025 – P3,584). This is presented under interest income in the statement of total comprehensive income.

8 Fees and other charges

The details of the account for the period ended June 30 are as follows:

	Notes	2026	2025
Professional fees		320	144
Registry and transfer charges	10	407	455
Administration fees	11	224	284
Fees to custodian bank		74	42
Directors' fees		22	123
		1,047	1,048

Professional fees pertain to amounts paid to third party service providers.

Registry and transfer agent fees pertain to the fees paid to the transfer agent for the record keeping of individual shareholdings and the issuance and cancellation of stock certificates.

Administration fees are the amounts paid to the Fund's accountant for services rendered which include, among others, the preparation and maintenance of books of accounts and computation of NAV.

Fees to custodian bank pertain to amounts paid to a custodian bank for the safekeeping of the securities, arranging settlement of any purchases and sales and collecting information on and income from such assets.

Directors' fees pertain to per diem of the directors of the Fund.

9 Related party transactions

The Fund had a management and distribution agreement with PAMI, whereby the latter is appointed as the Fund's investment advisor and manager. PAMI also functioned as the principal distributor of the Fund. As

such, it took charged of the sales of the Fund's shares to prospective investors, and paid certain expenses on behalf of the Fund. The Fund also had a registry and transfer agency agreement with PAMI.

Effective January 29, 2020, PAMI assigned all its rights, interests, and obligations as fund manager, advisor, distributor, and transfer agent of the Fund to BII. Hence, on effective date, the management, distribution, and transfer agency functions were performed by BII over the Fund.

On April 1, 2023, BII transferred all its rights, interest and obligations as fund manager and fund advisor to BPI Wealth. On effective date, the management functions over the Fund is performed by BPI Wealth but the distribution and transfer agency functions of the Fund were retained by BII.

As of December 31, 2025, BPI Wealth is the Fund Manager, Fund Advisor, and Principal Distributor of the Fund. The Fund has also appointed BPI Wealth as its Transfer Agent to apply prospectively upon issuance of BPI Wealth's Transfer Agency license by the Securities and Exchange Commission. BPI Wealth was already issued a Transfer Agency license and became the Fund's Transfer Agent effective January 16, 2026.

In consideration of all its services, the Fund pays BPI Wealth a fee of not more than 2% per annum of the Fund's NAV, net of fees to designated sub-distributors and/or licensed sales agents.

As Fund Manager, BPI Wealth shall formulate and implement the investment strategy, provide and render management, technical, and administrative services, whereby authorizing BPI Wealth to purchase and sell investment securities for the account of the Fund.

As Fund Advisor, BPI Wealth is tasked to render services which include investment research and advice, preparation of economic, industry, market, corporate, and security analyses, and assistance and recommendations in the formulation of investment guidelines.

As the Fund's Principal Distributor, BPI Wealth shall perform principally all related daily functions in connection with the marketing and the growth of the level of assets of the Fund.

As the Fund's Transfer Agent, BPI Wealth shall provide transfer agency services including the maintenance of the official stock and transfer book of the Fund and the issuance of Shareholders' Transaction Advice, among others.

The table below summarizes the Fund's transactions and balances with its related parties:

	Transactions (Charges to profit or loss)	Outstanding balance (Due to fund manager)	Outstanding balance's terms and conditions
Fund Manager			- Management fee is computed as one percent (2%) per annum of the fund's Net Asset Value ("NAV"), net of distribution fees payable to designated distributors and licensed sales agents - Outstanding balance is unguaranteed, unsecured and non-interest bearing; payable in cash at gross amount within the following month
Management fees			
June 30, 2026	16,284	2,215	
December 31, 2025	35,726	2,443	
Transfer agent/distributor			- Registry and transfer fee is computed as one-twentieth (1/20) of one percent (1%) of the Fund's NAV determined on a daily basis - Outstanding balance is unguaranteed, unsecured and non-interest bearing; payable in cash at gross amount within the following month
Registry and transfer fees			
June 30, 2026	407	65	
December 31, 2025	893	72	

10 Fund accounting services

On July 1, 2008, the Fund and Deutsche Bank entered into a fund accounting agreement wherein Deutsche Bank shall perform administrative functions, which include, among others, the preparation and maintenance of books of accounts and computation of NAV. As compensation for services rendered, Deutsche Bank shall be entitled to an administration fee equivalent to 0.0275% per annum based on the NAV of the Fund.

Administration fees for the period ended June 30, 2026 amount to P224 (June 30, 2025 – P284) and is included under Fees and other charges in the statement of total comprehensive income (Note 8). As at June 30, 2026, administration fees payable to Deutsche Bank included in Accounts payable and accrued expenses amount to P29 (December 31, 2025 – P117) (Note 5).

11 Critical accounting estimates and judgments

Estimates, assumptions and judgments used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The accounting judgment that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

11.1 Critical accounting judgment

Recognition of deferred income tax assets (Note 9)

Deferred income tax asset from NOLCO has not been recognized because the Fund believes that there is limited capacity to generate sufficient taxable profit against which benefit from NOLCO can be utilized. The Fund assesses the unrecognized deferred income tax assets and will recognize a previously unrecognized deferred income tax asset to the extent that it has become probable that future taxable income will allow the deferred income tax assets to be recovered.

12 Capital and financial risk management

12.1 Governance framework

The primary objective of the Fund's financial risk management framework is to protect the Fund from events that hinder the sustainable achievement of the Fund's performance objectives, including failing to exploit opportunities. The Fund recognizes the critical importance of having efficient and effective risk management systems in place.

The BOD has approved the Fund's risk management policies and meets regularly to approve on any commercial, regulatory and own organizational requirements in such policies. The policies define the Fund's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, alignment of investment strategy to the corporate goals and specific reporting requirements.

12.2 Capital management

The Fund's objectives for managing capital are: (a) to invest the capital in investments meeting the description and risk exposure indicated in its prospectus; (b) to achieve consistent returns while safeguarding capital; and (c) to maintain sufficient liquidity to meet the expenses of the Fund and to meet redemption requests as they arise.

As provided by the Investment Company Act of 1960, minimum required capitalization for funds amounts to P50 million. The Fund's existing capitalization as at reporting date is more than the amount required by the SEC.

The Fund considers the net assets attributable to shareholders as its capital (or total equity as shown in the statement of financial position). As at June 30, 2026, the net assets attributable to shareholders amount to P1,565,276 (December 31, 2025 - P1,663,829) (Note 6).

12.3 Regulatory framework

The operations of the Fund are also subject to the regulatory requirements of the SEC. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions. Unless ordered otherwise by the SEC, the Fund shall not sell securities short or invest in any of the following:

a. margin purchase of securities (investments in partially paid shares are excluded);
b. commodity future contracts;
c. precious metals;
d. unlimited liability investments;
e. short selling of currencies;
f. short selling of investments; and
g. other investments as the SEC shall, from time to time, prescribe.

Any changes in the Fund's investment objective should be with notice and prior approval of the SEC. An investment company shall not change its investment objective without the approval from the majority of the Fund's shareholders.

In addition, the SEC also provides maximum limits on exposure to counterparties, maintenance of a certain level of liquid assets and conditions for incurring borrowings (Note 13.5 - Credit risk).

The Fund is fully compliant with the above regulatory requirements as at June 30, 2026 and December 31, 2025.

12.4 Fair value of financial instruments

The Fund ranks its financial instruments based on the hierarchy of valuation techniques required by PFRS 13, which is determined based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Fund's market assumptions. These two types of inputs lead to the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

This hierarchy requires the use of observable market data when available. The Fund considers relevant and observable market prices in its valuations where possible.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from the

exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2.

Financial instruments classified within Level 3 have significant unobservable inputs, as they trade infrequently.

The table below shows the fair value hierarchy levels for financial assets that are measured at fair value through profit or loss as at June 30, 2026 and December 31, 2025:

June 30, 2026	Level 1	Level 2	Level 3	Total
Listed Equity Securities	777,804	-	-	777,804
Government Securities	-	687,336	-	687,336
Corporate Bonds	-	-	-	-
	777,804	687,336	-	1,465,140

December 31, 2025	Level 1	Level 2	Level 3	Total
Listed Equity Securities	826,462	-	-	826,462
Government Securities	-	669,092	-	669,092
Corporate Bonds	-	-	-	-
	826,462	669,092	-	1,495,554

12.5 Financial risk

The Fund's equity portfolio shall include securities listed in the primary board of the Philippine Stock Exchange (PSE). However, the Fund may also invest in companies listed on the secondary board and from time to time on shares of non-listed companies that are about to get listed within three months. The total investment in the secondary board of the PSE may not, in total, exceed (20%) of the total investments of the Fund. Furthermore, a maximum of 20% of the Fund may be invested in foreign securities with positive track record of at least three consecutive years.

The Fund has complied with these requirements as at June 30, 2026 and December 31, 2025.

For defensive purposes, the Fund may invest in SEC-registered debt papers or other certificate of indebtedness/obligations, issuers of whom had been determined as financially sound and approved by the Investment Committee of the Fund manager.

The Fund may also trade in medium-term to long-term government securities (5-year to 20-year notes, bonds and other certificates of indebtedness) issued by the Philippine Government.

The Fund has complied with these requirements as at June 30, 2026 and December 31, 2025.

The Fund is exposed to financial risk through its financial assets. The most important components are credit risk, liquidity risk and market risk. These risks arise from open positions in interest rate and equity securities, all of which are exposed to general and specific market movements.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Fund manages the level of credit risk it accepts through setting up of exposure limits by each counterparty or group of counterparties. The maximum investment of the Fund in any single enterprise shall not exceed an amount equivalent to 15% of the Fund's NAV except obligations of the Philippine government or its instrumentalities, provided that in no case shall the total investment of the Fund exceed 10% of the

outstanding securities of any one investee company. The Fund also transacts only with institutions with high credit rating or standing. The Fund has complied with these requirements as at June 30, 2026 and December 31, 2025.

In addition, the Fund manages the level of credit risk it accepts through reporting of credit risk exposures, monitoring compliance with credit risk policy and review of credit risk policy for pertinence and changing environment. The Fund cannot lend to individual borrowers.

The fund manager's high-grade credit process combines top down and bottom up elements reflecting the observation that the weaker the credit quality, the more security specific risk comes to dominate overall portfolio risk. The bottom-up element focuses on the analysis of individual credits. The top down element focuses on the analysis of sectors. In order to manage risk, the high-grade portfolios combine diversification rules with a number of filters designed to help avoid downgrade and default candidates. Key to the Fund's credit process is the minimization of the impact from security default or downgrade.

The Fund's maximum credit risk exposure as at June 30, 2026 and December 31, 2025 are summarized below:

	June 30, 2026	December 31, 2025
Cash and cash equivalents	130,712	170,878
Financial assets at FVTPL	687,336	669,092
Other financial assets at amortized cost	4,900	8,512
	822,948	848,482

The credit quality of the Fund's financial assets as at June 30, 2026 and December 31, 2025 follows:

*(*a) Cash and cash equivalents

The Fund's cash in banks and short-term deposits are with a highly reputable universal bank in the Philippines with an equivalent credit rating of Baa1 by Moody's.

(b) Financial asset at FVTPL

Debt securities classified as financial asset at FVTPL is composed of government securities and corporate debt securities with credit rating of AA or higher and considered as investment grade securities.

(c) Other financial assets at amortized cost

Due from brokers arise from sale of investments in equity securities during the last three (3) trading days of the reporting period and are usually settled three (3) days after trade date. The Fund's brokers are registered trading participants of the PSE.

Dividend receivable arises from dividends declared but not yet received as at year-end.

Interest receivable is from interest income earned but not yet received as at year-end.

There are no collaterals held as security and other credit enhancements attached to the financial assets at amortized cost as at June 30, 2026 and December 31, 2025.

For financial assets at amortized cost, the Fund measures credit risk and expected credit losses (ECL) using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any ECL. As a result, no loss allowance has been recognized based on 12-month ECL as any such impairment would be insignificant to the Fund.

As at June 30, 2026 and December 31, 2025, all of the Fund's financial assets are classified as stage 1 (performing) accounts. There are no financial assets classified under stages 2 (underperforming) and 3 (impaired).

Liquidity risk

Liquidity or funding risk is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with 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 its issued shares. It invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Fund manages liquidity through specifying minimum proportion of funds to meet emergency calls. Unless otherwise prescribed by the SEC, at least 10% of the Fund shall be invested in liquid/semi-liquid assets such as:

a. Tradable Long-Term Negotiable Certificate of Time Deposits (LTNCDs);
b. Government debt securities where the issuer or the guarantor is a foreign government, sovereign or central bank with an international long-term issuer rating of investment grade;
c. Savings or time deposits with government-owned banks or commercial banks, provided that in no case shall any such savings or time deposits accounts be accepted or allowed under a “bearer,” “numbered” account or other similar arrangement;
d. Money market instruments issued by Philippine regulated qualified buyers or those issued by an investment grade issuing body; and,
e. Other collective schemes wholly invested in liquid/semi-liquid assets.

The investment company may implement a decreased investment of less than ten percent (10%) of its assets in liquid/semi-liquid assets, provided, however, that it shall submit a notarized liquidity contingency plan, signed by the president of the fund and its fund manager.

The Fund has complied with these requirements as at June 30, 2026 and December 31, 2025.

The Fund may not incur any further debt or borrowings unless at the time of its occurrence or immediately thereafter, there is an asset coverage of at least 300% for all its borrowings. In the event that such asset coverage shall fall below 300%, the Fund shall, within three (3) days thereafter, reduce the amount of borrowings to an extent that the asset coverage of such borrowings shall be at least 300%. The Fund has not breached the said asset coverage requirement as at June 30, 2026 and December 31, 2025.

In addition, the Fund manages liquidity through reporting of liquidity risk exposures, monitoring compliance with liquidity risk policy and review of liquidity risk policy for pertinence and changing environment.

The Fund’s financial liability pertains to management and distribution fees and other payables and accrued expenses which are contractually due in less than one (1) month. The Fund expects to settle its obligations in accordance with the maturity date through trading of its financial assets at fair value through profit or loss.

Market risk

Market risk is the risk of change in fair value of financial instruments from fluctuation in foreign exchange rates (currency risk), interest rates (interest rate risk) and market prices (price risk), whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Fund is not exposed to significant cash flow interest rate risk given the nature of its financial assets and liabilities.

The Fund structures levels of market risk it accepts through a market risk policy that determines what constitutes market risk for the Fund; basis used to fair value financial assets and liabilities; sets out the net exposure limits by each counterparty or group of counterparties and industry segments; reporting of market risk exposures; monitoring compliance with market risk policy and review of market risk policy for pertinence and changing environment.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Fund holds no investment in and does not plan to invest in foreign securities. However, SEC allows mutual fund companies to invest up to 100% of its net assets in foreign securities subject to safety nets and standards set by the SEC.

The transactions of the Fund are mainly carried out in its functional currency (Philippine Peso). Accordingly, the currency risk is minimal.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value/future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund's market risk policy requires it to manage the maturities of interest-bearing financial assets and financial liabilities.

The analysis below is performed for reasonably possible movements in interest rate with all other variables held constant, showing the impact on pre-tax profit.

As at June 30, 2026 and December 31, 2025, the Fund determines the reasonable possible change in interest rates using the percentage changes in weighted average yield rates of outstanding securities for the past three years.

Price risk

Price risk relates to financial assets and liabilities whose values will fluctuate as a result of changes in market prices carried at FVPTL.

The Fund is exposed to price risk primarily in respect of its investments in equities listed in the PSE which are classified as financial assets at FVTPL.

The Fund's market risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investment, diversification plan and limits on investments.

13 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

13.1 Basis of preparation

The accompanying financial statements of the Fund have been prepared in accordance with PFRS Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the Securities and Exchange Commission (SEC):

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee, Philippine Interpretations Committee, and Standing Interpretations Committee

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at FVTPL. The Fund's functional currency is the Philippine Peso.

The preparation of these financial statements in conformity with PFRS Accounting Standards requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. There are no areas where assumptions and estimates are significant to the financial statements. The area involving a higher degree of judgment significant is disclosed in Note 12.1.

Changes in accounting policy and disclosures

(a) Amendments to existing standards and interpretations adopted by the Fund effective January 1, 2026

There are no new standards, interpretations and amendments to existing standards effective January 1, 2026 that are considered to be relevant or have a material impact on the Fund's financial statements.

(b) Amendments to existing standards not yet effective and not early adopted by the Fund

The following amendments to existing standards are not mandatory for June 30, 2026 reporting period and have not been early adopted by the Fund:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 *(Effective beginning on or after January 1, 2026)*

  In May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. In July 2024, the FSRSC adopted the targeted amendments to PFRS 9 and PFRS 7. These amendments:
  - clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
  - update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

  The adoption of the above amendments is not expected to have a material impact on the financial statements of the Fund except on the timing of derecognition of financial liability through electronic fund transfers and checks.

- PFRS 18 Presentation and Disclosure in Financial Statements *(Effective for annual periods beginning on or after January 1, 2027)*

  PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The amendments to PFRS 9, PFRS 7 and PFRS 18, as well as the annual improvements to PFRS Accounting Standards are not expected to have a material financial impact to the financial statements of the Fund.

There are no other new standards, interpretations and amendments to existing standards not yet effective as at June 30, 2026 reporting period that are considered to be relevant or have a material impact on the Fund's financial statements.

13.2 Financial instruments

The Fund recognizes a financial instrument in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the instrument. At initial recognition, the Fund measures a financial asset or financial liability at its fair value. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all the risks and rewards of ownership.

12.2.1 Classification and subsequent measurement

The Fund classifies its financial assets in the following measurement categories:

- at fair value through profit or loss (FVTPL), and
- at amortized cost.

Gains and losses on sale of investments at FVTPL are included in the income (losses) from financial assets at FVTPL in the statement of total comprehensive income.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Classification and subsequent measurement of debt instruments depend on the Fund's business model for managing the asset and the cash flow characteristics of the asset.

Based on these factors, the Fund classifies its debt instruments into one of the following measurement categories:

- *Amortized cost*

  Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

  The Fund's financial assets at amortized cost include cash and cash equivalents and other financial assets at amortized cost.

- *Financial assets at FVTPL*

  Financial assets that do not meet the criteria for amortized cost and the collection of contractual cash flows is only incidental to achieving the Fund's business model objective are measured at fair value through profit or loss.

  The Fund's financial assets at FVTPL consists of investments in government securities.

Business model: The business model reflects how the Fund manages the financial assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of financial assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Fund in determining the business model for a group of financial assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the SPPI test). In making this assessment, the Fund considers whether the

contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

The Fund reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent.

12.2.2 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets at amortized cost. The Fund recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Fund measures the loss allowance on financial assets at amortized cost at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund measures the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the counterparties, probability that the counterparties will enter bankruptcy or financial reorganization, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

13.2.3 Cash and cash equivalents

Short-term deposits of the Fund pertain to highly liquid investments with original maturities of three months or less from the date of acquisition and which are subject to insignificant changes in value.

13.2.4 Classification and measurement of financial liabilities

The Fund classifies its financial liabilities as other financial liabilities at amortized cost.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate.

13.3 Equity

The Fund issues shares, which are redeemable at the holder’s option and are classified as equity in accordance with PAS 32, Financial instruments: Presentation. Each share has the following features which support the equity classification:

- It entitles the holder to a pro rata share of the Fund’s net assets in the event of the entity's liquidation;
- The share has no priority over other claims to the assets of the Fund on liquidation, and it does not need to be converted into another instrument before it is classified as such; and
- All shares impose a contractual obligation on the Fund to deliver a pro rata share of its net assets on liquidation.

In addition, the Fund has no other financial instrument or contract that has:

- total cash flows based substantially on profit or loss, the change in the recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the Fund (excluding any effects of such instrument or contract); and
- the effect of substantially restricting or fixing the residual return to the shareholders.

Should the redeemable shares' terms or conditions change such that they do not comply with the strict criteria as mentioned above, the redeemable shares would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying value of the equity instrument and fair value of the liability on the date of reclassification would be recognized in equity.

Redeemable shares can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's trading NAV calculated in accordance with the Fund's regulations. Redeemed shares are not cancelled but may be reissued in the future.

Share premium

Sales of shares are recorded by crediting Share capital at par value and Share premium for the amount received in excess of the par value; redemptions are recorded by debiting those accounts. In the event that the Share premium balance is exhausted as a result of redemptions, the Retained earnings account is reduced by redemptions in excess of par.

Deposits for future stock subscriptions

Deposits for future subscriptions represent funds received by the Fund with a view to applying the same as payment for a future additional issuance of shares either from its authorized but unissued shares, from a proposed increase in authorized share capital, or as share premium. Upon application with the SEC, the amount will be credited to equity while upon the SEC's approval, the amount is transferred to Share capital for the par value of the shares and Share premium for the amount in excess of the par value.

Based on Financial Reporting Bulletin (FRB) No.006 revised on January 6, 2022, the Fund shall classify a contract to deliver its own equity instruments under equity as a separate account (e.g., DFFS) if and only if, all of the following are present at the end of the reporting period:

(a) The unissued authorized share capital is insufficient to cover the amount of shares indicated in the contract;
(b) There is BOD's approval on the proposed increase in authorized share capital (ACS) (for which a deposit was received);
(c) There is stockholders' approval of said proposed increase; and
(d) The application for the approval of the proposed increase has been proposed for filing or has been filed with the SEC.

If the criteria above are not met, the DFFS will be presented as liabilities in the statement of financial position.

To deter abuse of the Rule, it is expected that the approval of the application to increase ACS be obtained within one (1) year from the date the said application was presented to the Commission through Company Registration and Monitoring Department.

Following the issuance of SEC Memorandum Circular No. 33, series of 2020, which took effect on December 20, 2020, an investment company is no longer required to comply with the minimum subscribed and paid-up capital relative to the increase in its authorized capital stock. Thus, an investment company is no longer allowed to accept any deposits for future stock subscription starting December 20, 2020.

Any deposit for future subscription recognized as equity in the financial statements are still acceptable provided that all the elements above are present as of the end of the reporting period and the application for an increase in authorized capital stock has been filed with the Commission prior to December 20, 2020.

13.4 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the (loss) profit attributable to shareholders of the Fund by the weighted average number of shares outstanding and shares covered by DFFS during the year.

13.5 Current and deferred income tax

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of reporting period All changes to current tax assets or liabilities are recognized as a component of income tax expense in profit or loss.

Deferred income tax is recognized, using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Under the liability method, deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences and the carry-forward of unused tax losses (NOLCO) and unused tax credits (excess of minimum corporate income tax) to the extent that it is probable that taxable profit will be available against which the deferred income tax asset can be utilized.

13.6 Related party relationships and transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Philam Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at June 30, 2026
(All amounts in thousands of US Dollar)

Unappropriated Retained Earnings, beginning of the year/period		1,560,134
Add: Category A: Items that are directly credited to		
Unappropriated retained earnings	-	
Reversal of Retained earnings appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others (describe nature)	-	
Less: Category B: Items that are directly debited to		
Unappropriated retained earnings		
Dividend declaration during the reporting period	-	
Retained earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments		
Others (describe nature)	-	
Unappropriated Retained Earnings, as adjusted		1,560,134
Add/Less: Net Income (loss) for the current year/period		(16,339)
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	(24,474)	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	(24,474)

Philam Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at June 30, 2026
(All amounts in thousands of US Dollar)

Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	**-**
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to- market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-	**-**
Adjusted net income/loss		**8,135**
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)		-
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others (describe nature)	-	-

Philam Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at June 30, 2026
(All amounts in thousands of US Dollar)

Add/Less:	**Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution**		
	Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
	Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
	Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
	Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
	Others (describe nature):	(52,193)	
	Redemption of redeemable shares		
Total Retained Earnings, end of the year/period available for dividend declaration			**1,516,076**

Philam Fund, Inc.

Schedule A - Financial Assets
June 30, 2026
(All amounts in Philippine Peso)

Name of Issuing entity and association of each issue	Face value / number of shares	Amount shown in the financial statements	Value based on Market Quotation at end of Reporting Period	Income received and accrued
NOTHING TO REPORT				

Philam Fund, Inc.

Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
June 30, 2026

Name and designation of debtor	Balance at beginning of period	Additions	Amount collected	Amount written-off	Balance at end of period
NOTHING TO REPORT					

Philam Fund, Inc.

Schedule C - Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
June 30, 2026

Name and designation of debtor	Balance at beginning of period	Additions	Amount collected	Amount written-off	Current	Non-current	Balance at end of period
NOTHING TO REPORT							

Philam Fund, Inc.

Schedule D - Long-Term Debt
June 30, 2026

Title of issue and type of obligation	Amount authorized by indenture	Amount shown in the statement of financial position
NOTHING TO REPORT		

Philam Fund, Inc.

Schedule E - Indebtedness to Related Parties
As at June 30, 2026

Name of related party	Balance at beginning of period	Balance at end of period
NOTHING TO REPORT		

Philam Fund, Inc.

Schedule F - Guarantees of Securities of Other Issuers
June 30, 2026

Name of Issuing entity of securities guaranteed by the Fund for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
NOTHING TO REPORT				

Philam Fund, Inc.

Schedule G - Capital Stock
June 30, 2026

Titles of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Redeemable Shares	603,315,664	98,808,630			7	98,808,623

Certification

I, Jonathan T. Tiangco, Head of Operations of BPI Wealth-A Trust Corporation., the Fund Manager of Philam Fund, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number 39191 and with principal office at 17/F, Philam Life Head Office, Net Lima Building, 5th Avenue Corner 26th St., Bonifacio Global City, Taguig, on oath state:

1. That I have caused this SEC 17-Q to be prepared on behalf of Philam 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 Philam Fund, Inc. will comply with the requirements set forth in SEC Memorandum Circular No. 3 series of 2021 and SEC Memorandum Circular No. 18 series of 2023 to effect a complete and official submission of reports and/or documents through the Electronic Filing and Submission Tool (eFAST);
4. That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing 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 submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of AUG 12 2026, 20____.

Jonathan T. Tiangco
Affiant

SUBSCRIBED AND SWORN to before me this ___day of AUG 12 2026, 20____, in _____ City, Philippines. Affiant exhibited to me his Unified Multi-Purpose ID No. CRN-0033-1828438-2.

NOTARY PUBLIC

Doc. No. 66
Page No. 03
Book No. X
Series of 2026.

JOSELITO B. GONZALES
Notary Public – Makati City
Commission No. M-257
Until December 31, 2027
PTR No. 10781023 Makati-1.15.26
IBP No. 564912/12.11.25/Roll #32836
8189 Sgt. F. Yabut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

ANNEX D

SEC Main Office
The SEC Headquarters
7907 Makati Avenue, Salcedo Village, Barangay Bel-Air, Makati City , 1209

electronic Official Receipt

Transaction Details

eOR Number	20261021-PM-0180146-31
Transaction Number	629409783816
Payment Date	October 21, 2026 05:24 PM
Payment Scheme	visa
Status	COMPLETED
Payment Status	PAYMENT_SUCCESS

Payment Assessment Details

PAF No.	20261020-16316268
PAF Date	2026-10-20 13:23:15
Payor Name	PHILAM FUND, INC.
Payor Address	5TH AVENUE, CORNER 26TH ST., BONIFACIO GLOBAL CITY, TAGUIG

#	Nature of Collection	Account Code	Amount
1	Information Statement - Registrant	4020199099(678)	7,500.00
2	Legal Research Fee (A0823)	2020105000(131)	75.00
		TOTAL	**7,575.00**

Total amount indicated herein does not include the convenience/service fee of the selected payment channel.

Annex E-1

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **SIMON R. PATERNO**, Filipino, of legal age and a resident of **58 McKinley Road, Forbes Park, 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 **PAMI Fund, Inc.**, and have been its independent director since December 22, 2022.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
ZQR Corporation	Founder & CEO	2019-present
Bank of Commerce	Board Member	2022-June 2026
Foundation for Economic Freedom	Vice Chairman	1997-present
Ateneo Scholarship Foundation	Chairman	2003-Sept 2026
ALFM Peso Bond Fund, Inc.	President and Director	2019-present
ALFM Dollar Bond Fund, Inc.	President and Director	2019-present
ALFM Euro Bond Fund, Inc.	President and Director	2019-present
ALFM Growth Fund, Inc.	President and Director	2019-present
ALFM Global Multi-asset Income Fund, Inc.	President and Director	2019-present
ALFM Money Market Fund, Inc.	President and Director	2019-present
Philippine Stock Index Fund, Inc.	President and Director	2019-present
PAMI Asia Balanced Fund, Inc.	Independent Director	2022-present
PAMI Horizon Fund, Inc.	Independent Director	2022-present
PAMI Global Bond Fund, Inc.	Independent Director	2022-present
Philam Equity Index Fund, Inc.	Independent Director	2022-present
Philam Managed Income Fund, Inc.	Independent Director	2022-present
Philam Dollar Bond Fund, Inc.	Independent Director	2022-present
Philam Fund, Inc.	Independent Director	2022-present
Philam Strategic Growth Fund, Inc.	Independent Director	2022-present
Mynt, Inc.	Independent Director	March 9, 2026-present
Abli Payment Technologies, Inc.	Independent Director	September 3, 2026-present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of PAMI Fund, Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL/ SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
N/A	N/A	N/A

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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 PAMI Fund, Inc., of any changes in the abovementioned information within five days from its occurrence.

[Signature page follows.]

This document contains confidential data. It is intended solely for the use of authorized recipient(s). Unauthorized use, disclosure, or reproduction is strictly prohibited.

Done, this OCT 2 8 2026, at Makati City.

SIMON R. PATERNO
Affiant

SUBSCRIBED AND SWORN to before me this OCT 2 8 2026 at Makati City, affiant personally appeared before me and exhibited to me his Philippine Passport with number P6924363A issued at DFA NCR South and expiring on April 24, 2028.

Doc. No. 403;
Page No. 82;
Book No. I;
Series of 2026

GREGORY [illegible] S. DE CASTRO
Appointment No. M-449
Notary Public for Makati City
Until December 31, 2027
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 91036
PTR No. 10766611/Makati City/01-02-2026
IBP No. 536189/Makati City/12-23-2025
Admitted to the bar in 2023

This document contains confidential data. It is intended solely for the use of authorized recipient(s). Unauthorized use, disclosure, or reproduction is strictly prohibited.

Annex E-2

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **MR. FERNANDO J. SISON III**, Filipino, of legal age and a resident of **3 Jocson Street, Xavierville 1, Loyola Heights, Quezon City**, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **PAMI Fund, Inc.** and have been its independent director since September 9, 2020.
2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
ALFM Money Market Fund, Inc.	Treasurer	2009 - present
ALFM Peso Bond Fund, Inc.	Treasurer	2004 - present
ALFM Dollar Bond Fund, Inc.	Treasurer	2004 - present
ALFM Euro Bond Fund, Inc.	Treasurer	2005 - present
ALFM Growth Fund, Inc.	Treasurer	2007 - present
Philippine Stock Index Fund, Corp.	Treasurer	2004 - present
ALFM Global Multi-Asset Income Fund, Inc.	Director and Treasurer	2018 - present
ALFM Retail Corporate Fixed Income Fund, Inc.	Director	2019 - present
AFM Fixed Income Feeder Fund, Inc. (Formerly: ALFM Principal Preservation Fund, Inc.)	Director	2019 - present
Philippine Investment Funds Association	Member, Board of Senior Advisers	Sept. 12, 2014 - present
Ateneo de Manila University	Investments Administrator Director for Investments University Business Affairs Director	Jan. 16, 2013 - Nov. 30, 2021 Dec. 1, 2021 - present Oct. 1, 2013 - Aug. 7, 2022
CEAP Retirement Fund, Inc.	Member, Board of Trustees Chairman, Investment Committee Member, Executive Committee President	Aug. 26, 2015 - present Oct. 7, 2019 - present Feb. 21, 2020 - present Sept. 27, 2021 - present
PAMI Asia Balanced Fund, Inc.	Independent Director	2020-present
PAMI Horizon Fund, Inc.	Independent Director	2020-present
PAMI Global Bond Fund, Inc.	Independent Director	2020-present
Philam Equity Index Fund, Inc.	Independent Director	2020-present
Philam Bond Fund, Inc.	Independent Director	2020-present
Philam Managed Income Fund, Inc.	Independent Director	2020-present
Philam Dollar Bond Fund, Inc.	Independent Director	2020-present
Philam Strategic Growth Fund, Inc.	Independent Director	2020-present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of PAMI Fund, Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

Docusign Envelope ID: 5007CB9A-51D4-83EC-8314-822C85C5F07F

4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
N/A	N/A	N/A

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 PAMI Fund, Inc., of any changes in the abovementioned information within five days from its occurrence.

[Signature page follows.]

Docusign Envelope ID: 5007CB9A-51D4-83EC-8314-822C85C5F07F

Done, this OCT 2 3 2026, at Makati City.

4070A08A7A7748F...
FERNANDO J. SISON III
Affiant

SUBSCRIBED AND SWORN to before me this OCT 2 3 2026 at Makati City, affiant personally appeared before me and exhibited to me his/her TIN 135-565-275.

Doc. No. 172;
Page No. 38;
Book No. IV;
Series of 2026.

JOHN CHRISTOPHER O. TAN
Appointment No. M-581
Notary Public for Makati City
Until December 31, 2026
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 94654
PTR No. 10766618/Makati City/01-02-2026
IBP No. 536196/Makati/12-23-2025
Admitted to the bar in 2025

ANNEX F

PHILAM FUND, INC.
ATTENDANCE REPORT OF DIRECTORS

Date	Type of Meeting	Attendance
28 January 20226	Special Meeting of the Board of Directors	Mr. Roberto F. De Ocampo Reynaldo G. Geronimo Ramon Paulo L. Tayag Andrae V. Manalo Simon R. Paterno Fernando J. Sison III
10 April 2026	Special Meeting of the Board of Directors	Mr. Roberto F. De Ocampo Reynaldo G. Geronimo Ramon Paulo L. Tayag Andrae V. Manalo Simon R. Paterno Fernando J. Sison III
12 October 2026	Special Meeting of the Board of Directors	Mr. Roberto F. De Ocampo Reynaldo G. Geronimo Andrae V. Manalo Simon R. Paterno Fernando J. Sison III
15 October 2026	Special Meeting of the Board of Directors	Mr. Roberto F. De Ocampo Reynaldo G. Geronimo Jonna Luz R. Matematico Simon R. Paterno Fernando J. Sison III

ANNEX G

MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS OF
PHILAM FUND, INC.

Held on 22 October 2021 at 10:30AM
Via Zoom

PRESENT:

Roberto F. de Ocampo	Chairman
Reynaldo G. Geronimo	Director
Eric S. Lustre	Director
Arleen May S. Guevara	Director
Elenita G. Villamar	Director
Meliton B. Salazar, Jr.	Director
Fernando J. Sison III	Director

ALSO PRESENT:

Roberto Martin S. Enrile	President and Chief Investment Officer, BIMI
Jose Mari L. Valmayor	Assistant Vice President and Fixed Income Fund Manager, BIMI
Ramon Paulo L. Tayag	Assistant Vice President and Agency Management Head, BIMI
Michael Alvin Jonathan Y. Enrile	Senior Manager and Equities Fund Manager, BIMI
Jerick S. Olpindo	Senior Manager and Branch Sales Division 3 Head, BIMI
Kimm Bryan B. Arellano	Manager and Digital Marketing Officer, BIMI
Karl Kevin D. Arcilla	Manager and Compliance Officer, BIMI
Mavi Gutierrez	Assistant Manager and Risk Officer, BIMI
Ma. Adelina S. Gatdula	Corporate Secretary
Danica C. Evangelista	Picazo Buyco Tan Fider & Santos
Marivir G. Abata	Picazo Buyco Tan Fider & Santos
Celina Marie S. Hilario	Picazo Buyco Tan Fider & Santos

PROCEEDINGS

I. CALL TO ORDER

The Chairman of the meeting, Mr. Eric S. Lustre, called the meeting to order and presided over the same. The Corporate Secretary, Ms. Ma. Adelina S. Gatdula, recorded the minutes.

II. CERTIFICATION OF NOTICE AND QUORUM

Ms. Gatdula certified that notice of the meeting, together with the agenda and the Definitive Information Statement of Philam Fund, Inc. (the "Company"), were first sent on 30 September 2021 to the respective stockholders of record as of 31 August 2021, that 515,679,849 shares representing 85.47% of the total issued and outstanding capital stock of the Company was present at the meeting, in person or by proxy, and that there was, therefore, a quorum to transact business.

Ms. Gatdula also shared the Rules and Procedures for the meeting:

First, stockholders who registered via Viash System or notified the Corporate Secretary via email of their intention to participate in this meeting through remote communication may email their questions, comments, clarifications, and suggestions to pami_asm@bpi.com.ph.

Second, the questions emailed and received by 10:00 a.m. today may be addressed during the Question and Answer portion.

Third, stockholders may still send their accomplished proxy forms until the end of this meeting via email at pami_asm@bpi.com.ph or via fax at 8580-4682.

Fourth, the results of the preliminary counting of votes based on the proxy forms validated as of October 21, 2021 shall be announced during the meeting. The final results shall be reflected in the minutes of the meeting.

III. APPROVAL OF MINUTES OF PREVIOUS MEETING OF STOCKHOLDERS

Upon motion made and seconded, the stockholders resolved to approve the minutes of the Annual Stockholders' Meeting held on 31 July 2019 and 29 October 2020.

The total number of affirmative votes on this motion is 515,672,647 shares or 99.998% of the shares present or represented by proxy and entitled to vote.

IV. MANAGEMENT REPORT AND FUND UPDATE

A. Investments Review

Mr. Roberto Martin S. Enrile started his report by giving an update on the contraction of the Global GDP as the pandemic continued to wreck economies. Household spending, a key economic driver for the country with an estimated population of 109 million, contracted to 5.7% last year as millions lost jobs during the pandemic. Investment outlays (or gross capital formation) also plunged 40% in 2020 as households and firms alike held back on making expansion plans to conserve cash.

While in other parts of the world, consumer spending was significantly boosted by stimulus packages, the Philippines' mobility and retail and groceries remain relatively poor as financial assistance by the government only amounted to P1,000.00 to P4,000.00 per family.

The Philippines is one of the hardest hit economies, with the GDP falling to -9.6% in 2020.

He reported that global equities posted solid returns in 2020 due to the near zero interest rates and massive quantitative easing (QE) packages by governments. Returns on local equities deteriorated, however, mostly due to foreign selling as investors shifted focus towards economies with faster economic recoveries. This is summarized as follows:

Equities Markets	2020	Index Level	8M 2021	Index Level
World Equities (MSCI World)	14.06%	2,690.04	16.78%	3,141.34
US Equities (S&P 500 Index)	15.93%	3,756.07	20.41%	4,522.68
US Equities (Dow Jones Industrial Ave Index)	6.85%	30,606.48	15.53%	35,360.63

European Equities (MSCI Europe)	-6.27%	132.10	17.62%	155.37
Asian Equities (MSCI Asia ex-Japan)	22.47%	842.93	-0.63%	837.64
Philippine Equities (PSEi)	**-8.64%**	**7,139.71**	**-3.98%**	**6,855.44**

Mr. Enrile however stated that the fixed income market posted strong gains in 2020, mostly due to the Bangko Sentral ng Pilipinas (BSP)'s actions to cut rates to support the economy. The bond market's performance is summarized as follows:

Fixed Income Markets	2020	8M 2021
Domestic Fixed Income (BPI Government Bond Index)	10.52%	-1.29%
Philippine USD Fixed Income (JACI Philippines Index)	7.30%	1.11%
International Fixed Income (Citi World Government Bond Index USD)	10.04%	-3.55%

He then gave a summary of the review of the forecasts for the Philippine Economy in 2021:

Benchmark	2019	YTD 2020	2021F
Real Gross Domestic Product	6%	-9.6%	4%
Inflation	2.5%	2.6%	4.20%
BSP Policy Rate	4%	2%	2.25%
Reserve Requirement	14%	12%	12%
USD/PHP (end of period)	50.64	48.02	49.60
PSEi	7,815.26	7,139.71	7,400

B. Fund Update

Mr. Enrile then reported on the performance of the mutual funds ("MFs") being managed by the Company's Fund Manager, BPI Investment Management, Inc. (BIMI).

He reported that the Net Asset Value (NAV) per share (in PHP - Billions) of the Company as of August 2021 is at 11.00. He further said that the percentage of cumulative returns of the Company is -2.59% for year-to-date ("YTD") 31 August 2021, and 7.11%, 0.80%, -4.39% and 27.76%, for the past 1 year, 3 years, 5 years, and 10 years, respectively.

V. APPROVAL OF THE 2020 ANNUAL REPORT AND THE 2020 AUDITED FINANCIAL STATEMENTS

Upon motion made and seconded, the stockholders resolved to approve the 2020 Annual Report and the audited financial statements of the Company for the year ended 31 December 2020.

The total number of affirmative votes on this motion is 515,672,647 shares or 99.998% of the shares present or represented by proxy and entitled to vote.

VI. APPROVAL AND CONFIRMATION OF ALL CORPORATE ACTS OF THE BOARD OF DIRECTORS AND THE MANAGEMENT

Upon motion made and seconded, the stockholders resolved to approve and confirm all acts, proceedings, and resolutions of the Board of Directors and Management of the Company since the last annual stockholders' meeting.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

VII. ELECTION OF DIRECTORS

At the request of the Chairman, the Corporate Secretary reported that the following individuals were nominated for election as directors of the Company:

1. Mr. Roberto F. de Ocampo
2. Mr. Reynaldo G. Geronimo
3. Mr. Eric S. Lustre
4. Ms. Arleen May S. Guevara
5. Ms. Elenita G. Villamar
6. Mr. Meliton B. Salazar, Jr.
7. Mr. Fernando J. Sison III

The final list of nominees for directors were pre-screened by the Nomination Committee and disclosed in the Definitive Information Statement sent to the stockholders together with the notice of the meeting.

The Corporate Secretary identified Mr. Salazar, Jr. and Mr. Sison III as nominees for independent directors.

There being no other nominations, and upon motion made and seconded, the nominations were declared closed.

A stockholder moved that all seven (7) individuals nominated to the Board of Directors of the Company for the year 2021-2022 be elected as members of the Board of Directors. The Corporate Secretary informed the stockholders that based on the votes cast in favor of all of the above-named nominees, which was tabulated with the assistance of the Company's stock transfer agent, the foregoing persons were elected as members of the Board of Directors. The Chairman accordingly declared the seven (7) nominees duly elected as directors of the Company for the year 2021-2022.

VIII. CONFIRMATION OF BPI INVESTMENT MANAGEMENT, INC. OR BIMI AS FUND MANAGER, PRINCIPAL DISTRIBUTOR, INVESTMENT ADVISOR AND TRANSFER AGENT

Upon motion made and seconded, the stockholders resolved to confirm BIMI as Fund Manager, Principal Distributor, Investment Advisor and Transfer Agent of the Company for a continuing term, unless expressly terminated.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

IX. REAPPOINTMENT OF EXTERNAL AUDITOR

The Chairman stated that the Company submitted for approval of the stockholders the reappointment of the Company's external auditors, Isla Lipana & Co., upon the recommendation of the Audit Committee.

Upon motion made and seconded, the stockholders approved the reappointment of Isla Lipana & Co. as the Company's external auditors for the year ending 31 December 2021.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

X. AMENDMENT OF THE COMPANY'S BY-LAWS

Upon motion made and seconded, the stockholders resolved to approve the amendment of the by-laws of the Company to:

1. change the date of the annual meeting to the last Friday of May or such other date determined by the Board;
2. change the period of sending out notices for regular meetings of stockholders to at least twenty-one (21) calendar days prior to the date of the regular meeting;
3. authorize participation of stockholders in the Stockholders' Meeting through remote communication or other alternative modes of communication;
4. authorize stockholders to exercise the right to vote through remote communication or in absentia;
5. establishment of various committees to promote corporate governance; and
6. inclusion of Compliance Officer;
7. inclusion of investment objectives;
8. alignment of definition of assets and liabilities.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

XI. AMENDMENT OF REGISTRATION STATEMENT AND PROSPECTUS

Upon motion made and seconded, the stockholders resolved to approve the amendment of the Registration Statement and Prospectus to reflect the changes in the Articles of Incorporation and By-Laws of the Company.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

XII. QUESTION AND ANSWER PORTION

The floor was opened for any questions from the stockholders.

A stockholder inquired if there are any plans to lower management funds. Mr. Enrile answered that yes, it is being considered. However, the lowering of management funds will be prompted by the pricing relative to competitive environments and the underlying funds' ability to generate returns. These factors will determine the feasibility of lowering the management funds.

Another stockholder inquired on the investment strategies being deployed to remedy significant dips in the funds. Mr. Enrile replied that the fund can only perform in the environment it is in, but stated that it is expected that interest rates will start to move up towards next year. A strategy they are eyeing is moving durations to long term, but again reminded the stockholders that the strategies are only deployed as a response to economic development and Central Bank movements.

Finally, a stockholder asked for recommendations on whether the dollar funds are good recommendations considering the strengthening of the dollar or the weakening of the peso. Mr. Enrile suggested to look at the dynamics of the US Central Bank and our own Central Bank. Should the US Central Bank respond faster than our Central Bank, then in that regard, it is possible that the dollar will be further strengthened. Another factor is the expectation of more imports that can drive the peso value down. It is not recommended however to allow the nuances of the foreign exchange rate to dictate the investments, but for us to capture opportunities amidst the volatility.

XIII. ADJOURNMENT

There being no other matters to discuss, the meeting was, on motion made and seconded, adjourned.

[SIGNATURE PAGE FOLLOWS]

Certified Correct:

MA. ADELINA S. GATDULA
Corporate Secretary

Attested:

ERIC S. LUSTRE
Chairman of the Meeting

MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS OF
PHILAM FUND, INC.

Held on 22 October 2021 at 10:30AM
Via Zoom

PRESENT:

Roberto F. de Ocampo	Chairman
Reynaldo G. Geronimo	Director
Eric S. Lustre	Director
Arleen May S. Guevara	Director
Elenita G. Villamar	Director
Meliton B. Salazar, Jr.	Director
Fernando J. Sison III	Director

ALSO PRESENT:

Roberto Martin S. Enrile	President and Chief Investment Officer, BIMI
Jose Mari L. Valmayor	Assistant Vice President and Fixed Income Fund Manager, BIMI
Ramon Paulo L. Tayag	Assistant Vice President and Agency Management Head, BIMI
Michael Alvin Jonathan Y. Enrile	Senior Manager and Equities Fund Manager, BIMI
Jerick S. Olpindo	Senior Manager and Branch Sales Division 3 Head, BIMI
Kimm Bryan B. Arellano	Manager and Digital Marketing Officer, BIMI
Karl Kevin D. Arcilla	Manager and Compliance Officer, BIMI
Mavi Gutierrez	Assistant Manager and Risk Officer, BIMI
Ma. Adelina S. Gatdula	Corporate Secretary
Danica C. Evangelista	Picazo Buyco Tan Fider & Santos
Marivir G. Abata	Picazo Buyco Tan Fider & Santos
Celina Marie S. Hilario	Picazo Buyco Tan Fider & Santos

PROCEEDINGS

I. CALL TO ORDER

The Chairman of the meeting, Mr. Eric S. Lustre, called the meeting to order and presided over the same. The Corporate Secretary, Ms. Ma. Adelina S. Gatdula, recorded the minutes.

II. CERTIFICATION OF NOTICE AND QUORUM

Ms. Gatdula certified that notice of the meeting, together with the agenda and the Definitive Information Statement of Philam Fund, Inc. (the "Company"), were first sent on 30 September 2021 to the respective stockholders of record as of 31 August 2021, that 515,679,849 shares representing 85.47% of the total issued and outstanding capital stock of the Company was present at the meeting, in person or by proxy, and that there was, therefore, a quorum to transact business.

Ms. Gatdula also shared the Rules and Procedures for the meeting:

First, stockholders who registered via Viash System or notified the Corporate Secretary via email of their intention to participate in this meeting through remote communication may email their questions, comments, clarifications, and suggestions to pami_asm@bpi.com.ph.

Second, the questions emailed and received by 10:00 a.m. today may be addressed during the Question and Answer portion.

Third, stockholders may still send their accomplished proxy forms until the end of this meeting via email at pami_asm@bpi.com.ph or via fax at 8580-4682.

Fourth, the results of the preliminary counting of votes based on the proxy forms validated as of October 21, 2021 shall be announced during the meeting. The final results shall be reflected in the minutes of the meeting.

III. APPROVAL OF MINUTES OF PREVIOUS MEETING OF STOCKHOLDERS

Upon motion made and seconded, the stockholders resolved to approve the minutes of the Annual Stockholders' Meeting held on 31 July 2019 and 29 October 2020.

The total number of affirmative votes on this motion is 515,672,647 shares or 99.998% of the shares present or represented by proxy and entitled to vote.

IV. MANAGEMENT REPORT AND FUND UPDATE

A. Investments Review

Mr. Roberto Martin S. Enrile started his report by giving an update on the contraction of the Global GDP as the pandemic continued to wreck economies. Household spending, a key economic driver for the country with an estimated population of 109 million, contracted to 5.7% last year as millions lost jobs during the pandemic. Investment outlays (or gross capital formation) also plunged 40% in 2020 as households and firms alike held back on making expansion plans to conserve cash.

While in other parts of the world, consumer spending was significantly boosted by stimulus packages, the Philippines' mobility and retail and groceries remain relatively poor as financial assistance by the government only amounted to P1,000.00 to P4,000.00 per family.

The Philippines is one of the hardest hit economies, with the GDP falling to -9.6% in 2020.

He reported that global equities posted solid returns in 2020 due to the near zero interest rates and massive quantitative easing (QE) packages by governments. Returns on local equities deteriorated, however, mostly due to foreign selling as investors shifted focus towards economies with faster economic recoveries. This is summarized as follows:

Equities Markets	2020	Index Level	8M 2021	Index Level
World Equities (MSCI World)	14.06%	2,690.04	16.78%	3,141.34
US Equities (S&P 500 Index)	15.93%	3,756.07	20.41%	4,522.68
US Equities (Dow Jones Industrial Ave Index)	6.85%	30,606.48	15.53%	35,360.63

European Equities (MSCI Europe)	-6.27%	132.10	17.62%	155.37
Asian Equities (MSCI Asia ex-Japan)	22.47%	842.93	-0.63%	837.64
Philippine Equities (PSEi)	**-8.64%**	**7,139.71**	**-3.98%**	**6,855.44**

Mr. Enrile however stated that the fixed income market posted strong gains in 2020, mostly due to the Bangko Sentral ng Pilipinas (BSP)'s actions to cut rates to support the economy. The bond market's performance is summarized as follows:

Fixed Income Markets	2020	8M 2021
Domestic Fixed Income (BPI Government Bond Index)	10.52%	-1.29%
Philippine USD Fixed Income (JACI Philippines Index)	7.30%	1.11%
International Fixed Income (Citi World Government Bond Index USD)	10.04%	-3.55%

He then gave a summary of the review of the forecasts for the Philippine Economy in 2021:

Benchmark	2019	YTD 2020	2021F
Real Gross Domestic Product	6%	-9.6%	4%
Inflation	2.5%	2.6%	4.20%
BSP Policy Rate	4%	2%	2.25%
Reserve Requirement	14%	12%	12%
USD/PHP (end of period)	50.64	48.02	49.60
PSEi	7,815.26	7,139.71	7,400

B. Fund Update

Mr. Enrile then reported on the performance of the mutual funds ("MFs") being managed by the Company's Fund Manager, BPI Investment Management, Inc. (BIMI).

He reported that the Net Asset Value (NAV) per share (in PHP - Billions) of the Company as of August 2021 is at 11.00. He further said that the percentage of cumulative returns of the Company is -2.59% for year-to-date ("YTD") 31 August 2021, and 7.11%, 0.80%, -4.39% and 27.76%, for the past 1 year, 3 years, 5 years, and 10 years, respectively.

V. APPROVAL OF THE 2020 ANNUAL REPORT AND THE 2020 AUDITED FINANCIAL STATEMENTS

Upon motion made and seconded, the stockholders resolved to approve the 2020 Annual Report and the audited financial statements of the Company for the year ended 31 December 2020.

The total number of affirmative votes on this motion is 515,672,647 shares or 99.998% of the shares present or represented by proxy and entitled to vote.

VI. APPROVAL AND CONFIRMATION OF ALL CORPORATE ACTS OF THE BOARD OF DIRECTORS AND THE MANAGEMENT

Upon motion made and seconded, the stockholders resolved to approve and confirm all acts, proceedings, and resolutions of the Board of Directors and Management of the Company since the last annual stockholders' meeting.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

VII. ELECTION OF DIRECTORS

At the request of the Chairman, the Corporate Secretary reported that the following individuals were nominated for election as directors of the Company:

1. Mr. Roberto F. de Ocampo
2. Mr. Reynaldo G. Geronimo
3. Mr. Eric S. Lustre
4. Ms. Arleen May S. Guevara
5. Ms. Elenita G. Villamar
6. Mr. Meliton B. Salazar, Jr.
7. Mr. Fernando J. Sison III

The final list of nominees for directors were pre-screened by the Nomination Committee and disclosed in the Definitive Information Statement sent to the stockholders together with the notice of the meeting.

The Corporate Secretary identified Mr. Salazar, Jr. and Mr. Sison III as nominees for independent directors.

There being no other nominations, and upon motion made and seconded, the nominations were declared closed.

A stockholder moved that all seven (7) individuals nominated to the Board of Directors of the Company for the year 2021-2022 be elected as members of the Board of Directors. The Corporate Secretary informed the stockholders that based on the votes cast in favor of all of the above-named nominees, which was tabulated with the assistance of the Company's stock transfer agent, the foregoing persons were elected as members of the Board of Directors. The Chairman accordingly declared the seven (7) nominees duly elected as directors of the Company for the year 2021-2022.

VIII. CONFIRMATION OF BPI INVESTMENT MANAGEMENT, INC. OR BIMI AS FUND MANAGER, PRINCIPAL DISTRIBUTOR, INVESTMENT ADVISOR AND TRANSFER AGENT

Upon motion made and seconded, the stockholders resolved to confirm BIMI as Fund Manager, Principal Distributor, Investment Advisor and Transfer Agent of the Company for a continuing term, unless expressly terminated.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

IX. REAPPOINTMENT OF EXTERNAL AUDITOR

The Chairman stated that the Company submitted for approval of the stockholders the reappointment of the Company's external auditors, Isla Lipana & Co., upon the recommendation of the Audit Committee.

Upon motion made and seconded, the stockholders approved the reappointment of Isla Lipana & Co. as the Company's external auditors for the year ending 31 December 2021.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

X. AMENDMENT OF THE COMPANY'S BY-LAWS

Upon motion made and seconded, the stockholders resolved to approve the amendment of the by-laws of the Company to:

1. change the date of the annual meeting to the last Friday of May or such other date determined by the Board;
2. change the period of sending out notices for regular meetings of stockholders to at least twenty-one (21) calendar days prior to the date of the regular meeting;
3. authorize participation of stockholders in the Stockholders' Meeting through remote communication or other alternative modes of communication;
4. authorize stockholders to exercise the right to vote through remote communication or in absentia;
5. establishment of various committees to promote corporate governance; and
6. inclusion of Compliance Officer;
7. inclusion of investment objectives;
8. alignment of definition of assets and liabilities.

The total number of affirmative votes on this motion is 515,686,232 shares or 100% of the shares present or represented by proxy and entitled to vote.

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Corporate Secretary

Attested:

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Chairman of the Meeting