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 Managed Income Fund, Inc. ("PMIF" or the "Fund")**

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

4. SEC Identification Number **CS2005-17003**

5. BIR Tax Identification Number **247-064-691-000**

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 and via Zoom

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	304,874,613

with Php0.01 par value per share

12. None of PMIF'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 MANAGED INCOME 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 p.m.**

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 2025 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. Other Matters
12. Adjournment

The Board of Directors has fixed **2:00pm** 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-PMIF) 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-PMIF.

(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, Philippines**

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 PMIF 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 PMIF that he intends to oppose any action to be taken by PMIF 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 304,874,613, all of which are common and voting. Every stockholder shall be entitled to one (1) vote for each share of stock held as of the established record date 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 PMIF 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 PMIF and he or she may vote the number of shares standing in his or her name in the books of PMIF 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 PMIF as of September 30, 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	PHILAM PROPERTIES[1] Corporation / 17F 5Th Ave Cor 26Th St., Net Lima Bldg, Philam Life Head Office Bonifacio Global City Taguig Philippines 1634 Philippines 1634	Philam Properties Corporation (Stockholder)	Filipino	125,969,245	41.32%
Common	PHILPLANS FIRST, INC.[2] 6/F Un Ave., Philamlife Bldg Ermita Manila Philippines 1226 Philippines 1045	Philplans First, Inc. (Stockholder)	Filipino	71,264,489	23.38%
Common	RIVERBANKS DEVELOPMENT CORPORATION[3] 84 A Bonifacio Marikina Philippines 1805	Riverbanks Development Corporation (Stockholder)	Filipino	20,253,380	6.64%
Common	BIMI Fao COL- PMI[4] Attn: Mark Jasson C. Iiao	BIMI Fao COl- PMI (Stockholder)	Filipino	19,792,356	6.49%

[1] Ms. April Kristine Ocampo, authorized representative, will represent and vote the shares of Philam Properties Corporation.
[2] Mr. Felix Chung, authorized representative, will represent and vote the shares of Philplans First, Inc.
[3] Mr. Meneleo J. Carlos Jr., authorized representative, will represent and vote the shares of Riverbanks Development Corporation.
[4] Ms. Christianne Valenzuela Bayanin, authorized representative, will represent and vote the shares of BIMI FAO COL-PMI.

ii Security Ownership of Management as of September 30, 2026

(1) Title of Class	(2) Name of Beneficial Owner	(3) Amount and Nature of Beneficial Ownership (4) Citizenship		(4) Citizenship	(6) Percentage of Class Held
Common	Roberto F. De Ocampo Eugenio Lopez Foundation Building, Col. Joseph R. Mcmicking Campus, 123 Paseo de Roxas, Makati City (Chairman)	1	(R)	Filipino	0.0001%
Common	Reynaldo G. Geronimo No. 5 Zinia Street, Valle Verde 2, Pasig City (President & Director)	1	(R)	Filipino	0.0001%
Common	Ramon Paulo L. Tayag Blk 6 Lot 16 Salvador Place Brazilia Heights Susana Heights Muntinlupa, City (Director)	1	(R)	Filipino	0.0000%
Common	Andrae V. Manalo M06 North Tower, Flair Towers, Reliance St., Mandaluyong City	1	(R)	Filipino	0.0000%
Common	Fernando Jose E. Sison III 3 Jocson St., Xavierville 1, Loyola Heights, QuezonCity (Independent Director)	1	(R)	Filipino	0.0001%
Common	Simon R. Paterno 58 McKinley Road, Forbes Park, Makati City (Independent Director)	1	(R)	Filipino	0.0001%
Common	Ma. Floriliz L. Pedernal 67 Chesnut St,. Fairview Park, QuezonCity (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 PMIF's shares. There are no arrangements which may result in a change of control in PMIF.

iv. Change of Control

There was no change in control in PMIF 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 PMIF:

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 (Incumbent Chairman of the Board)	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 (Incumbent Director and President)	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 a Director 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., PAMI Global Bond Fund, Inc., PAMI Asia Balanced Fund, Inc., PAMI Horizon Fund, Inc., and PAMI Equity Index Fund, Inc..
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.
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.
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 (Incumbent Independent Director)	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 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.
Simon R. Paterno (Incumbent Independent Director)	67	Filipino	Mr. Paterno was an Executive Vice President of the Bank of the Philippine Islands where he oversaw the Financial Products and Alternative Channels Group. Up until his retirement, he was responsible for managing the product business 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 oversaw subsidiaries and affiliates in insurance, leasing, and merchant acquiring. 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 Chase, 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 obtains 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.

(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	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	Fernando Jose E. Sison III	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 PMIF 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 Code of Corporate Governance for Public Companies and Registered Issuers (SEC Memorandum Circular No. 24, Series of 2019, as amended).

- 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

PMIF does not maintain any employees nor does it maintain any payroll. PMIF 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. PMIF does not maintain any employees nor does it maintain any payroll. PMIF 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 Php4,000. 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)				
Ramon Paulo L. Tayag (Former Director)				
Andrae V. Manalo (Former Director)				
Lee Longa (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	101,250	0	0
	2024	121,236	0	0
	2025	80,000	0	0
	2026	64,000 (estimated)		

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 PMIF. 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. PMIF does not expect any representative from Isla Lipana to be present during the Annual Stockholders' Meeting.

PMIF 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. ISSUANCE AND EXCHANGE OF SECURITIES

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

PMIF 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

PMIF 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) for the period ended December 31, 2025, and SEC Form 17-Q (Quarterly Report) for the period ended June 30, 2026 (attached as Annex C).

12. Mergers, Consolidations, Acquisitions and Similar Matters

PMIF 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.

13. Acquisition or Disposition of Property

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

14. Restatement of Accounts

PMIF 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 9 December 2025 ("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 9 December 2025 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) Approval of the 2024 Audited Financial Statements, (5) Report on the Fund's Operational Highlights, (6) Approval of All the Acts, Proceedings and Resolutions of the Boards of Directors and Management, (7) Election of Directors, (8) Appointment of External Auditor, (9) Confirmation of BPI Wealth as Fund Manager and its Prospective Appointment as Transfer Agent, (10) Amendment of the Funds' By-Laws, (11) Question and Answer Portion, and (12) 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. There are no actions to be taken with respect to any matter not required to be submitted to a vote of security holders.

17. Amendment of Charter, By-laws or Other Documents

No action is to be taken with respect to Item 17 during the Annual Stockholders' Meeting.

18. Other Proposed Action

The Fund will submit the following proposed action to the stockholders for approval, after having been approved by the Board:

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 its 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 PMIF 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 PMIF or a nominee for election as a director of PMIF nor any of their associates, has a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting.

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

(Remainder of page intentionally left blank)

PART II.

INFORMATION REQUIRED IN A PROXY FORM

1. Identification

The proxy solicitation is made by PHILAM MANAGED INCOME FUND, INC. (the "Company"), represented by Mr. Roberto F. De Ocampo, 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 p.m. 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 1, 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

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

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 MANAGED INCOME 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-PMIF)

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 Managed Income 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 9 December 2025

   □ 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 9 December 2025

   □ 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

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 Managed Income 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 Managed Income 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 9 December 2025

   □ 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 9 December 2025

   □ 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

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

PMIF is not listed in the Philippine Stock Exchange (PSE). 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 340 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.	Philam Properties Corporation	125,969,245	41.32%
2.	Philplans First,Inc.	71,264,489	23.38%
3.	Riverbanks Development Corporation	20,253,380	6.64%
4.	BIMI Fo Col- PMI	19,792,356	6.49%
5.	Nutrivet Chemical Industries , Inc.	7,049,816	2.31%
6.	Carlos, Carolina Paula	7,000,000	2.30%
7.	BIMI Fao FMSBC-PMI	5,727,524	1.88%
8.	Society Of Catholic Medical Missionaries, Inc.	5,536,514	1.82%
9.	Dumlao, Lourdes Carolina Ileto	4,911,635	1.61%
10.	Gervacio, Theodora Gaspar	4,856,612	1.59%
11.	Fojas, Ma. Chona Pelipada	4,465,756	1.46%
12.	Decoarts Marketing, Inc.	3,948,427	1.30%
13.	Carlos, Rosario Teresa Reyes	2,714,001	0.89%
14.	Paref Multi-Employer Retirement Plan	1,705,611	0.56%
15.	Pascual, Benjamin Molina	1,592,610	0.52%
16.	Garcia, Lucila	1,500,686	0.49%
17.	Go, Vanessa Marie Baring	930,075	0.31%
18.	Davao Association Of Catholic Schools, Inc.	866,618	0.28%
19.	Chuang, Kenneth Chan	857,979	0.28%
20.	Allado, Ma. Leticia G	821,528	0.27%

Dividends

PMIFI has not declared any cash dividends for the last three (3) years. The Board of PMIFI 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 Board may deem proper and in accordance with the pertinent laws.

Under the Investment Company Act, the Fund shall not 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 Fund's accumulated undistributed net income, determined in accordance with good accounting practices 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. The Fund shall also not 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 of 2nd Quarter of 2026:

QUARTER	DATE	NAVPS	
2nd	19-May-26	1.5109	**LOW**
	30-Jun-26	1.5356	**HIGH**

The Philippine economy grew by 2.8% YoY in 1Q2026, marking a further slowdown from the 3.0% expansion recorded in 4Q2025 and the weakest post-pandemic growth performance. Economic activity continued to be weighed down by the lingering effects of the government's corruption controversy, delays in public spending following the late approval of the 2026 national budget, and heightened global uncertainty stemming from the Middle East conflict. Household consumption increased by only 3.0% while gross capital formation contracted by 3.3%, reflecting subdued private sector confidence and weaker investment activity. The services sector remained the primary growth engine, while both agriculture and industry posted slight contractions. Growth remained significantly below the government's 5.0% to 6.0% target range for 2026.

Inflation accelerated sharply during the second quarter as higher global oil prices, elevated transport costs, and rising food prices fed through to consumer prices. Headline inflation reached 7.2% YoY in April 2026, its highest level in three years, before easing to 6.8% in May and 6.4% in June as fuel prices moderated. Despite the recent deceleration, inflation remained well above the BSP's 2% to 4% target range, with average inflation for the first half of 2026 settling at 4.8%. Core inflation continued to trend higher, indicating broader-based price pressures and emerging second-round effects across the economy.

Domestic fixed income markets experienced significant volatility during the second quarter. Rising inflation brought about by escalating geopolitical tensions in the Middle East and concerns over the Philippines' vulnerability as a net oil importer drove a sharp sell-off in government bonds. According to the Asian Development Bank, Philippine local currency government bond yields rose by an average of 120 basis points between February and May, among the largest increases in emerging East Asia. In response to elevated inflationary pressures, the Bangko Sentral ng Pilipinas (BSP) raised its policy rate by 25 basis points in April and another 25 basis points in June, bringing the target reverse repurchase rate to 4.75%. The BSP has signaled its readiness to tighten further should inflation risks persist. Consequently, the local bond yields shifted materially higher across the curve.

Overall, the fund looks to maximize its accrual yield while taking advantage of the ongoing market volatility for potential attractive entry points.

Financial assets at fair value through profit or loss remained relatively unchanged at Php386 million as of June 30, 2026. Total assets increased by 4.7% to Php516 million, while total liabilities rose to Php44 million due to pending transaction settlements at period-end.

Total equity decreased from Php483 million as of December 31, 2025 to Php472 million as of June 30, 2026, primarily reflecting net redemptions during the period.

The Fund reported total income of Php8.1 million for the six months ended June 30, 2026, representing a 58.0% decline from the same period last year mainly due to challenging market conditions. Total expenses amounted to Php1.2 million, resulting in net income of Php4.4 million, a 70% decrease year-on-year.

Top Five Key Performance Indicators

a. **Performance vis-à-vis the Benchmark** – Philam Managed Income Fund is an actively managed intermediate term bond fund whose objective is to achieve capital preservation with the returns and inflows derived from investments in fixed income and money market instruments. The Fund’s return on investment (ROI) for YTD 2Q2026 was at 0.95% net of fees and taxes, underperforming its benchmark by 80 basis points.

b. **Market Share in the Industry** – The Fund is expected to continue its minor presence in the mutual fund industry. The Peso Bond Mutual Fund industry has three major players in terms of Net Asset Value: ALFM

Peso Bond Fund, Sun Life Prosperity Bond Fund and Soldivo Bond Fund. As of end–June 2026, Philam Managed Income Fund had a 1.0% market share, placing seventh in the peso bond fund segment.

c. **NAV Growth vis-à-vis Industry Growth** – The Fund's average daily NAV for the second quarter of 2026 was at PHP 470.32 million. The peso bond fund industry increased by 5.7% in terms of total net asset value or by PHP 2.6 billion quarter-on-quarter. Philam Managed Income Fund's NAV remained flat at PHP 472 million.

d. **Portfolio Quality** – The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund continued to remain well diversified in 2Q 2026 with 81.67% in government securities, and 18.33% in cash and cash equivalents.

e. **Performance vis-a-vis Competition** - The Fund's performance is also compared against the performance of other players in the market. In the second quarter of 2026, Philam Managed Income Fund ranked second out of ten mutual bond fund companies in terms of return.

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:
The ongoing geopolitical tensions in the Middle East may increase market volatility and adversely affect the Fund's net income.

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 DECEMBER 31, 2025

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

QUARTER	DATE	NAVPS	
1st	2-Jan-25	1.4506	**LOW**
	31-Mar-25	1.4710	**HIGH**
2nd	1-Apr-25	1.4710	**LOW**
	30-Jun-25	1.4866	**HIGH**
3rd	1-Jul-25	1.4867	**LOW**
	24-Sep-25	1.5047	**HIGH**
4th	1-Oct-25	1.5045	**LOW**
	10-Dec-25	1.5225	**HIGH**

Domestic fixed income investments delivered strong results in 2025, with the Local Currency Bond Index gaining 5.86%. Returns were supported by attractive interest income from higher bond yields, alongside gains from rising bond prices. Bond yields declined during the year, particularly for bonds with maturities of less than 10 years, which helped lift market performance. This was largely driven by interest rate cuts from the Bangko Sentral ng Pilipinas (BSP), which lowered the policy rate from 5.75% to 4.50%.

The BSP's move was supported by easing inflation and slower economic activity. Philippine inflation slowed from 3.2% in 2024 to 1.7% in 2025, falling below the BSP's target range of 2–4%. Lower rice prices, which accounts for about 9% of household spending, played a significant role in keeping inflation subdued. At the same time, economic growth softened, with the Philippine economy expanding by 4.4% in 2025, compared with 5.7% the previous year. Growth weakened in the second half of the year as public construction activity declined due to corruption-related issues, which also dampened consumer and business confidence.

Looking ahead to 2026, we remain positive on domestic fixed income investments. While gains from rising bond prices may be more limited, bond yields remain above historical averages and are expected to continue providing steady income. This can help cushion portfolios against short-term market volatility. Although economic conditions may remain soft, potentially allowing for further interest rate cuts, investors should remain mindful of risks such as a possible pickup in inflation, peso volatility, and ongoing geopolitical uncertainties.

For 2025, expect the PhilAm Managed Income Fund to stay true to its investment objective. The Fund will take advantage of the high interest rate environment by locking in yields at current levels. The fund manager is looking to maintain its overweight duration as interest rates are still expected to decline in the medium term. Shareholders will get the full reward of investing for the long term and should be prepared to withstand some volatility.

Financial assets at fair value through profit or loss decreased from Php549 million in 2024 to Php388 million in 2025, reflecting the sale of investments to meet redemption requirements. Total assets likewise decreased from Php626 million to Php493 million during the same period. Total liabilities remained relatively unchanged at Php10 million.

Deposits for future subscriptions declined from Php440 million to Php286 million, while total equity decreased from Php616 million to Php483 million, largely due to redemptions during the year.

The Fund reported total income of Php34 million in 2025, 9.3% lower year-on-year. Total expenses amounted to Php2.7 million, resulting in net income of Php26 million, a 10.7% decrease from 2024.

Top Five Key Performance Indicators

a) **Performance vis-à-vis the Benchmark –** The Fund had a full year return of 4.36% for 2025 net of fees and taxes, underperforming its benchmark by 139 basis points.

b) **Market Share in the Industry –** The Fund has maintained its presence in the industry. The Peso Bond Mutual Fund industry has three major players in terms of Net Asset Value: ALFM Peso Bond Fund, Sun Life Prosperity Bond Fund, Soldivo Bond Fund, Inc.. As of end December 2025, Philam Managed Income Fund ranked seventh in terms of market share with 1.02% share of the peso denominated bond fund category.

c) **NAV Growth vis-à-vis Industry Growth –** The Fund's average daily NAV for 2025 was at PHP 549 Million. The peso bond fund industry declined by -1.96% in terms of total net asset value while Philam Managed Income Fund's NAV declined by 21.50% for the year 2025.

d) **Portfolio Quality –** The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund continued to remain well diversified in the fourth quarter of 2025 with 65.75% of the Fund's portfolio invested in government securities, 6.59% in corporate securities and 25.66% in cash and cash equivalents.

e) **Performance vis-a-vis Competition -** The Fund's performance is also compared against the performance of other players in the market. As of end-December 2025, the Fund ranked first among ten mutual bond fund competitors in terms of one-year absolute returns.

AS OF DECEMBER 31, 2024

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

QUARTER	DATE	NAVPS	
1st	2-Jan-24	1.3737	**LOW**
	27-Mar-24	1.4001	**HIGH**
2nd	17-Apr-24	1.3942	**LOW**
	28-Jun-24	1.4142	**HIGH**
3rd	2-Jul-24	1.4149	**LOW**
	30-Sep-24	1.4479	**HIGH**
4th	7-Oct-24	1.4457	**LOW**
	18-Dec-24	1.4529	**HIGH**

Domestic fixed income investments ended 2024 on a positive note, with the Local Currency Bond Index returning 4.32%. This performance was driven by high accrual returns amid elevated bond yields. For the most part of the year, returns were boosted by declining inflation and policy rates. The Bangko Sentral ng Pilipinas (BSP) initiated policy easing in 2024, reducing the policy rate by a total of 75 basis points to 5.75%. The central bank's decision was backed by more anchored inflation expectations compared to 2023. On average, Philippine inflation decelerated to 3.2%, a significant improvement from 6.0% in 2023. Additionally, the BSP's announcement of a 250-basis point cut on the reserve requirement ratio (RRR) for universal and commercial banks provided further bolstered the asset class performance. Towards the end of the year, gains in fixed income investments were tempered as local inflation began to re-accelerate.

Additionally, signals from both the BSP and the US Federal Reserve indicated a more gradual approach to policy easing in 2025. Escalating geopolitical risks and concerns over the potential inflationary impact of US President Trump's proposed policies also led investors to temper their rate cut expectations.

In 2025, we maintain an optimistic outlook on fixed income investments, particularly due to attractive bond yields compared to historical averages. These yields are expected to continue providing ample accrual returns to investors, serving as buffers against potential marked-to-market volatility amid short-term risks. Uncertainties stemming from geopolitical tensions and global trade policies could hinder progress in inflation control and policy easing, which are supportive to fixed income investment returns.

For 2025, expect the PhilAm Managed Income Fund to stay true to its investment objective. The Fund will take advantage of the high interest rate environment by locking in yields at current levels. The fund manager is looking to maintain its overweight duration as interest rates are still expected to decline in the medium term. Shareholders will get the full reward of investing for the long term and should be prepared to withstand some volatility.

TOP FIVE KEY PERFORMANCE INDICATORS

1. **Performance vis-à-vis the Benchmark** – The Fund had a full year return of 5.64% for 2024 net of fees and taxes, outperforming its benchmark by 17 basis points.

2. **Market Share in the Industry** – The Fund has maintained its presence in the industry. The Peso Bond Mutual Fund industry has three major players in terms of Net Asset Value: ALFM Peso Bond Fund, PhilAm Bond Fund and Sun Life Prosperity Bond Fund. As of end December 2024, Philam Managed Income Fund ranked eighth in terms of market share with 1.20% share of the peso denominated bond fund category.

3. **NAV Growth vis-à-vis Industry Growth** – The Fund's average daily NAV for 2024 was at PHP 420 Million. The peso bond fund industry declined by -2.62% in terms of total net asset value while Philam Managed Income Fund's NAV declined by 6.377% for the year 2024.

4. **Portfolio Quality** – The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund continued to remain well diversified in the fourth quarter of 2024 with 72.76% of the Fund's portfolio invested in government securities, 16.40% in corporate securities and 10.84% in cash and cash equivalents.

5. **Performance vis-a-vis Competition** - The Fund's performance is also compared against the performance of other players in the market. As of end-December 2024, the Fund ranked first among seven mutual bond fund competitors in terms of one-year absolute returns.

AS OF 31 DECEMBER 2023

Net Asset Value Per Share for Quarter of 2023:

QUARTER	DATE	NAVPS	
1st	4-Jan-23	1.3209	**LOW**
	31-Mar-23	1.3356	**HIGH**
2nd	2-Apr-23	1.3356	**LOW**
	14-Jun-23	1.3473	**HIGH**
3rd	7-Aug-23	1.3432	**LOW**
	27-Sep-23	1.3555	**HIGH**
4th	30-Oct-23	1.3548	**LOW**
	28-Dec-23	1.3741	**HIGH**

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

In 2023, domestic fixed income returned positively with the local currency bond index gaining 8.24%. This was boosted by falling bond yields after local inflation eased from the 8.7% peak in January. While we saw a rebound in the third quarter, inflation decelerated to 3.9% in December amid cooling prices of food and utilities. This settled within the Bangko Sentral ng Pilipinas' (BSP) target range of 2-4% for the first time since March 2022. Following a 100-bp hike made over the course of the year, the continued decline in inflation allowed the BSP to keep the policy rate steady at 6.5% during the December monetary policy meeting.

Moving forward, inflation is expected to continue trending lower with the BSP forecasting inflation to average 3.7% in 2024 from 6.0% in 2023. Moreover, the US Federal Reserve signaled that it could start easing monetary policy in 2024. These tailwinds may enable the BSP to gradually cut rates in the second half. However, we remain watchful of upside risks to inflation such as the impact of El Niño phenomenon on agricultural product prices including rice, global oil price volatility, transport fare hikes, power rate upward adjustments, and above-average wage increases. In line with this, BSP Governor Remolona signaled that the BSP will likely keep the policy rate tight until inflation firmly falls within target.

Given the favorable inflation outlook and attractive bond yields compared to historical averages, we still see opportunity to invest in fixed income. We believe investors are well positioned to augment their portfolio by adding duration to their fixed income holdings. This provides an opportunity to lock in the elevated yields and capitalize on the potential marked-to-market gains once the central bank cut rates. Despite the potential short-term risks to the inflation outlook, we see inflation moderating over the medium term as global economic growth slows and as the delayed impact of tight monetary policy takes effect.

For 2024, expect the PhilAm Managed Income Fund to stay true to its investment objective. The Fund will take advantage of the high interest rate environment by locking in yields at current levels. The fund manager is looking to gradually add duration with the outlook of eventual normalization of yields lower when inflation moves back to target and the BSP starts cutting policy rates. Shareholders will get the full reward of investing for the long term and should be prepared to withstand some volatility.

Top Five Key Performance Indicators

1. **Performance vis-à-vis the Benchmark** – The Fund had a full year return of 4.05% for 2023 net of fees and taxes, underperforming its benchmark by 142 basis points.

2. **Market Share in the Industry** – The Fund has maintained its presence in the industry. The Peso Bond Mutual Fund industry has three major players in terms of Net Asset Value: ALFM Peso Bond Fund, PhilAm Bond Fund and Sun Life Prosperity Bond Fund. As of end December 2023, Philam Managed Income Fund ranked seventh in terms of market share with 1.60% share of the peso denominated bond fund category.

3. **NAV Growth vis-à-vis Industry Growth** – The Fund's average daily NAV for 2023 was at PHP 716.84 Million. The peso bond fund industry declined by -16.10% in terms of total net asset value while Philam Managed Income Fund's NAV declined by -21.58% for the year 2023.

4. **Portfolio Quality** – The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund continued to remain well diversified in the fourth quarter of

2023 with 52.6% of the Fund's portfolio invested in government securities, 37.0% in corporate securities and 10.5% in cash and cash equivalents.

5. **Performance vis-a-vis Competition** - The Fund's performance is also compared against the performance of other players in the market. As of end-December 2023, the Fund ranked fifth among ten mutual bond fund competitors in terms of one-year absolute returns.

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 201,182.80
2024	Php238,324.24

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 PMIF 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 PMIF 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 PMIF 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 PMIF's external auditor for the next calendar year.
    - PMIF may not engage the external auditor for any services unless they are approved by the Audit Committee in advance of the engagement.
    - If PMIF wishes to engage the external auditor for any services, PMIF 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.
    - PMIF 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 Audit 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 — **CS200517003**

3. BIR Tax Identification No. — **247-064-691**

4. Exact name of registrant as specified in its charter — **Philam Managed Income 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	**317,634,017**

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 Managed Income Fund, Inc. (PMIF) is a stock corporation incorporated on October 20, 2005. The Fund's sole product is shares (securities).

PMIF is an open-ended mutual fund whose shares will be offered to the public at net asset value. PMIF considers a short to medium-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.

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 Bond Fund 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.

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

Employees

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

---

[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

Risk Management

The Fund, however, is exposed to financial risk through its financial assets and financial liabilities. The NAV of the Fund will fluctuate with changes in the market value of the Fund's investments. Investment companies, unlike bank deposit are not covered by the Philippine Deposit Insurance Corporation (PDIC). 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 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.

The Fund Manager will manage the risks through active fund management and portfolio diversification. Diversification will be done across asset classes and maturity profiles. The investment manager's sensitivity to risks is demonstrated by its exhaustive due diligence and systematic portfolio controls.

ITEM NO. 2 PROPERTIES

PMIF 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 are no pending litigation or arbitration proceedings where PMIF is a party and no litigation or claim of material importance is known to the Directors of PMIF 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

- Approval of the Minutes of the Annual Stockholders' Meeting held on 29 November 2024
- Approval of the 2024 Audited Financial Statements
- Approval and Confirmation of all the acts of the Board of Directors and Management since the last Annual Stockholders' Meeting
- Election of Directors
- Appointment of External Auditor for 2025
- Confirmation of BPI Wealth as Distributor and Transfer Agent

PART II - OPERATIONAL AND FINANCIAL INFORMATION

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

Market Information

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

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

QUARTER	DATE	NAVPS	
1st	2-Jan-25	1.4506	LOW
	31-Mar-25	1.4710	HIGH
2nd	1-Apr-25	1.4710	LOW
	30-Jun-25	1.4866	HIGH
3rd	1-Jul-25	1.4867	LOW
	24-Sep-25	1.5047	HIGH
4th	1-Oct-25	1.5045	LOW
	10-Dec-25	1.5225	HIGH

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

QUARTER	DATE	NAVPS	
1st	2-Jan-24	1.3737	LOW
	27-Mar-24	1.4001	HIGH
2nd	17-Apr-24	1.3942	LOW
	28-Jun-24	1.4142	HIGH
3rd	2-Jul-24	1.4149	LOW
	30-Sep-24	1.4479	HIGH
4th	7-Oct-24	1.4457	LOW
	18-Dec-24	1.4529	HIGH

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

QUARTER	DATE	NAVPS	
1st	4-Jan-23	1.3209	LOW

	31-Mar-23	1.3356	**HIGH**
2nd	2-Apr-23	1.3356	**LOW**
	14-Jun-23	1.3473	**HIGH**
3rd	7-Aug-23	1.3432	**LOW**
	27-Sep-23	1.3555	**HIGH**
4th	30-Oct-23	1.3548	**LOW**
	28-Dec-23	1.3741	**HIGH**

Dividends

PMIF has not declared any cash dividends for the last three (3) years. The Board of PMIF 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 Board may deem proper and in accordance with the pertinent laws.

Under the Investment Company Act, the Fund shall not 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 Fund's accumulated undistributed net income, determined in accordance with good accounting practices 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 Securities and Exchange Commission ("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. The Fund shall also not 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 367 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	Philam Properties Corporation	125,969,245	39.66%
2	Philplans First,Inc.	71,264,489	22.44%
3	BIMI Fo Col- PMI	21,553,838	6.79%
4	Riverbanks Development Corporation	20,253,380	6.38%
5	Nutrivet Chemical Industries , Inc.	7,049,816	2.22%
6	BIMI Fao FMSBC- PMI	7,008,848	2.21%
7	Carlos, Carolina Paula	7,000,000	2.20%
8	Gervacio, Theodora Gaspar	6,059,128	1.91%
9	Society of Catholic Medical Missionaries, Inc.	5,536,514	1.74%
10	Acedera, Maria Christia	5,283,437	1.66%
11	Dumlao, Lourdes Carolina Ileto	4,911,635	1.55%
12	Fojas, Ma. Chona Pelipada	4,465,756	1.41%
13	Decoarts Marketing, Inc.	3,948,427	1.24%
14	Carlos, Rosario Teresa Reyes	2,714,001	0.85%
15	PAREF Multi-Employer Retirement Plan	1,705,611	0.54%
16	Pascual, Benjamin Molina and Pascual, Ben Martin Aquino	1,592,610	0.50%
17	Garcia, Lucila and Garcia, Ma. Carissa and Garcia, Chrysalin Ann	1,500,686	0.47%
18	Te, Oscar and Te, Anita	1,043,859	0.33%
19	Go, Vanessa Marie Baring and Go, Samson, Iii Baring	930,075	0.29%

20	Davao Association of Catholic Schools, Inc.	866,618	0.27%

As of December 31, 2024, there were a total of 421 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	Philam Properties Corporation	125,969,245	29.69%
2	Kapatiran Realty Corporation	79,020,150	18.63%
3	Philplans First, Inc.	71,264,489	16.80%
4	Riverbanks Development Corporation	20,253,380	4.77%
5	Nutrivet Chemical Industries, Inc.	7,049,816	1.66%
6	Carlos, Carolina Paula	7,000,000	1.65%
7	Gervacio, Theodora Gaspar	6,059,128	1.43%
8	Society Of Catholic Medical Missionaries, Inc.	5,536,514	1.31%
9	Acedera, Maria Christia	5,283,437	1.25%
10	Dumlao, Lourdes Carolina Ileto	4,911,635	1.16%
11	Fojas, Ma. Chona Pelipada	4,465,756	1.05%
12	Decoarts Marketing, Inc.	3,948,427	0.93%
13	Carlos, Rosario Teresa Reyes	2,714,001	0.64%
14	Alcordo, Angelita Velez	2,676,627	0.63%
15	Matias, Gina Abalona	2,199,466	0.52%
16	Espiritu, Emma B	1,716,518	0.40%
17	PAREF Multi-Employer Retirement Plan	1,705,611	0.40%
18	Pascual, Benjamin Molina	1,592,610	0.38%
19	Garcia, Lucila	1,500,686	0.35%
20	Te, Oscar	1,043,859	0.25%

As of December 31, 2023, there were a total of 459 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	Philam Properties Corporation	125,969,245	29.90%
2	Kapatiran Realty Corporation	79,020,150	18.75%
3	Philplans First, Inc.	71,264,489	16.91%
4	Riverbanks Development Corporation	20,253,380	4.81%
5	LBP-Provident Fund	7,428,819	1.76%
6	Carlos, Carolina Paula	7,000,000	1.66%
7	Gervacio, Theodora Gaspar	6,059,128	1.44%
8	Matias, Gina Abalona	5,615,366	1.33%
9	Society Of Catholic Medical Missionaries, Inc.	5,536,514	1.31%
10	Nutrivet Chemical Industries, Inc.	4,916,606	1.17%
11	Dumlao, Lourdes Carolina Ileto	4,911,635	1.17%
12	Fojas, Ma. Chona Pelipada	4,465,756	1.06%
13	Decoarts Marketing, Inc.	3,948,427	0.94%
14	Carlos, Rosario Teresa Reyes	2,714,001	0.64%
15	Alcordo, Angelita Velez	2,676,627	0.64%
16	Integrated Bar Of The Philippines	2,162,491	0.51%
17	Lim, Mary Haw	2,000,000	0.47%
18	Cajucom, Maria Cynthia	1,734,797	0.41%
19	Espiritu, Emma B	1,716,518	0.41%

20	PAREF Multi-Employer Retirement Plan	1,705,611	0.40%

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 Managed Income Fund	Retail	Institutional
Number of investors	350	17
Percentage of investments	16.11%	83.89%

Geographic concentration of investments

The geographic concentration of investments as of 31 December 2025 is as follows: Luzon (76.57%), Visayas (15.80%), and Mindanao (7.63%).

Level of compliance with FATCA regulations

FATCA Review as of 31 December 2025

PMIF	No. of Transaction	More than USD50 Thousand	Less than USD50 Thousand
US CITIZEN	0	0	0
US INDICIA	0	0	0

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
4.86	5.25	4.85	3.67	2.86

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 proceeds from the sale of PMIF shares will be used to build up its investment in mostly domestic fixed income instruments, including but not limited to, Philippine treasury bills and bonds, Bangko Sentral ng Pilipinas' (BSP) Certificate of Indebtedness, other evidences of obligations issued by the BSP. Majority of PMIF's portfolio will be invested in fixed income securities and other money market instruments.

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

Domestic fixed income investments delivered strong results in 2025, with the Local Currency Bond Index gaining 5.86%. Returns were supported by attractive interest income from higher bond yields, alongside gains from rising bond prices. Bond yields declined during the year, particularly for bonds with maturities of less than 10 years, which helped lift market performance. This was largely driven by interest rate cuts from the Bangko Sentral ng Pilipinas (BSP), which lowered the policy rate from 5.75% to 4.50%.

The BSP's move was supported by easing inflation and slower economic activity. Philippine inflation slowed from 3.2% in 2024 to 1.7% in 2025, falling below the BSP's target range of 2-4%. Lower rice prices, which accounts for about 9% of household spending, played a significant role in keeping inflation subdued. At the same time, economic growth softened, with the Philippine economy expanding by 4.4% in 2025, compared with 5.7% the previous year. Growth weakened in the second half of the year as public construction activity declined due to corruption-related issues, which also dampened consumer and business confidence.

Looking ahead to 2026, we remain positive on domestic fixed income investments. While gains from rising bond prices may be more limited, bond yields remain above historical averages and are expected to continue providing steady income. This can help cushion portfolios against short-term market volatility. Although economic conditions may remain soft, potentially allowing for further interest rate cuts, investors should remain mindful of risks such as a possible pickup in inflation, peso volatility, and ongoing geopolitical uncertainties.

For 2025, expect the PhilAm Managed Income Fund to stay true to its investment objective. The Fund will take advantage of the high interest rate environment by locking in yields at current levels. The fund manager is looking to maintain its overweight duration as interest rates are still expected to decline in the medium term. Shareholders will get the full reward of investing for the long term and should be prepared to withstand some volatility.

Top Five Key Performance Indicators

a) ***Performance vis-à-vis the Benchmark*** – The Fund had a full year return of 4.36% for 2025 net of fees and taxes, underperforming its benchmark by 139 basis points.

b) ***Market Share in the Industry*** – The Fund has maintained its presence in the industry. The Peso Bond Mutual Fund industry has three major players in terms of Net Asset Value: ALFM Peso Bond Fund, Sun Life Prosperity Bond Fund, Soldivo Bond Fund, Inc.. As of end December 2025, Philam Managed Income Fund ranked seventh in terms of market share with 1.02% share of the peso denominated bond fund category.

c) ***NAV Growth vis-à-vis Industry Growth*** – The Fund's average daily NAV for 2025 was at PHP 549 Million. The peso bond fund industry declined by -1.96% in terms of total net asset value while Philam Managed Income Fund's NAV declined by 21.50% for the year 2025.

d) *Portfolio Quality* - The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund continued to remain well diversified in the fourth quarter of 2025 with 65.75% of the Fund's portfolio invested in government securities, 6.59% in corporate securities and 25.66% in cash and cash equivalents.

e) *Performance vis-a-vis Competition* - The Fund's performance is also compared against the performance of other players in the market. As of end-December 2025, the Fund ranked first among ten mutual bond fund competitors in terms of one-year absolute returns.

AS OF DECEMBER 31, 2024

Domestic fixed income investments ended 2024 on a positive note, with the Local Currency Bond Index returning 4.32%. This performance was driven by high accrual returns amid elevated bond yields. For the most part of the year, returns were boosted by declining inflation and policy rates. The Bangko Sentral ng Pilipinas (BSP) initiated policy easing in 2024, reducing the policy rate by a total of 75 basis points to 5.75%. The central bank's decision was backed by more anchored inflation expectations compared to 2023. On average, Philippine inflation decelerated to 3.2%, a significant improvement from 6.0% in 2023. Additionally, the BSP's announcement of a 250-basis point cut on the reserve requirement ratio (RRR) for universal and commercial banks provided further bolstered the asset class performance. Towards the end of the year, gains in fixed income investments were tempered as local inflation began to re-accelerate.

Additionally, signals from both the BSP and the US Federal Reserve indicated a more gradual approach to policy easing in 2025. Escalating geopolitical risks and concerns over the potential inflationary impact of US President Trump's proposed policies also led investors to temper their rate cut expectations.

In 2025, we maintain an optimistic outlook on fixed income investments, particularly due to attractive bond yields compared to historical averages. These yields are expected to continue providing ample accrual returns to investors, serving as buffers against potential marked-to-market volatility amid short-term risks. Uncertainties stemming from geopolitical tensions and global trade policies could hinder progress in inflation control and policy easing, which are supportive to fixed income investment returns.

For 2025, expect the PhilAm Managed Income Fund to stay true to its investment objective. The Fund will take advantage of the high interest rate environment by locking in yields at current levels. The fund manager is looking to maintain its overweight duration as interest rates are still expected to decline in the medium term. Shareholders will get the full reward of investing for the long term and should be prepared to withstand some volatility.

Top Five Key Performance Indicators

a) *Performance vis-à-vis the Benchmark* - The Fund had a full year return of 5.64% for 2024 net of fees and taxes, outperforming its benchmark by 17 basis points.

b) *Market Share in the Industry* - The Fund has maintained its presence in the industry. The Peso Bond Mutual Fund industry has three major players in terms of Net Asset Value: ALFM Peso Bond Fund, PhilAm Bond Fund and Sun Life Prosperity Bond Fund. As of end December 2024, Philam Managed Income Fund ranked eighth in terms of market share with 1.20% share of the peso denominated bond fund category.

c) *NAV Growth vis-à-vis Industry Growth* - The Fund's average daily NAV for 2024 was at PHP 420 Million. The peso bond fund industry declined by -2.62% in terms of total net asset value while Philam Managed Income Fund's NAV declined by 6.377% for the year 2024.

d) *Portfolio Quality* - The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund continued to remain well

diversified in the fourth quarter of 2024 with 72.76% of the Fund's portfolio invested in government securities, 16.40% in corporate securities and 10.84% in cash and cash equivalents.

e) ***Performance vis-a-vis Competition*** - The Fund's performance is also compared against the performance of other players in the market. As of end-December 2024, the Fund ranked first among seven mutual bond fund competitors in terms of one-year absolute returns.

AS OF DECEMBER 31, 2023

In 2023, domestic fixed income returned positively with the local currency bond index gaining 8.24%. This was boosted by falling bond yields after local inflation eased from the 8.7% peak in January. While we saw a rebound in the third quarter, inflation decelerated to 3.9% in December amid cooling prices of food and utilities. This settled within the Bangko Sentral ng Pilipinas' (BSP) target range of 2-4% for the first time since March 2022. Following a 100-bp hike made over the course of the year, the continued decline in inflation allowed the BSP to keep the policy rate steady at 6.5% during the December monetary policy meeting.

Moving forward, inflation is expected to continue trending lower with the BSP forecasting inflation to average 3.7% in 2024 from 6.0% in 2023. Moreover, the US Federal Reserve signaled that it could start easing monetary policy in 2024. These tailwinds may enable the BSP to gradually cut rates in the second half. However, we remain watchful of upside risks to inflation such as the impact of El Niño phenomenon on agricultural product prices including rice, global oil price volatility, transport fare hikes, power rate upward adjustments, and above-average wage increases. In line with this, BSP Governor Remolona signaled that the BSP will likely keep the policy rate tight until inflation firmly falls within target.

Given the favorable inflation outlook and attractive bond yields compared to historical averages, we still see opportunity to invest in fixed income. We believe investors are well positioned to augment their portfolio by adding duration to their fixed income holdings. This provides an opportunity to lock in the elevated yields and capitalize on the potential marked-to-market gains once the central bank cut rates. Despite the potential short-term risks to the inflation outlook, we see inflation moderating over the medium term as global economic growth slows and as the delayed impact of tight monetary policy takes effect.

For 2024, expect the PhilAm Managed Income Fund to stay true to its investment objective. The Fund will take advantage of the high interest rate environment by locking in yields at current levels. The fund manager is looking to gradually add duration with the outlook of eventual normalization of yields lower when inflation moves back to target and the BSP starts cutting policy rates. Shareholders will get the full reward of investing for the long term and should be prepared to withstand some volatility.

Top Five Key Performance Indicators

a) ***Performance vis-à-vis the Benchmark*** – The Fund had a full year return of 4.05% for 2023 net of fees and taxes, underperforming its benchmark by 142 basis points.

b) ***Market Share in the Industry*** – The Fund has maintained its presence in the industry. The Peso Bond Mutual Fund industry has three major players in terms of Net Asset Value: ALFM Peso Bond Fund, PhilAm Bond Fund and Sun Life Prosperity Bond Fund. As of end December 2023, Philam Managed Income Fund ranked seventh in terms of market share with 1.60% share of the peso denominated bond fund category.

c) ***NAV Growth vis-à-vis Industry Growth*** – The Fund's average daily NAV for 2023 was at PHP 716.84 Million. The peso bond fund industry declined by -16.10% in terms of total net asset value while Philam Managed Income Fund's NAV declined by -21.58% for the year 2023.

d) ***Portfolio Quality*** – The Fund's portfolio should, at all times, adhere to the investment

parameters as indicated in the Fund's prospectus. The Fund continued to remain well diversified in the fourth quarter of 2023 with 52.6% of the Fund's portfolio invested in government securities, 37.0% in corporate securities and 10.5% in cash and cash equivalents.

e) ***Performance vis-a-vis Competition*** - The Fund's performance is also compared against the performance of other players in the market. As of end-December 2023, the Fund ranked fifth among ten mutual bond fund competitors in terms of one-year absolute returns.

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 Board of Directors and Executive Officers of PMIF 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
Andrae V. Manalo	60	Filipino	Director	2025-2026	< than 1
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
Ma. Adelina S. Gatdula	63	Filipino	Corporate Secretary	2025-2026	9
Hany Mae V. Dureza	36	Filipino	Compliance Officer / Date 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 a Director 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., PAMI Global Bond Fund, Inc., PAMI Asia Balanced Fund, Inc., PAMI Horizon Fund, Inc., and PAMI Equity Index Fund, Inc.

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.

ANDRAE V. MANALO
Director

Mr. Manalo is the current President of BPI Investments, Inc. (BII) and concurrently the Head of Solutions Delivery Team 3 of BPI Wealth's Wealth Technology Unit. Prior to his appointment as President of BII, he served as the Head of Operations for BPI Wealth and has over thirty years' experience in the banking and trust industry. Andrae holds a Master's in Business Administration from the De La Salle University - Manila and graduated with a degree in BS Commerce Major in Accounting from the University of Sto. Tomas. He is also a Certified Public Accountant (CPA)

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 Multi-Asset Income Fund, Inc. and an Independent Director of ALFM Retail Corporate Fixed Income Fund, Inc. and 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.

SIMON R. PATERNO
Independent Director

Mr. Paterno was an Executive Vice President of the Bank of the Philippine Islands where he oversaw the Financial Products and Alternative Channels Group. Up until his retirement, he was responsible for managing the product business 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 oversaw subsidiaries and affiliates in insurance, leasing, and merchant acquiring. 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 Chase, 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 obtains 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.

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. Jose L. Cuisia, Jr.
2) Mr. Rex Ma. A. Mendoza
3) Mr. Reynaldo C. Centeno
4) Mr. Jesus G. Hofileña
5) Mr. Francisco M. Ortigas III
6) Mr. Victor A. Lim

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 either by consanguinity or affinity.

Involvement in Certain Legal Proceedings

To the best of the Fund's knowledge, there has been no occurrence during the past six (6) 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

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

Year	Total
2025	Php 80,000

2024	Php 28,000
2023	Php 101,250

Directors' Compensation

The Fund does not have any executive 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 Php 4,000.00.

Estimated per Diem of PMIF directors, excluding bonus, for year 2026 is Php 64,000.00

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	Andrae V. Manalo M06 North Tower Flair Towers Reliance St., Mandaluyong 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, 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	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 7/F, 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 fees were 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 201,182.80
2024	Php 219,339.81

2023	Php 216,233.15
2022	Php 101,334.80
2021	Php 84,445.00
2020	Php 184,282.00

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 PMIF 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 PMIF 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 PMIF's external auditor for the next calendar year.
    b. PMIF may not engage the external auditor for any services unless they are approved by the Audit Committee in advance of the engagement.
    c. If PMIF wishes to engage the external auditor for any services, PMIF 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. PMIF 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

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 IV - CORPORATE GOVERNANCE

ITEM NO. 13 CORPORATE GOVERNANCE

The company regularly assesses the compliance of the Board of Directors and top management with its Manual on Corporate Governance through an annual self-assessment process. To foster a robust corporate governance culture and align with recent developments in governance practices, the Fund submits an Annual Corporate Governance Report to the SEC. As of the reporting date, we have not noted any material deviations from the provisions of the company's Manual on Corporate Governance.

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
Approval of the 2025 Annual Stockholder's Meeting and the Organizational Meeting	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 MANAGED INCOME 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

Doc. No. 217
Page No. 45
Book No. 1
Series of 20 26

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

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Philam Managed Income 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 2024 and 2025, 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.

APR 2 3 2026

Doc No. 210
Page No. 43
Book No. I
Series of 20 26

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
8199 Sgt. F. Yabut 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 Managed Income 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. CS2005-17003 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 ____day of APR 2 3 2026 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. 187 :
Page No. 39 :
Book No. 1 :
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. Pabut street,
Guadalupe Nuevo, Makati City
MCLE Compliance No. VIII - 0042491

Outlook

Your BIR AFS eSubmission uploads were received

From eafs@bir.gov.ph <eafs@bir.gov.ph>
Date Thu 4/23/2026 5:59 PM
To AMTC-PHILAM MANAGED INCOME FUND INC <amtc-philammanagedincome@bpi.com.ph>
Cc AMTC-PHILAM MANAGED INCOME FUND INC 01 <amtc-philammanagedincome01@bpi.com.ph>

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi PHILAM MANAGED INCOME FUND INC,

Valid files

- EAFS247064691RPTTY122025.pdf
- EAFS247064691ITRTY122025.pdf
- EAFS247064691AFSTY122025.pdf

Invalid file

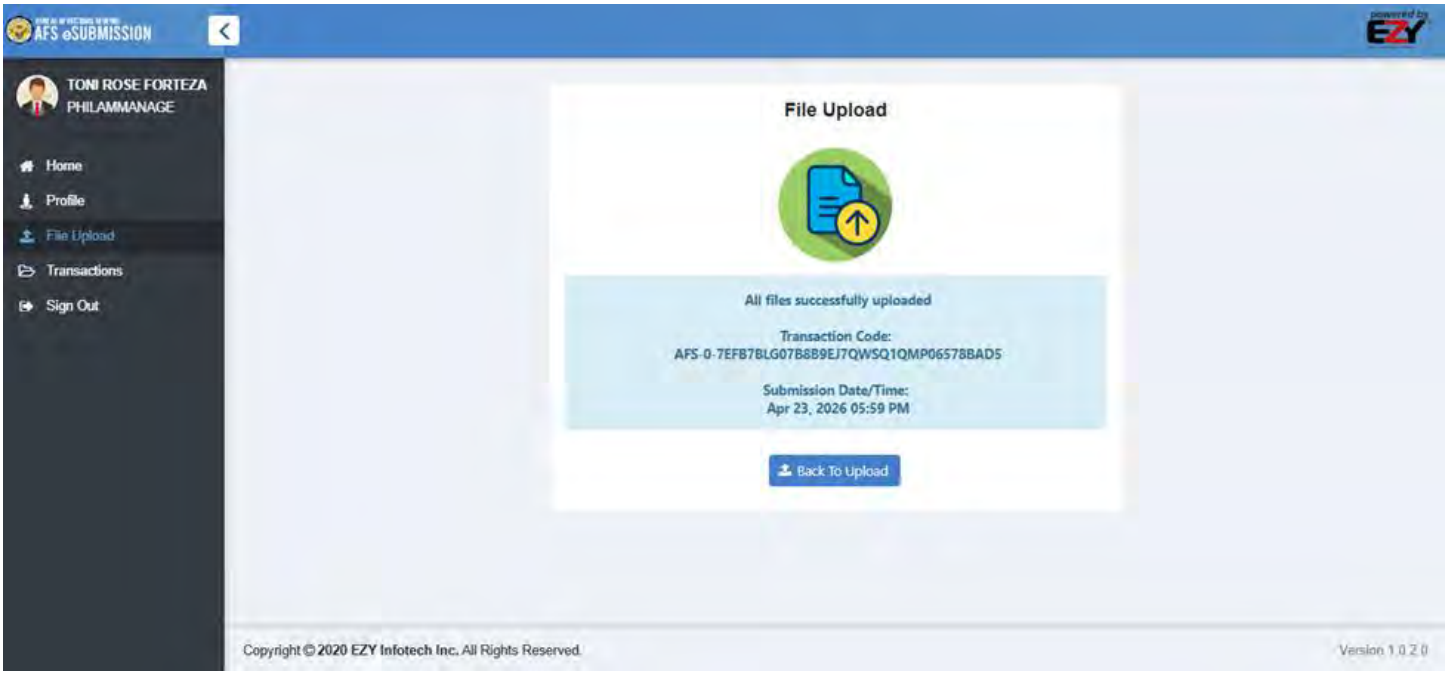
- <None>

Transaction Code: **AFS-0-7EFB7BLG07B8B9EJ7QWSQ1QMP06578BAD5**
Submission Date/Time: **Apr 23, 2026 05:59 PM**
Company TIN: **247-064-691**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- 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;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.


AFS eSUBMISSION
TONI ROSE FORTEZA
PHILAMMANAGE
Home
Profile
File Upload
Transactions
Sign Out
File Upload
All files successfully uploaded
Transaction Code:
AFS-0-7EFB7BLG07B8B9EJ7QWSQ1QMP06578BAD5
Submission Date/Time:
Apr 23, 2026 05:59 PM
Back To Upload
Copyright © 2020 EZY Infotech Inc. All Rights Reserved.
Version 1.0.2.0

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	5	1	7	0	0	3

COMPANY NAME

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

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

1	7	F		P	H	I	L	A	M		L	I	F	E		H	E	A	D		O	F	F	I	C	E	,		
N	E	T		L	I	M	A		B	U	I	L	D	I	N	G	,		5	T	H		A	V	E	N	U	E	
C	O	R	N	E	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		1	6	3	4						

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	N/A

No. of Stockholders	Annual Meeting (Month/Day)	Fiscal Year (Month/Day)
367	09/13	12/31

CONTACT PERSON 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.

Isla Lipana & Co.

Independent Auditor's Report

To the Board of Directors and Shareholders of
Philam Managed Income 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 Managed Income 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.

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.

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.

Emphasis of Matter - Basis of Preparation

We draw attention to Note 1 to the financial statements, which discusses the status of operations of the Fund following the approval of the shareholders of the planned termination of the Fund. Accordingly, all subscriptions have been stopped effective January 2, 2025. As at reporting date, the Fund is in the process of filing its application for the planned termination with the Securities and Exchange Commission (SEC). BPI Wealth expects to engage the SEC in 2026 to finalize the timelines and regulatory submissions required for the termination of the Fund.

As a result, the Fund is no longer expected to continue its operations for the foreseeable future. Accordingly, the Fund's financial statements as at and for the year ended December 31, 2025 have been prepared using an acceptable alternative authoritative basis of accounting. Our opinion is not modified in respect of this matter.

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 16 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 Managed Income 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 Managed Income 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 Managed Income 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	47,136	69,871
Financial assets at fair value through profit or loss	3	388,524	548,927
Short-term investments	4	50,000	-
Other financial assets at amortized cost	5	7,608	7,212
Other assets		6	6
Total assets		493,274	626,016
Liabilities and equity			
Liabilities			
Accounts payable and accrued expenses	6	9,995	10,334
Due to fund manager	11	73	114
Total liabilities		10,068	10,448
Equity	7		
Share capital		1,000	1,000
Share premium		-	4,284
Deposits for future subscriptions		286,129	440,155
Retained earnings		196,077	170,129
Total equity		483,206	615,568
Total liabilities and equity		493,274	626,016

The notes on pages 1 to 19 are an integral part of these financial statements.

Philam Managed Income 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, except per share amounts)

	Notes	2025	2024	2023
Income				
Income from financial assets at fair value through profit or loss, net	3	29,199	33,952	34,796
Interest from cash and cash equivalents	8	5,203	3,960	2,801
Others		-	-	3,437
		34,402	37,912	41,034
Expenses				
Management fees	11	1,393	1,513	1,820
Fees and other charges	9	989	791	785
Taxes and licenses		69	75	64
Others		240	271	-
		2,691	2,650	2,669
Income before income tax		31,711	35,262	38,365
Income tax expense	10, 16	5,763	6,186	6,138
Net income for the year		25,948	29,076	32,227
Other comprehensive income		-	-	-
Total comprehensive income for the year		25,948	29,076	32,227
Basic earnings per share	7	0.0703	0.0692	0.0605

The notes on pages 1 to 19 are an integral part of these financial statements.

Philam Managed Income 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)

	Note	Share capital	Share premium	Deposits for future subscriptions	Retained earnings	Total
Balance at January 1, 2023		1,000	5,166	698,644	108,826	813,636
Comprehensive income						
Net income for the year		-	-	-	32,227	32,227
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	32,227	32,227
Transactions with shareholders	7					
Issuance of shares		2,108	277,348	-	-	279,456
Redemption of shares and application of deposits for future subscriptions		(2,108)	(282,514)	(258,519)	-	(543,141)
Total transactions with shareholders		-	(5,166)	(258,519)	-	(263,685)
Balance at December 31, 2023		1,000	-	440,125	141,053	582,178
Comprehensive income						
Net income for the year		-	-	-	29,076	29,076
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	29,076	29,076
Transactions with shareholders	7					
Issuance of shares		385	58,440	-	-	58,825
Redemption of shares and application of deposits for future subscriptions		(385)	(54,156)	-	-	(54,541)
Deposit for future stock subscriptions		-	-	30	-	30
Total transactions with shareholders		-	4,284	30	-	4,314
Balance at December 31, 2024		1,000	4,284	440,155	170,129	615,568
Comprehensive income						
Net income for the year		-	-	-	25,948	25,948
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	25,948	25,948
Transactions with shareholders	7					
Issuance of shares		-	-	-	-	-
Redemption of shares and application of deposits for future subscriptions		-	(4,284)	(154,026)	-	(158,310)
Deposit for future stock subscriptions		-	-	-	-	-
Total transactions with shareholders		-	(4,284)	(154,026)	-	(158,310)
Balance at December 31, 2025		1,000	-	286,129	196,077	483,206

The notes on pages 1 to 19 are an integral part of these financial statements.

Philam Managed Income 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				
Income before income tax		31,711	35,262	38,365
Adjustments for:				
Income from financial assets at fair value through profit or loss, net	3	(29,199)	(33,952)	(34,796)
Interest from cash and cash equivalents and short-term investments	8	(5,203)	(3,960)	(2,801)
Operating (loss) income before changes in operating assets and liabilities		(2,691)	(2,650)	768
Changes in operating assets and liabilities:				
Decrease (increase) in:				
Financial assets at fair value through profit or loss		159,029	3,006	133,841
Other financial assets at amortized cost		(396)	(6,953)	(715)
Short term investments		(50,000)	-	-
Other assets		-	6,779	(34)
(Decrease) increase in:				
Accounts payable and accrued expenses		(339)	940	(3,896)
Due to fund manager		(41)	114	-
Net cash generated from operations		105,562	1,236	129,964
Interest received		35,776	3,750	3,729
Income taxes paid		(5,763)	(6,186)	(6,138)
Net cash from (used in) operating activities		135,575	(1,200)	127,555
Cash flows from financing activities				
Proceeds from issuance of shares	7	-	58,825	20,937
Payments for share redeemed and application of deposits for future subscriptions	7	(158,310)	(54,541)	(284,622)
Proceeds from deposits for future subscription		-	30	-
Net cash (used in) from financing activities		(158,310)	4,314	(263,685)
Net increase (decrease) in cash and cash equivalents		(22,735)	3,114	(136,130)
Cash and cash equivalents				
January 1		69,871	66,757	202,887
December 31	2	47,136	69,871	66,757

The notes on pages 1 to 19 are an integral part of these financial statements.

Philam Managed Income 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
(All amounts are shown in thousands of Philippine Peso, unless otherwise stated)

1 General information

Philam Managed Income 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 fixed income investments. It was registered on February 27, 2006 with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1960 or Republic Act 2629 and The Revised Securities Act or Batas Pambansa Blg. 178. As an open-end mutual fund company, its outstanding shares are redeemable anytime at the holder's option based on the net asset value (NAV) per share at the time of redemption.

The Fund aims to achieve capital preservation with returns and inflows derived out of investments in short term fixed income and money market instruments. As an open-end dollar mutual fund company, its outstanding shares of stock are redeemable anytime based on the net asset value (NAV) per share at the time of redemption.

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 7. 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 were approved by the SEC (Note 7).

The Fund's registered office address, which is also its principal place of business, is located at 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 11).

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. (BII).

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.

Status of operations

On its annual meeting on November 29, 2024, the shareholders approved the planned termination of the Fund. Accordingly, all subscriptions have been stopped effective January 2, 2025. As at reporting date, the Fund is in the process of filing its application for the planned termination with the SEC. BPI Wealth expects to engage the SEC in 2026 to finalize the timelines and regulatory submissions required for the termination of the Fund.

As a result, the Fund is no longer expected to continue its operations for the foreseeable future. Accordingly, the Fund's financial statements as at and for the year ended December 31, 2024 and 2025 have been prepared using an acceptable alternative authoritative basis of accounting (Note 15).

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	3,140	2,859
Short-term time deposits	43,996	67,012
	47,136	69,871

Cash in banks earn interest at prevailing bank deposit rates.

Short-term time deposits in 2025 have average maturities of 2.74 days (2024 - 1.75 days) and carry effective interest rates ranging from 3.00% to 5.75% (2024 - 1.75% to 6.40%).

Interest earned from cash and cash equivalents is disclosed in Note 8.

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
Government securities	356,663	447,927
Corporate debt securities	31,861	101,000
	388,524	548,927

Government securities and corporate debt securities as at December 31, 2025 have remaining terms ranging from 0.58 to 6.67 years and 0.11 years (2024 - 0.48 to 9.07 years and 0.04 to 1.11 years) and carry effective interest rates of 0.00% to 9.50% and 6.20% (2024 - 0.00% to 8.63% and 4.86% to 6.43%), respectively.

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

	2025	2024
At January 1	548,927	517,999
Additions	418,586	522,325
Disposals	(582,436)	(502,483)
Fair value gains (losses), net	5,586	6,992
Other movements	(2,139)	4,094
At December 31	388,524	548,927

Proceeds from disposals of financial assets at FVTPL made for the year ended December 31, 2025 amount to P586,509 (2024 - P505,527). Realized gain on sale of financial assets at FVTPL in 2025 amounts to P4,073 (2024 - P3,044 gain; 2023 - P423 loss) and is presented in the statement of total comprehensive income.

The composition of 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	23,613	26,960	27,803
Other changes on financial assets at FVTPL			
Net realized fair value gains (losses)	4,073	3,044	(423)
Net unrealized fair value gains	1,513	3,948	7,416
	29,199	33,952	34,796

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

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

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

In absolute amounts	*As at December 31, 2025*	
Description	Maturity Date	Market Value
Philippine government debt securities		
Fixed Rate Treasury Note PIID0528B176 6.125%	August 22, 2028	61,216,315
Fixed Rate Treasury Note 07-64 PIBD0728D649 3.625%	April 22, 2028	48,782,866
Fixed Rate Treasury Note PH0000060907 6%	August 20, 2030	42,504,218
Fixed Rate Treasury Note 20-17 PHY6972FPV67 8.00%	July 19, 2031	33,690,839
Fixed Rate Treasury Note 03-30 PH0000058109 6%	January 4, 2027	31,086,473
Philippine Treasury Bill PH0000060915 0.00%	August 5, 2026	29,284,521
Fixed Rate Treasury Note 2015 PHY6972FHF00 9.5%	December 4, 2028	27,347,357
Fixed Rate Treasury Note 20-14 PHY6972FED88 8.625%	September 6, 2027	21,368,683
Fixed Rate Treasury Note 1063 6.25% PHY6972HAJ50	March 22, 2028	20,626,781
Government Bonds R5-16 PIID0528I160 5.75%	March 7, 2028	20,208,789
Fixed Rate Treasury Note 10-69 PIBD1032I695 6.75%	September 15, 2032	10,574,398
Government Bonds R5-14 PHY6972HLA23 4.625%	June 2, 2027	9,971,614
		356,662,854
Corporate debt securities		
Corporate Bond BPI PH0000059222 6.20%	February 9, 2026	31,861,634
		31,861,634

In absolute amounts	*As at December 31, 2024*	
Description	Maturity Date	Market Value
Philippine government debt securities		
Government Bond PH0000058281 6.25%	February 28, 2029	101,009,759
Fixed Rate Treasury Note 03-30 PH0000058109 6%	January 4, 2027	82,484,732
Fixed Rate Treasury Note PIID0528B176 6.125%	August 22, 2028	70,626,630
Fixed Rate Treasury Note 20-14 PHY6972FED88 8.625%	September 6, 2027	53,967,054
Philippine Treasury Bill PH0000058695 0.0%	June 25, 2025	48,834,731
Government Bond R513 PIID0525H130 2.625%	August 12, 2025	29,595,263
Fixed Rate Treasury Note 07-68 PIBD0729J687 7.00%	October 13, 2029	20,861,237
Fixed Rate Treasury Note 10-72 PH0000058133 6.25%	January 25, 2034	15,476,692
Fixed Rate Treasury Note PIBD0730D690 6%	April 27, 2030	10,060,473
Government Bond R5-14 PHY6972HLA23 4.625%	June 2, 2027	9,780,065
Philippine Treasury Bill PH0000059255 0%	September 10, 2025	5,230,658
		447,927,294
Corporate debt securities		
Corporate Bond SECURITY BANK CORP 6.425%	January 13, 2025	50,689,642
Corporate Bond BPI PH0000059222 6.20%	February 9, 2026	25,243,014
Corporate Bond SMFBFXBD2025 5.05%	March 10, 2025	14,947,258
Corporate Bond BDO PH0000058141 6.025	July 29, 2025	10,049,004
Corporate Bond SMPH032025 4.8643%	March 25, 2025	70,602
		100,999,520

4 Short-term investments

Short-term investments as at December 31, 2025 consist of placements in time deposits with maturities of more than three (3) months but not more than one (1) year and bear interest at prevailing market rates.

Interest income earned from short-term investments is disclosed in Note 8.

5 Other financial assets at amortized cost

Other financial assets at amortized cost as at December 31, 2025 and 2024 are expected to be collected in the next 12 months and classified as current assets.

6 Accounts payable and accrued expenses

The account at December 31 consists of:

	2025	2024
Accounts payable	9,458	9,809
Accrued expenses	537	525
	9,995	10,334

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 represent accruals for transfer charges, legal fees, marketing, management and administration fees.

As at December 31, 2025 and 2024, the Fund's accounts payable and accrued expenses are expected to be paid in the next 12 months and classified as current liabilities.

7 Net assets attributable to shareholders

On April 5, 2018, the BOD approved an increase in the Fund's authorized capital from 100,000,000 shares to 702,876,600 shares at P0.01 par value, increasing the authorized capital from P1,000,000 to P7,028,766. On December 18, 2018, an application for an increase in authorized capital stock was filed with the SEC. On various dates in 2018, the Fund received cash from certain investors as deposits for future stock subscriptions (DFFS) for 455,701,700 shares amounting to P538,594 which was presented as part of equity as at December 31, 2018 in accordance with the guidelines set by the SEC.

In 2019, the Fund received from certain investors as DFFS amounting to P227,858, for 154,190,712 shares. The amount of P219,041 for 147,174,900 shares of these DFFS had been taken up as part of equity in accordance with the guidelines set by the SEC. The remaining amount of P8,817 for 7,015,812 shares was presented as part of liabilities, pending the filing of the additional increase in authorized capital stock with the SEC as of December 31, 2019. In 2021, the Fund received cash from certain investors as DFFS amounting to P2,205 for 1,556,239 shares (2020 - P51,112 for 39,655,947 shares), pending the filing of additional increased in authorized capital stock with the SEC.

The application for the increase in authorized share capital is still awaiting approval of the SEC as at December 31, 2025 and 2024. However, due to the status of the Fund's operations (Note 1), the approval of the application for the increase in authorized capital stock will no longer be further pursued.

The total DFFS presented as a separate line item in equity as of December 31, 2025 amounts to P439,089 (2024 - P440,155; 2023 - P440,125).

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

	2025	2024	2023
Share capital - P0.01 par value			
Authorized - 100,000,000 shares			
Issued and outstanding	1,000	1,000	1,000
Share premium	-	4,284	-
Deposits for future subscriptions (DFFS)	286,129	440,155	440,125
Retained earnings	196,077	170,129	141,053
	483,206	615,568	582,178

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

	2025	2024	2023
Issued and outstanding, January 1	100,000	100,000	100,000
Issuances of shares	106,576	38,501	21,080
Redemptions of shares and application of DFFS	(106,576)	(38,501)	(21,080)
Issued and outstanding, December 31	100,000	100,000	100,000

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

	2025			2024			2023		
	Share capital	Share premium	DFFS	Share capital	Share Premium	DFFS	Share capital	Share premium	DFFS
At January 1	1,000	4,284	440,155	1,000	-	440,125	1,000	5,166	698,644
Issuance of shares	-	-	-	385	58,440	-	155	20,782	-
Redemptions of shares and application of DFFS	-	(4,284)	(154,026)	(385)	(54,156)	-	(155)	(25,948)	(258,519)
Proceeds from DFFS	-		-	-	-	30	-	-	-
At December 31	1,000	-	286,129	1,000	4,284	440,155	1,000	-	440,125

As at December 31, 2025, the Fund has 367 shareholders (2024 - 421 shareholders).

The Fund computes its NAV per share by dividing the net assets attributable to shareholders, including DFFS classified as liability, if any, as at reporting date by the number of issued and outstanding shares during the year, including shares for issuances covered by DFFS. 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 of PHP)	2025	2024	2023
PFRS NAV	483.21	615.57	582.18
Recognition of transactions which were recorded subsequent to the close of the year	-	(0.00)	(3.57)
Trading NAV	483.21	615.57	578.61

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

	2025	2024	2023
Trading NAV attributable to shareholders (in millions of PHP)	483.21	615.57	578.61
Number of shares outstanding (in millions), including shares for DFFS	317.6340	424.2105	421.3453
Trading NAV per share	1.52	1.45	1.37

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

	2025	2024	2023
PFRS NAV attributable to shareholders (in millions of PHP)	483.21	615.57	582.18
Number of shares outstanding (in millions), including shares for DFFS	317.6340	424.2105	421.3453
PFRS NAV per share	1.52	1.45	1.38

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.

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

	2025	2024	2023
Net income for the year (in thousands PHP)	25,948	29,076	32,227
Weighted average number of shares outstanding during the year (in thousands)	369,246	420,093	533,308
Earnings per share	0.0703	0.0692	0.0605

In compliance with the SRC, the Fund is required to file registration statement for each instance of increase in authorized 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
February 27, 2006	100,000,000	P0.01

8 Interest income

Interest income earned for the years ended December 31 follows:

	2025	2024	2023
Cash and cash equivalents	4,556	3,960	2,801
Short-term investments	647	-	-
	5,203	3,960	2,801

9 Fees and other charges

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

	Notes	2025	2024	2023
Professional fees		473	267	185
Registry and transfer fees	11	279	303	364
Administration fees	12	153	181	200
Directors' fees		66	28	-
Fees to custodian bank		18	12	36
		989	791	785

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

Registry and transfer charges 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.

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

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

The Fund has an existing custodianship agreement with Deutsche Bank (DB) for custodial services of the Fund's proprietary assets and/or the assets owned in the Philippines. Relative to this, the Fund pays custodian fees of 0.0035% p.a. of market value of the assets. As at December 31, 2025, the market value of securities in custody of DB amounts to P388.52 million (2024 - P548.93 million).

10 Income tax

Income tax expense mainly represents final tax withheld on interest earned from cash and cash equivalents and fixed-income securities.

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

Year of Incurrence	Year of Expiration	2025	2024	2023
2025	2028	2,684	-	-
2024	2027	2,630	2,630	-
2022	2025	4,401	4,401	4,401
2021	2026	5,075	5,075	5,075
2020	2025	4,303	4,303	4,303
		19,093	16,409	13,779
Applied NOLCO		-	-	-
Expired NOLCO		(8,704)	-	-
		10,389	16,409	13,779
Income tax rate		25%	25%	25%
Unrecognized deferred income tax asset		2,597	4,102	3,445

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 in view of the termination of the Fund.

On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 25-2020, Rules and Regulations Implementing Section 4 (bbbb) 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.

11 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 functions as the principal distributor of the Fund. As such, it took charge of the sales of the Fund's shares to prospective investors and paid certain expenses on behalf of the Fund. The Fund has also entered into 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 were 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 0.25% 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 fees			
December 31, 2025	1,393	73	- Management fee is computed as 0.25% per year of the Fund's NAV determined on a daily basis.
December 31, 2024	1,513	114	
December 31, 2023	1,820	-	- Outstanding balance is unguaranteed, unsecured and non-interest bearing; payable in cash at gross amount within the following month
Transfer agent / Distributor			
Registry and transfer fees			
December 31, 2025	279	21	- Registry and transfer fee is computed as one-twentieth (1/20) of one percent (1%) per year of the Fund's NAV determined on a daily basis
December 31, 2024	303	27	
December 31, 2023	364	-	- Outstanding balance is unguaranteed, unsecured and non-interest bearing; payable in cash at gross amount within the following month

At December 31, 2025, the Fund has investments in corporate debt securities issued by BPI, the parent company of BII and BPI Wealth, amounting to P31,861,634 (2024 - P25,243,014) (Note 3.1) and has time deposits amounting to P25,000,000 (2024 - P17,012,000).

12 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 P153 (2024 - P181; 2023 - P200) and is included under fees and other charges in the statement of total comprehensive income (Note 9). As at December 31, 2025, administration fees payable to Deutsche Bank included in Accounts payable and accrued expenses amount to P34 (2024 - P15).

13 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.

13.1 Critical accounting judgment

Recognition of deferred income tax asset (Note 10)

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. The Fund assesses the unrecognized deferred income tax asset 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 asset to be recovered.

14 Capital and financial risk management

14.1 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.

14.2 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, the minimum required capitalization for funds amounts to P50 million. The Fund's capitalization is more than the requirement of 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 P483,206 (2024 - P615,568).

14.3 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 14.5 - Credit risk).

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

14.4 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 as at December 31:

2025	Level 1	Level 2	Level 3	Total
Government securities	-	356,663	-	356,663
Corporate debt securities	-	31,861	-	31,861
		388,524		388,524

2024	Level 1	Level 2	Level 3	Total
Government securities	-	447,927	-	447,927
Corporate debt securities	-	101,000	-	101,000
	-	548,927	-	548,927

There are no other assets or liabilities subsequently measured at fair value or that would require disclosure of fair value hierarchy.

14.5 Financial risk

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 does not plan to invest in foreign securities. However, SEC allows mutual fund companies to invest up to one hundred percent (100%) of its net assets in foreign securities subject to safety nets and standards set by the SEC.

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 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:

	Notes	2025	2024
Cash and cash equivalents	2	47,136	69,871
Financial assets at FVTPL	3	388,524	548,927
Short-term investments	4	50,000	-
Other financial assets at amortized cost	5	7,608	7,212
		493,268	626,010

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

(a) Cash and cash equivalents and short-term investments

The Fund's cash in banks and short-term investments are maintained with highly reputable universal banks in the Philippines and global banks with a Moody's credit rating from Baa1 to Baa3.

(b) Financial assets 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

The Fund's other financial assets at amortized cost include interest receivables from term deposits which are expected to be collected the next 12 months.

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, which consists of cash and cash equivalents, short-term investments and other financial asset 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, 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 stage 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 therefore 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. Treasury notes or bills, certificates of indebtedness issued by the Bangko Sentral ng Pilipinas which are short term, and other government securities or bonds and such other evidence of indebtedness or obligations, the servicing and repayment of which are fully guaranteed by the Republic of the Philippines;
b. Tradable Long-Term Negotiable Certificate of Time Deposits (LTNCDs);
c. 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;
d. 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;
e. Money market instruments issued by Philippine regulated qualified buyers or those issued by an investment grade issuing body; and,
f. 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 price risk, currency risk, and cash flow interest rate risk given the materiality or 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.

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.

December 31, 2025	Range of rates	Up to a year	1-5 years	Over 5 years	No term	Total
Financial assets at FVTPL						
Government securities	0.00% - 9.50%	29,285	283,113	44,265	-	356,663
Corporate debt securities	6.20%	31,861	-	-	-	31,861
		61,146	283,113	44,265	-	388,524

December 31, 2024	Range of rates	Up to a year	1-5 years	Over 5 years	No term	Total
Financial assets at FVTPL						
Government securities	0.00% - 8.63%	83,661	338,729	25,537	-	447,927
Corporate debt securities	4.86% - 6.43%	75,757	25,243	-	-	101,000
		159,418	363,972	25,537	-	548,927

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 interest rate	Impact on pre-tax profit Increase (decrease)
December 31, 2025	+1%	(8,546)
	-1%	8,888
December 31, 2024	+1%	(11,505)
	-1%	12,015

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.

15 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.

15.1 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 13.

Acceptable alternative authoritative basis

As a result of the approval of shareholders of the planned termination of the Fund (Note 1), the Fund adopted an acceptable alternative authoritative basis of accounting in the preparation of its financial statements as at and for the year ended December 31, 2025. In preparing the Fund's financial statements, management has made its best estimate and judgment with regards to the measurement of the Fund's assets and liabilities, giving due consideration to best available facts and circumstances.

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

In view of the expected termination of the Fund, all new accounting standards and amendments to existing standards effective January 1, 2025 and beyond are neither relevant to nor having a significant impact on the Fund's financial statements.

15.2 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.

15.2.1 Classification and subsequent measurement

The Fund has applied it financial assets in the following applicable 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.

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 from these financial assets is included in 'Interest income' using the effective interest rate method.

  As at December 31, 2025 and 2024, the Fund's financial assets at amortized cost include cash and cash equivalents, other financial assets at amortized cost and other assets.

- *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 and corporate 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, and none occurred during the period.

The Fund reclassifies its debt investments from amortized cost to FVTPL measurement category, in accordance with its change in business model.

15.2.2 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 and other assets 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.

15.2.3 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.

15.2.4 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.

15.3 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 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., deposit for future share subscription) 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.

15.4 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Fund by the weighted average number of shares outstanding and shares covered by deposits for future subscriptions during the year.

15.5 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.

15.6 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.

16 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	58
Community tax	11
Documentary stamp tax	-
	69

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	180	15	195

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 Managed Income Fund, Inc.

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

Unappropriated Retained Earnings, beginning of the year		**170,129**
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		**170,129**
Add/Less: Net Income for the current year/period		25,948
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)	(1,513)	
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)	-	(1,513)

Philam Managed Income Fund, Inc.

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

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)	3,948	
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)	-	**3,948**
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		**28,383**
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 Managed Income Fund, Inc.

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

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):	-	-
Total Retained Earnings, end of the year/period available for dividend declaration			**198,512**

Philam Managed Income 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 bank	3,139,847	3,139,847	3,139,847	
Time deposits				
Landbank	20,000,000	20,000,000	20,000,000	
RCBC	23,996,000	23,996,000	23,996,000	
Total Time Deposits	43,996,000	43,996,000	43,996,000	
Total cash and cash equivalents	**47,135,847**	**47,135,847**	**47,135,847**	**4,556,720**
Financial assets at fair value through profit or loss				
Corporate Securities				
Corporate Bond BPI PH0000059222 6.20%	31,600,000	31,861,634	31,861,634	
	31,600,000	31,861,634	31,861,634	
Government Securities				
Fixed Rate Treasury Note 03-30 PH0000058109 6%	30,000,000	31,086,473	31,086,473	
Fixed Rate Treasury Note PH0000060907 6%	41,986,400	42,504,218	42,504,218	
Fixed Rate Treasury Note 20-14 PHY6972FED88 8.625%	20,000,000	21,368,683	21,368,683	
Fixed Rate Treasury Note PIID0528B176 6.125%	60,000,000	61,216,315	61,216,315	
Fixed Rate Treasury Note 07-64 PIBD0728D649 3.625%	50,000,000	48,782,866	48,782,866	
Fixed Rate Treasury Note 2015 PHY6972FHF00 9.5%	25,000,000	27,347,357	27,347,357	
Fixed Rate Treasury Note 1063 6.25% PHY6972HAJ50	20,000,000	20,626,781	20,626,781	
Fixed Rate Treasury Note 20-17 PHY6972FPV67 8.00%	30,000,000	33,690,839	33,690,839	
Fixed Rate Treasury Note 10-69 PIBD1032I695 6.75%	10,000,000	10,574,398	10,574,398	
Government Bonds R5-14 PHY6972HLA23 4.625%	10,000,000	9,971,614	9,971,614	
Government Bonds R5-16 PIID0528I160 5.75%	20,000,000	20,208,789	20,208,789	
Philippine Treasury Bill PH0000060915 0.00%	30,000,000	29,284,521	29,284,521	
	346,986,400	356,662,854	356,662,854	
Total financial assets at fair value through profit or loss	**378,586,400**	**388,524,488**	**388,524,488**	**29,198,591**
Short-term investments				
BPI	25,000,000	25,000,000	25,000,000	
Metrobank	25,000,000	25,000,000	25,000,000	
Total short-term investments	**50,000,000**	**50,000,000**	**50,000,000**	**646,528**
Other financial assets at amortized cost	**7,608,044**	**7,608,044**	**7,608,044**	**-**
Total		**493,268,379**	**493,268,379**	**34,401,839**

Philam Managed Income 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 Managed Income 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 Managed Income 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 Managed Income Fund, Inc.

Schedule E - Indebtedness to Related Parties
(Long-Term Loans from Related Companies)
As at December 31, 2025

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

Philam Managed Income 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 Managed Income Fund, Inc.

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

	2025	2024
Total audit fees	154,756	193,445
Non-audit services fees:	-	
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	154,756	193,445

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

TOTAL ASSETS-January 1 to December 31, 2025	**493,274**
NET ASSET VALUE-January 1 to December 31, 2025	**483,206**

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:						
CORPORATE BONDS:						
CB BPI PH0000059222 6.20% 09FEB2026	31,862	6.59%	6.46%	31,600	33,700,000	0.09%
TOTAL CORPORATE BONDS	**31,862**					
GOVERNMENT SECURITIES:						
FXTN 03-30 PH0000058109 6% DUE 04JAN2027	31,086	6.43%	6.30%	30,000	90,000,000	0.03%
FXTN 07-64 PIBD0728D649 3.625% 22APR2028	48,783	10.10%	9.89%	50,000	396,371,000	0.01%
FXTN 10-69 PIBD1032I695 6.75% DUE 15SEP2032	10,574	2.19%	2.14%	10,000	525,586,000	0.00%
FXTN 20-14 PHY6972FED88 8.625% DUE 06SEP27	21,369	4.42%	4.33%	20,000	121,458,930	0.02%
FXTN 2015 PHY6972FHF00 9.5% DUE 04DEC2028	27,347	5.66%	5.54%	25,000	17,585,480	0.14%
FXTN 20-17 PHY6972FPV67 8.00% DUE 19JULY31	33,691	6.97%	6.83%	30,000	413,313,150	0.01%
FXTN PH0000060907 6% DUE 20AUG2030	42,504	8.80%	8.62%	41,986	507,156,777	0.01%
FXTN PIID0528B176 6.125% DUE 22AUG2028	61,216	12.67%	12.41%	60,000	283,763,658	0.02%
FXTN1063 6.25% PHY6972HAJ50 DUE ON 22MAR28	20,627	4.27%	4.18%	20,000	126,812,000	0.02%
GB R5-14 PHY6972HLA23 4.625% DUE 02JUN2027	9,972	2.06%	2.02%	10,000	360,025,370	0.00%
GB R5-16 PIID0528I160 5.75% DUE 07MAR2028	20,209	4.18%	4.10%	20,000	420,448,618	0.00%
PHTBILL PH0000060915 0.00% DUE 05AUG2026	29,285	6.06%	5.94%	30,000	9,500,000	0.32%
TOTAL GOVERNMENT SECURITIES	**356,663**					
TOTAL FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT/LOSS	**388,524**					
INVESTMENT IN SEMI LIQUID/ LIQUID INVESTMENTS						
CASH AND CASH EQUIVALENTS	47,136	9.75%	9.56%	n/a	n/a	n/a
GOVERNMENT SECURITIES	356,663	73.81%	72.31%	n/a	n/a	n/a
	403,799					

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

TOTAL ASSETS-January 1 to December 31, 2025	**493,274**
NET ASSET VALUE-January 1 to December 31, 2025	**483,206**

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.
NO BORROWINGS FOR THE PERIOD						

TOTAL OPERATING EXPENSES

AVERAGE DAILY NET ASSET VALUE - January 1 to December 31, 2025 **549,149**

NATURE OF EXPENSES	AMOUNT	PERCENTAGE TO NET ASSET VALUE
Management fees	1,393	0.25%
Fees and Other Charges	989	0.18%
Taxes and Licenses	69	0.01%
Other Expenses	240	0.04%
	2,691	

PHILAM MANAGED INCOME FUND INC
ATTACHMENT TO FINANCIAL STATEMENTS

TOTAL ASSETS-January 1 to December 31, 2024	**626,016**
NET ASSET VALUE-January 1 to December 31, 2024	**615,568**

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:						
BONDS:						
CB BDO PH0000058141 6.025 29JUL2025	10,049	1.63%	1.61%	10,000	63,300,000	0.02%
CB BPI PH0000059222 6.20% 09FEB2026	25,243	4.10%	4.03%	25,000	33,700,000	0.07%
CB SECURITY BANK CORP 6.425% DUE 13JAN2025	50,690	8.23%	8.10%	50,000	18,500,000	0.27%
CB SMFBFXBD2025 5.05% DUE 10MAR25	14,947	2.43%	2.39%	15,000	8,000,000	0.19%
CB SMPH032025 4.8643% DUE ON 25MAR2025	71	0.01%	0.01%	70	11,372,540	0.00%
TOTAL BONDS	**101,000**					
GOVERNMENT SECURITIES						
FXTN 03-30 PH0000058109 6% DUE 04JAN2027	82,485	13.40%	13.18%	80,000	90,000,000	0.09%
FXTN 07-68 PIBD0729J687 7.00% DUE 13OCT2029	20,861	3.39%	3.33%	20,000	165,429,000	0.01%
FXTN 10-72 PH0000058133 6.25% DUE 25JAN2034	15,477	2.51%	2.47%	15,000	266,850,000	0.01%
FXTN 20-14 PHY6972FED88 8.625% DUE 06SEP27	53,967	8.77%	8.62%	50,000	121,458,930	0.04%
FXTN PIBD0730D690 6% DUE 27APR2030	10,060	1.63%	1.61%	10,000	50,000,000	0.02%
FXTN PIID0528B176 6.125% DUE 22AUG2028	70,627	11.47%	11.28%	70,000	283,763,658	0.02%
GB PH0000058281 6.25% DUE 28FEB2029	101,010	16.41%	16.14%	100,000	584,861,262	0.02%
GB R513 PIID0525H130 2.625% 12AUG2025	29,595	4.81%	4.73%	30,000	516,340,790	0.01%
GB R5-14 PHY6972HLA23 4.625% DUE 02JUN2027	9,781	1.59%	1.56%	10,000	360,025,370	0.00%
PHTBIL PH0000058695 0.0% DUE ON 25JUN2025	48,835	7.93%	7.80%	50,000	5,000,000	1.00%
PHTBILL PH0000059255 0% DUE ON 10SEP2025	5,231	0.85%	0.84%	5,410	7,000,000	0.08%
TOTAL GOVERNMENT SECURITIES	**447,928**					
TOTAL FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT/LOSS	**548,927**					

PHILAM MANAGED INCOME FUND INC
ATTACHMENT TO FINANCIAL STATEMENTS

TOTAL ASSETS-January 1 to December 31, 2024	**626,016**
NET ASSET VALUE-January 1 to December 31, 2024	**615,568**

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	68,971	11.20%	11.02%	n/a		
GOVERNMENT SECURITIES	447,928	72.77%	71.55%	n/a		
TOTAL	**516,899**					

NO BORROWINGS FOR THE PERIOD

TOTAL OPERATING EXPENSES

AVERAGE DAILY NET ASSET VALUE - January 1 to December 31, 2024 **595,221**

NATURE OF EXPENSES	AMOUNT	PERCENTAGE TO NET ASSET VALUE
Management fees	1,513	0.25%
Fees and Other Charges	791	0.13%
Taxes and Licenses	75	0.01%
Other Expenses	271	0.05%
	2,650	

PHILAM MANAGED INCOME FUND

Financial Statement Ratios

(All amounts in thousands of Philippine Peso)

	January 1 to December 31, 2025	January 1 to December 31, 2024
Current Asset	493,274	626,016
Current Liabilities	10,068	10,448
Current /Liquidity Ratio	48.99	59.92
Total Liabilities	10,068	10,448
Total Equity	483,206	615,568
Debt-to-Equity Ratio	0.0208	0.0170
Total Assets	493,274	626,016
Total Equity	483,206	615,568
Asset-to-Equity Ratio	1.02	1.02
Earnings Before Income Tax	31,711	35,262
Interest Expense	-	-
Interest Rate Coverage Ratio	n.a.	n.a.
Net Income	25,948	29,076
Total Equity	483,206	615,568
Return on Equity	0.0537	0.0472

ANNEX C

COVER SHEET

C	S	2	0	0	5	1	7	0	0	3

SEC REGISTRATION Number

PHILAM MANAGED INCOME FUND, INC.

(Company's Full Name)

17/F NET LIMA BUILDING, 5TH AVE., COR. 26TH ST., BONIFACIO GLOBAL CITY, TAGUIG

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

Analyn N. Sta. Maria
(Contact Person)

(632) 8580-4956
(Company Telephone Number)

1	2

Month

3	1

Day

Fiscal Year

17-Q
FORM TYPE

Month Day
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 ***CS200517003***

3. BIR Tax Identification Number ***247-064-691-000***

4. Exact name of issuer as specified in its charter ***Philam Managed Income 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	***307,443,320***

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 economy grew by 2.8% YoY in 1Q2026, marking a further slowdown from the 3.0% expansion recorded in 4Q2025 and the weakest post-pandemic growth performance. Economic activity continued to be weighed down by the lingering effects of the government's corruption controversy, delays in public spending following the late approval of the 2026 national budget, and heightened global uncertainty stemming from the Middle East conflict. Household consumption increased by only 3.0% while gross capital formation contracted by 3.3%, reflecting subdued private sector confidence and weaker investment activity. The services sector remained the primary growth engine, while both agriculture and industry posted slight contractions. Growth remained significantly below the government's 5.0% to 6.0% target range for 2026.

Inflation accelerated sharply during the second quarter as higher global oil prices, elevated transport costs, and rising food prices fed through to consumer prices. Headline inflation reached 7.2% YoY in April 2026, its highest level in three years, before easing to 6.8% in May and 6.4% in June as fuel prices moderated. Despite the recent deceleration, inflation remained well above the BSP's 2% to 4% target range, with average inflation for the first half of 2026 settling at 4.8%. Core inflation continued to trend higher, indicating broader-based price pressures and emerging second-round effects across the economy.

Domestic fixed income markets experienced significant volatility during the second quarter. Rising inflation brought about by escalating geopolitical tensions in the Middle East and concerns over the Philippines' vulnerability as a net oil importer drove a sharp sell-off in government bonds. According to the Asian Development Bank, Philippine local currency government bond yields rose by an average of 120 basis points between February and May, among the largest increases in emerging East Asia. In response to elevated inflationary pressures, the Bangko Sentral ng Pilipinas (BSP) raised its policy rate by 25 basis points in April and another 25 basis points in June, bringing the target reverse repurchase rate to 4.75%. The BSP has signaled its readiness to tighten further should inflation risks persist. Consequently, the local bond yields shifted materially higher across the curve.

Overall, the fund looks to maximize its accrual yield while taking advantage of the ongoing market volatility for potential attractive entry points.

Top Five Key Performance Indicators

a) **Performance vis-à-vis the Benchmark** – Philam Managed Income Fund is an actively managed intermediate term bond fund whose objective is to achieve capital preservation with the returns and inflows derived from investments in fixed income and money market

instruments. The Fund's return on investment (ROI) for YTD 2Q2026 was at 0.95% net of fees and taxes, underperforming its benchmark by 80 basis points.

b) **Market Share in the Industry** – The Fund is expected to continue its minor presence in the mutual fund industry. The Peso Bond Mutual Fund industry has three major players in terms of Net Asset Value: ALFM Peso Bond Fund, Sun Life Prosperity Bond Fund and Soldivo Bond Fund. As of end–June 2026, Philam Managed Income Fund had a 1.0% market share, placing seventh in the peso bond fund segment.

c) **NAV Growth vis-à-vis Industry Growth** – The Fund's average daily NAV for the second quarter of 2026 was at PHP 470.32 million. The peso bond fund industry increased by 5.7% in terms of total net asset value or by PHP 2.6 billion quarter-on-quarter. Philam Managed Income Fund's NAV remained flat at PHP 472 million.

d) **Portfolio Quality** – The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund continued to remain well diversified in 2Q 2026 with 81.67% in government securities, and 18.33% in cash and cash equivalents.

e) **Performance vis-a-vis Competition** - The Fund's performance is also compared against the performance of other players in the market. In the second quarter of 2026, Philam Managed Income Fund ranked second out of ten mutual bond fund companies in terms of return.

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:**
The ongoing geopolitical tensions in the Middle East may increase market volatility and adversely affect the Fund's net income.

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 Managed Income Fund	Institutional	Retail
Number of investors	17	334
Percentage of investments	85.85%	14.15%

2. Geographic concentration of investments

The geographic concentration of investments as of June 30, 2026 is as follows: Luzon (76.64%), Visayas (15.38%), and Mindanao (7.98%).

3. Level of compliance with FATCA regulations

FATCA Review as of June 30, 2026

PMIF	No. of Transaction	More than USD50 Thousand	Less than USD50 Thousand
US CITIZEN	0	0	0
US INDICIA	0	0	0

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
3.30	4.20	4.51	3.85	3.01

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 Managed Income Fund, Inc.***

Signature and Title

Reynaldo G. Geronimo
President

Principal Financial/Accounting
Officer/Controller

Ma. Floriliz L. Pedernal
Treasurer

PHILAM MANAGED INCOME FUND

(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	74,919	47,136
Financial Assets at Fair Value through Profit or Loss	3	385,649	388,524
Short-term investments	4	48,981	50,000
Other financial assets at amortized cost	5	6,794	7,608
Other Assets		6	6
TOTAL ASSETS		**516,349**	**493,274**
LIABILITIES			
Accounts Payable and Accrued Expenses	6	44,146	9,995
Due to Fund Manager		84	73
TOTAL LIABILITIES		**44,230**	**10,068**
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		**472,119**	**483,206**
EQUITY ATTRIBUTABLE TO UNITHOLDERS			
Share Capital	7	1,000	1,000
Share Premium		-	-
Deposits for future subscriptions		286,027	286,129
Retained Earnings		185,092	196,077
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		**472,119**	**483,206**

FOR : **BPI WEALTH - A TRUST CORPORATION**
As Fund Manager of Philam Managed Income Fund, Inc

Jorena M. De Guzman
Head, Regulatory & Audit
BPI Wealth - A Trust Corporation

PHILAM MANAGED INCOME FUND

(An Open-End Investment Company)

1.2 STATEMENT OF OPERATIONS

(All amounts in thousands of Philippine Peso)

	Notes	For the Year Ended		For the Quarter Ended	
		30-Jun-2026 (PHP)	30-Jun-2025 (PHP)	30-Jun-2026 (PHP)	30-Jun-2025 (PHP)
INCOME					
Income from financial assets at fair value through profit or loss, net	4	6,759	16,418	5,871	7,377
Interest from cash and cash equivalents and short-term investments	8	1,395	2,874	401	1,125
		8,154	19,292	6,272	8,502
EXPENSES					
Management fees	10	598	761	297	380
Taxes and Licenses fees		71	69	-	(2)
Fees and Other Charges	9	527	482	117	216
Other Expenses		19	191	(13)	13
		1,215	1,503	401	607
Income before income tax		6,939	17,789	5,871	7,895
Income tax expense		2,499	3,146	1,226	1,534
Net income for the year		4,440	14,643	4,645	6,361
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		4,440	14,643	4,645	6,361
Weighted Average Number of shares outstanding		312,118	411,849	312,118	411,849
Basic earnings per share		**PHP 0.0142**	**PHP 0.0356**	**PHP 0.0149**	**PHP 0.0154**

PHILAM MANAGED INCOME FUND
(An Open-End Investment Company)

1.3 STATEMENTS OF CHANGES IN NET ASSETS ATTIBUTABLE TO UNITHOLDERS

(All amounts in thousands of Philippine Peso)

		Number of Shares	Share capital	Share premium	Deposits for Future Subscriptions	Retained earnings	Total Equity
Balance at January 1, 2026		317,634,017	1,000	-	286,129	196,077	**483,206**
Comprehensive income							
Net loss			-	-	-	4,440	**4,440**
Other comprehensive income (loss)			-	-	-	-	**-**
Adjustment			-	15,425	-	(15,425)	**-**
Total comprehensive income			-	15,425	-	(10,985)	**4,440**
Transactions with shareholders							
Issuance of shares	7	-	-	-	-	-	**-**
Redemption of shares	7	(10,190,697)		(15,425)	(102)		**(15,527)**
Total transactions with shareholders		(10,190,697)	-	(15,425)	(102)	-	**(15,527)**
Balance at June 30, 2026		**307,443,320**	**1,000**	**-**	**286,027**	**185,092**	**472,119**
							-
Balance at January 1, 2025		424,210,510	1,000	4,284	440,155	170,129	**615,568**
Comprehensive loss							
Net income			-	-	-	14,643	**14,643**
Other comprehensive income			-	-	-	-	**-**
Total comprehensive income			-	-	-	14,643	**14,643**
Transactions with shareholders							
Issuance of shares		-	-	-	-	-	**-**
Redemption of shares		(19,643,397)	(196)	(4,284)	-	(24,301)	**(28,781)**
Total transactions with shareholders		(19,643,397)	(196)	(4,284)	-	(24,301)	**(28,781)**
Balance at June 30, 2025		**404,567,113**	**804**	**-**	**440,155**	**160,471**	**601,430**

PHILAM MANAGED INCOME FUND
(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		
Income before income tax	6,939	17,789
Adjustments for: Income from financial asset at FVTPL	(6,759)	(16,418)
Interest from cash and cash equivalents	(1,395)	(2,874)
Operating income/(loss) before changes in operating assets and liabilities	**(1,215)**	**(1,503)**
Changes in operating assets and liabilities:		
(Increase)/decrease in assets:		
Financial Assets at Fair Value through Profit or Loss	9,634	72,936
Other financial assets at amortized cost	(1)	654
Short term Investments	1,019	-
Other Assets	(1,597)	(313)
Increase/(decrease) in:		
Accounts payable and accrued expenses	34,151	(254)
Due to fund manager	11	(6)
Net cash provided/(used) in operations	42,002	71,514
Interest received	3,807	4,880
Income taxes paid	(2,499)	(3,146)
Net cash (used in) from operating activities	**43,310**	**73,248**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	-
Payments for shares redeemed and application of deposits for future subscriptions	(15,527)	(28,781)
Proceeds from deposits for future subscription	-	-
Net cash used in Financing Activities	**(15,527)**	**(28,781)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**27,783**	**44,467**
CASH AND CASH EQUIVALENTS, BEGINNING	**47,136**	**69,871**
CASH AND CASH EQUIVALENTS, END	**74,919**	**114,339**

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

TOTAL ASSETS-January 1 to June 30, 2026	**516,349**
NET ASSET VALUE-January 1 to June 30, 2026	**472,119**

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.
SHORT-TERM INVESTMENTS:						
PHTBILL PH0000060915 0.00% DUE 05AUG2026	29,887	6.33%	5.79%	30,000	54,100,000	0.06%
PHTBILL PH0000062531 0.00% DUE 30JUN2027	19,094	4.04%	3.70%	20,000	20,000,000	0.10%
TOTAL SHORT-TERM INVESTMENTS	**48,981**					
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS:						
GOVERNMENT SECURITIES						
FXTN 03-30 PH0000058109 6% DUE 04JAN2027	30,915	6.55%	5.99%	30,000	90,000,000	0.03%
FXTN 07-64 PIBD0728D649 3.625% 22APR2028	121,331	25.70%	23.50%	125,000	396,371,000	0.03%
FXTN 07-68 PIBD0729J687 7.00% DUE 13OCT2029	15,384	3.26%	2.98%	15,000	243,046,000	0.01%
FXTN 20-14 PHY6972FED88 8.625% DUE 06SEP27	21,006	4.45%	4.07%	20,000	121,458,930	0.02%
FXTN 2015 PHY6972FHF00 9.5% DUE 04DEC2028	26,580	5.63%	5.15%	25,000	17,585,480	0.15%
FXTN PIID0528B176 6.125% DUE 22AUG2028	60,203	12.75%	11.66%	60,000	283,763,658	0.02%
FXTN1063 6.25% PHY6972HAJ50 DUE ON 22MAR28	20,318	4.30%	3.93%	20,000	126,812,000	0.02%
GB PH0000058281 6.25% DUE 28FEB2029	20,067	4.25%	3.89%	20,000	584,861,262	0.00%
GB R5-14 PHY6972HLA23 4.625% DUE 02JUN2027	9,942	2.11%	1.93%	10,000	360,025,370	0.00%
GB R5-16 PIID0528I160 5.75% DUE 07MAR2028	59,903	12.69%	11.60%	60,000	420,448,618	0.01%
TOTAL GOVERNMENT SECURITIES	**385,649**					
TOTAL FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT/LOSS	**385,649**					

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

TOTAL ASSETS-January 1 to June 30, 2026	**516,349**
NET ASSET VALUE-January 1 to June 30, 2026	**472,119**

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	74,919	15.87%	14.51%	n/a		
GOVERNMENT SECURITIES	385,649	81.68%	74.69%	n/a		
	460,568					

NO BORROWINGS FOR THE PERIOD

TOTAL OPERATING EXPENSES

AVERAGE DAILY NET ASSET VALUE - January 1 to June 30, 2026 **475,981**

NATURE OF EXPENSES	AMOUNT	PERCENTAGE TO NET ASSET VALUE
Management fees	598	0.13%
Fees and Other Charges	527	0.11%
Taxes and Licenses	71	0.01%
Other Expenses	19	0.00%
	1,215	

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

TOTAL ASSETS-January 1 to June 30, 2025	**611,618**
NET ASSET VALUE-January 1 to June 30, 2025	**601,430**

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:						
CORPORATE BONDS:						
CB BDO PH0000058141 6.025 29JUL2025	10,097	1.68%	1.65%	2,000	63,300,000	0.02%
CB BPI PH0000059222 6.20% 09FEB2026	28,868	4.80%	4.72%	10,000	33,700,000	0.09%
CB SM PRIME HOLDINGS 6.2069% DUE 23NOV2025	2,009	0.33%	0.33%	25,000	16,030,980	0.01%
TOTAL CORPORATE BONDS	**40,975**					
GOVERNMENT SECURITIES:						
FXTN 03-01 PIBD0326H014 5.25% DUE 04FEB2026	17,336	2.88%	2.83%	17,000	45,000,000	0.04%
FXTN 03-30 PH0000058109 6% DUE 04JAN2027	82,657	13.74%	13.51%	80,000	90,000,000	0.09%
FXTN 07-64 PIBD0728D649 3.625% 22APR2028	28,864	4.80%	4.72%	30,000	321,371,000	0.01%
FXTN 07-68 PIBD0729J687 7.00% DUE 13OCT2029	10,490	1.74%	1.72%	10,000	165,429,000	0.01%
FXTN 20-14 PHY6972FED88 8.625% DUE 06SEP27	47,307	7.87%	7.73%	44,000	121,458,930	0.04%
FXTN PIID0528B176 6.125% DUE 22AUG2028	81,160	13.49%	13.27%	80,000	283,763,658	0.03%
GB PH0000058281 6.25% DUE 28FEB2029	91,625	15.23%	14.98%	90,000	584,861,262	0.02%
GB R513 PIID0525H130 2.625% 12AUG2025	30,028	4.99%	4.91%	30,000	516,340,790	0.01%
GB R5-14 PHY6972HLA23 4.625% DUE 02JUN2027	9,877	1.64%	1.61%	10,000	360,025,370	0.00%
GB R5-16 PIID0528I160 5.75% DUE 07MAR2028	20,074	3.34%	3.28%	20,000	420,448,618	0.00%
PHTBIL PH0000059537 0.0% DUE ON 12NOV2025	24,597	4.09%	4.02%	25,000	15,000,000	0.16%
PHTBILL PH0000059255 0% DUE ON 10SEP2025	5,364	0.89%	0.88%	5,410	24,800,000	0.02%
TOTAL GOVERNMENT SECURITIES	**449,380**					
TOTAL FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT/LOSS	**490,355**					

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

TOTAL ASSETS-January 1 to June 30, 2025 **611,618**
NET ASSET VALUE-January 1 to June 30, 2025 **601,430**

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	114,339	19.01%	18.69%	n/a	n/a	n/a
GOVERNMENT SECURITIES	449,380	74.72%	73.47%	n/a	n/a	n/a
	563,719					
NO BORROWINGS FOR THE PERIOD						

TOTAL OPERATING EXPENSES

AVERAGE DAILY NET ASSET VALUE - January 1 to June 30, 2025 **605,234**

NATURE OF EXPENSES	AMOUNT	PERCENTAGE TO NET ASSET VALUE
Management fees	761	0.13%
Fees and Other Charges	482	0.08%
Taxes and Licenses	69	0.01%
Other Expenses	191	0.03%
	1,503	

PHILAM MANAGED INCOME FUND

Financial Statement Ratios

	January 1 to June 30, 2026	January 1 to December 31, 2025	January 1 to June 30, 2025
Current Asset	516,349	493,274	611,618
Current Liabilities	44,230	10,068	10,188
Current /Liquidity Ratio	11.67	48.99	60.03
Total Liabilities	44,230	10,068	10,188
Total Equity	472,119	483,206	601,430
Debt-to-Equity Ratio	0.0937	0.0208	0.0169
Total Assets	516,349	493,274	611,618
Total Equity	472,119	483,206	601,430
Asset-to-Equity Ratio	1.09	1.02	1.02
Earnings Before Income Tax	6,939	31,711	17,789
Interest Expense	-	-	-
Interest Rate Coverage Ratio	n.a.	n.a.	n.a.
Net Income	4,440	25,948	14,643
Total Equity	472,119	483,206	601,430
Return on Equity	0.0094	0.0537	0.0243

Philam Managed Income Fund, Inc.

Notes to the Financial Statements
As at June 30, 2026 and December 31, 2025
(All amounts are shown in thousands of Philippine Peso, unless otherwise stated)

1 General information

Philam Managed Income 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 fixed income investments. It was registered on February 27, 2006 with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1960 or Republic Act 2629 and The Revised Securities Act or Batas Pambansa Blg. 178. As an open-end mutual fund company, its outstanding shares are redeemable anytime at the holder's option based on the net asset value (NAV) per share at the time of redemption.

The Fund aims to achieve capital preservation with returns and inflows derived out of investments in short term fixed income and money market instruments. As an open-end dollar mutual fund company, its outstanding shares of stock are redeemable anytime based on the net asset value (NAV) per share at the time of redemption.

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 7. 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 were approved by the SEC (Note 7).

The Fund's registered office address, which is also its principal place of business, is located at 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 11).

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. (BII).

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.

Status of operations

On its annual meeting on November 29, 2024, the shareholders approved the planned termination of the Fund. Accordingly, all subscriptions have been stopped effective January 2, 2025. As at reporting date, the Fund is in the process of filing its application for the planned termination with the SEC. BPI Wealth expects to engage the SEC in 2026 to finalize the timelines and regulatory submissions required for the termination of the Fund.

As a result, the Fund is no longer expected to continue its operations for the foreseeable future. Accordingly, the Fund's financial statements as at and for the year ended December 31, 2024 and 2025 have been prepared using an acceptable alternative authoritative basis of accounting (Note 15).

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	3,219	3,140
Short-term time deposits	71,700	43,996
	74,919	47,136

Cash in banks earn interest at prevailing bank deposit rates.

Short-term time deposits in June 30, 2026 have average maturities of 1 day (December 31, 2025 – 2.74 days) and carry effective interest rates ranging from 2.83% - 3.55% (December 31, 2025 - 3.00% to 5.75%).

Interest earned from cash and cash equivalents is disclosed in Note 8.

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
Government securities	385,649	356,663
Corporate debt securities	-	31,861
	385,649	388,524

Government securities and corporate debt securities as at June 30, 2026 have remaining terms ranging from 0.52 to 3.29 years and nil (December 31, 2025 - 0.58 to 6.67 years and 0.11 years) and carry effective interest rates of 3.63% to 9.5% and nil (December 31, 2025 - 0.00% to 9.50% and 6.20%), 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	388,524	548,927
Additions	214,721	418,586
Disposals	(212,444)	(582,436)
Fair value gains (losses), net	(4,322)	5,586
Other movements	(830)	(2,139)
At ending	385,649	388,524

Proceeds from disposals of financial assets at FVTPL made for the year ended June 30, 2026 amount to P211,656 (December 31, 2025 - P586,509). Realized loss on sale of financial assets at FVTPL in June 30, 2026 amounts to P788 (December 31, 2025 – P4,073 gain) and is presented in the statement of total comprehensive income.

The composition of 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	11,100	12,858
Other changes on financial assets at FVTPL		
Net realized fair value gains (losses)	(788)	1,537
Net unrealized fair value gains	(3,553)	2,023
	6,759	16,418

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

4 Short-term investments

Short-term investments as at June 30, 2026 and December 31, 2025 consist of treasury bills with maturities of more than three (3) months but not more than one (1) year and bear interest at prevailing market rates.

As of June 30, 2026, short-term investments amounts to P48,981 (P50,000 – December 31, 2025).

5 Other financial assets at amortized cost

Other financial assets at amortized cost as at June 30, 2026 and December 31, 2025 are expected to be collected in the next 12 months and classified as current assets.

6 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	43,635	9,458
Accrued expenses	511	537
	44,146	9,995

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 represent accruals for transfer charges, legal fees, marketing, management and administration fees.

As at June 30, 2026 and December 31, 2025, the Fund's accounts payable and accrued expenses are expected to be paid in the next 12 months and classified as current liabilities.

7 Net assets attributable to shareholders

On April 5, 2018, the BOD approved an increase in the Fund's authorized capital from 100,000,000 shares to 702,876,600 shares at P0.01 par value, increasing the authorized capital from P1,000,000 to P7,028,766. On December 18, 2018, an application for an increase in authorized capital stock was filed with the SEC. On various dates in 2018, the Fund received cash from certain investors as deposits for future stock subscriptions (DFFS) for 455,701,700 shares amounting to P538,594 which was presented as part of equity as at December 31, 2018 in accordance with the guidelines set by the SEC.

In 2019, the Fund received from certain investors as DFFS amounting to P227,858, for 154,190,712 shares. The amount of P219,041 for 147,174,900 shares of these DFFS had been taken up as part of equity in accordance with the guidelines set by the SEC. The remaining amount of P8,817 for 7,015,812 shares was presented as part of liabilities, pending the filing of the additional increase in authorized capital stock with the SEC as of December 31, 2019. In 2021, the Fund received cash from certain investors as DFFS amounting to P2,205 for 1,556,239 shares (2020 - P51,112 for 39,655,947 shares), pending the filing of additional increased in authorized capital stock with the SEC.

The application for the increase in authorized share capital is still awaiting approval of the SEC as at March 31, 2026 and December 31, 2025. However, due to the status of the Fund's operations (Note 1), the approval of the application for the increase in authorized capital stock will no longer be further pursued.

The total DFFS presented as a separate line item in equity as of June 30, 2026 amounts to P286,027 (December 31, 2025 – P286,129).

The details of the net assets attributable to shareholders at June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
Share capital - P0.01 par value		
Authorized - 100,000,000 shares		
Issued and outstanding	1,000	1,000
Share premium	-	-
Deposits for future subscriptions (DFFS)	286,027	286,129
Retained earnings	185,092	196,077
	472,119	483,206

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	100,000	100,000
Issuances of shares	10,191	106,576
Redemptions of shares and application of DFFS	(10,191)	(106,576)
Issued and outstanding, ending	100,000	100,000

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

	June 30, 2026			December 31, 2025		
	Share capital	Share premium	DFFS	Share capital	Share Premium	DFFS
At beginning	1,000	-	286,129	1,000	4,284	440,155
Adjustments	-	15,425	-	-	-	-
Issuance of shares	-	-	-	-	-	-
Redemptions of shares and application of DFFS	-	(15,425)	(102)	-	(4,284)	(154,026)
At ending	1,000	-	286,027	1,000	-	286,129

As at June 30, 2026, the Fund has 351 shareholders (December 31, 2025 - 367 shareholders).

The Fund computes its NAV per share by dividing the net assets attributable to shareholders, including DFFS classified as liability, if any, as at reporting date by the number of issued and outstanding shares during the year, including shares for issuances covered by DFFS. 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 of PHP)	June 30, 2026	December 31, 2025
PFRS NAV	472.12	483.21
Recognition of transactions which were recorded subsequent to the close of the year	-	-
Trading NAV	472.12	483.21

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

	June 30, 2026	December 31, 2025
Trading NAV attributable to shareholders (in millions of PHP)	472.12	483.21
Number of shares outstanding (in millions), including shares for DFFS	307,4433	317.6340
Trading NAV per share	1.54	1.52

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

	June 30, 2026	December 31, 2025
PFRS NAV attributable to shareholders (in millions of PHP)	472.12	483.21
Number of shares outstanding (in millions), including shares for DFFS	307,4433	317.6340
PFRS NAV per share	1.54	1.52

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.

Earnings per share for the period ended June 30 are computed as follows:

	2026	2025
Net income for the year (in thousands PHP)	4,440	14,643
Weighted average number of shares outstanding during the year (in thousands)	312,118	411,849
Earnings per share	0.0142	0.0356

In compliance with the SRC, the Fund is required to file registration statement for each instance of increase in authorized 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
February 27, 2006	100,000,000	P0.01

8 Interest income

Interest income earned for the period ended June 30 follows:

	2026	2025
Cash and cash equivalents	1,395	2,874
	1,395	2,874

9 Fees and other charges

The details of the account for the years ended June 30 are as follows:

	Notes	2026	2025
Professional fees		294	144
Registry and transfer fees		120	152
Administration fees		66	84
Directors' fees		12	66
Membership fees & dues		25	25
Bank charges		2	4
Fees to custodian bank		8	7
		527	482

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

Registry and transfer charges 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.

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

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

The Fund has an existing custodianship agreement with Deutsche Bank (DB) for custodial services of the Fund's proprietary assets and/or the assets owned in the Philippines. Relative to this, the Fund pays custodian fees of 0.0035% p.a. of market value of the assets.

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 functions as the principal distributor of the Fund. As such, it took charge of the sales of the Fund's shares to prospective investors and paid certain expenses on behalf of the Fund. The Fund has also entered into 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 were 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 0.25% 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 fees			
June 30, 2026	598	84	- Management fee is computed as 0.25% per year 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
December 31, 2025	1,393	73	
Transfer agent / Distributor			
Registry and transfer fees			
June 30, 2026	120	20	- Registry and transfer fee is computed as one-twentieth (1/20) of one percent (1%) per year 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
December 31, 2025	279	21	

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 period ended June 30, 2026, amount to P66 (June 30, 2025 – P84) and is included under fees and other charges in the statement of total comprehensive income (Note 9). As at June 30, 2026, administration fees payable to Deutsche Bank included in Accounts payable and accrued expenses amount to P9 (December 31, 2025 – P34).

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 asset (Note 10)

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. The Fund assesses the unrecognized deferred income tax asset 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 asset 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, the minimum required capitalization for funds amounts to P50 million. The Fund's capitalization is more than the requirement of 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 P472,119 (December 31, 2025 - P483,206).

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 14.5 - Credit risk).

The Fund is fully compliant with the above regulatory requirements as at June 30, 2026 and December 31, 2025.

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 as at June 30, 2026 and December 31, 2025:

June 30, 2026	Level 1	Level 2	Level 3	Total
Government securities	-	385,649	-	385,649
		385,649		385,649

December 31, 2025	Level 1	Level 2	Level 3	Total
Government securities	-	356,663	-	356,663
Corporate debt securities	-	31,861	-	31,861
		388,524		388,524

There are no other assets or liabilities subsequently measured at fair value or that would require disclosure of fair value hierarchy.

13.5 Financial risk

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 does not plan to invest in foreign securities. However, SEC allows mutual fund companies to invest up to one hundred percent (100%) of its net assets in foreign securities subject to safety nets and standards set by the SEC.

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 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:

	Notes	June 30, 2026	December 31, 2025
Cash and cash equivalents	2	74,919	47,136
Short-term investments	3	48,981	50,000
Financial assets at FVTPL	4	385,649	388,524
Other financial assets at amortized cost	5	6,794	7,608
		516,343	493,268

The credit quality of the Fund's financial assets as at June 30, 2026 and December 31, 2025 follows:

(a) Cash and cash equivalents and short-term investments

The Fund's cash in banks and short-term investments are maintained with highly reputable universal banks in the Philippines and global banks with a Moody's credit rating from Baa1 to Baa3.

(b) Financial assets 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

The Fund's other financial assets at amortized cost include interest receivables from term deposits which are expected to be collected the next 12 months.

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, which consists of cash and cash equivalents, short-term investments and other financial asset 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, 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 stage 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 therefore 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. Treasury notes or bills, certificates of indebtedness issued by the Bangko Sentral ng Pilipinas which are short term, and other government securities or bonds and such other evidence of indebtedness or obligations, the servicing and repayment of which are fully guaranteed by the Republic of the Philippines;
b. Tradable Long-Term Negotiable Certificate of Time Deposits (LTNCDs);
c. 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;
d. 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;
e. Money market instruments issued by Philippine regulated qualified buyers or those issued by an investment grade issuing body; and,
f. 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 price risk, currency risk, and cash flow interest rate risk given the materiality or 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.

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.

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.

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 13.

Acceptable alternative authoritative basis

As a result of the approval of shareholders of the planned termination of the Fund (Note 1), the Fund adopted an acceptable alternative authoritative basis of accounting in the preparation of its financial statements as at and for the year ended December 31, 2025. In preparing the Fund's financial statements, management has made its best estimate and judgment with regards to the measurement of the Fund's assets and liabilities, giving due consideration to best available facts and circumstances.

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

In view of the expected termination of the Fund, all new accounting standards and amendments to existing standards effective January 1, 2026 and beyond are neither relevant to nor having a significant 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 has applied it financial assets in the following applicable 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.

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 from these financial assets is included in 'Interest income' using the effective interest rate method.

  As at June 30, 2026 and December 31, 2025, the Fund's financial assets at amortized cost include cash and cash equivalents, other financial assets at amortized cost and other assets.

- *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 and corporate 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, and none occurred during the period.

The Fund reclassifies its debt investments from amortized cost to FVTPL measurement category, in accordance with its change in business model.

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 and other assets 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 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., deposit for future share subscription) 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 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Fund by the weighted average number of shares outstanding and shares covered by deposits for future subscriptions 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.

Philam Managed Income Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at June 30, 2026
(All amounts in thousands of Philippine Peso)

Unappropriated Retained Earnings, beginning of the year		**198,512**
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		**198,512**
Add/Less: Net Income for the current year/period		4,440
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)	(3,553)	
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)	-	(3,553)

Philam Managed Income Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at June 30, 2026
(All amounts in thousands of Philippine Peso)

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		**7,993**
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 Managed Income Fund, Inc.

Reconciliation of Retained Earnings Available for Dividend Declaration
As at June 30, 2026
(All amounts in thousands of Philippine Peso)

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	(15,425)	(15,425)
Total Retained Earnings, end of the year/period available for dividend declaration			**191,080**

Philam Managed Income 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 Managed Income 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 Managed Income 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 Managed Income 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 Managed Income Fund, Inc.

Schedule E - Indebtedness to Related Parties
(Long-Term Loans from Related Companies)
As at June 30, 2026

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

Philam Managed Income 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 Managed Income 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	100,000,000	100,000,000			6	99,999,994

Certification

I, Jonathan T. Tiangco Head of Operations of BPI Wealth-A Trust Corporation., the Fund Manager of Philam Managed Income Fund, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS200517003 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 Managed Income 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 Managed Income 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 MAKATI CITY City, Philippines. Affiant exhibited to me his Unified Multi-Purpose ID No. CRN-0033-1828438-2.

NOTARY PUBLIC

Doc. No. 09
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. 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 - 00424[illegible]

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-0180167-58
Transaction Number	629409884352
Payment Date	October 21, 2026 05:46 PM
Payment Scheme	visa
Status	COMPLETED
Payment Status	PAYMENT_SUCCESS

Payment Assessment Details

PAF No.	20261020-16316054
PAF Date	2026-10-20 13:14:59
Payor Name	PHILAM MANAGED INCOME 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 Managed Income 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 Managed Income 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

This document contains confidential data. It is intended solely for the use of authorized recipient(s). Unauthorized use, disclosure, or reproduction is strictly prohibited.

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 Managed Income 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.

OCT 2 8 2026

Done, this _____, at Makati City.

SIMON R. PATERNO
Affiant

OCT 2 8 2026

SUBSCRIBED AND SWORN to before me this _____ 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. 408;
Page No. 83;
Book No. I;
Series of 2026

GREGORY SILVER 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 Managed Income 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 Dollar Bond Fund, Inc.	Independent Director	2020-present
Philam 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 Managed Income 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 Managed Income 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.

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 ~~Passport~~ Passport ID No. P0998241C issued by the DFA NCR Northeast, expiring on 19 July 2032. vdl

Doc. No. 487;
Page No. 99;
Book No. VII;
Series of 2026.

VIVIEN ROSE C. DE GUZMAN
Appointment No. M-318
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. 85310
PTR No. 10766609/Makati City/01-02-2026
IBP No. 536187/Quezon City/12-23-2025
MCLE No. VIII-0026215/April 7, 2025

ANNEX F

PHILAM MANAGED INCOME FUND, INC.
ATTENDANCE REPORT OF DIRECTORS

Date	Type of Meeting	Attendance
9 December 2025	Annual Stockholders' Meeting	Mr. Roberto F. De Ocampo Reynaldo G. Geronimo Ramon Paulo L. Tayag Andrae V. Manalo Simon R. Paterno Fernando J. Sison III
9 December 2025	Organizational 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

MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS OF
PHILAM MANAGED INCOME FUND, INC.

Held on 9 December 2025 at 11:00 AM
27/F Ayala Triangle Gardens Tower 2
Paseo de Roxas cor. Makati Avenue, Makati City
And via Zoom

PRESENT:

Mr. Roberto F. De Ocampo	Chairman
Reynaldo G. Geronimo	Director
Ramon Paulo L. Tayag	Director
Andrae V. Manalo	Director
Simon R. Paterno	Director
Fernando J. Sison III	Director

ALSO PRESENT:

Dominic N. Yatco	BPI Wealth
Sherwin Nino H. Lao	BPI Wealth
Jacqueline K. Tanliao	BPI Wealth
Lovell A. Sareal	BPI Wealth
Ma. Adelina S. Gatdula	Corporate Secretary
Mitzi Love C. Syjongtian	Picazo Buyco Tan Fider Santos & Dee
Steffi Martina Valle	Picazo Buyco Tan Fider Santos & Dee

PROCEEDINGS

I. CALL TO ORDER

The Chairman, Mr. Roberto F. De Ocampo, 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 Managed Income Fund, Inc. (the "Company" or the "Fund"), were first sent on 14 November 2025 to the respective stockholders of record as of 9 October 2025, that 63,868,001 shares representing 63.87% 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 quorum to transact business.

Ms. Gatdula also shared the Rules and Procedures for the meeting:

First, stockholders who registered via Zoom 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 11:00 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 5 December 2025 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 THE STOCKHOLDERS

Upon motion made and seconded, the stockholders resolved to approve the Minutes of the Annual Stockholders Meeting held on 29 November 2024.

The total number of affirmative votes on this motion is 63,868,001 shares or 100% of the shares present or represented by proxy and entitled to vote.

IV. APPROVAL OF THE 2024 ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

Upon motion made and seconded, the stockholders resolved to approve the 2024 Annual Report and the Audited Financial Statements of the Company for the year ended 31 December 2024.

The total number of affirmative votes on this motion is 63,868,001 shares or 100% of the shares present or represented by proxy and entitled to vote.

V. REPORT ON THE FUNDS' OPERATIONAL HIGHLIGHTS

Ms. Jacqueline K. Tanliao presented the Management Report and the report on the Fund's operational highlights.

A. Investments Review

Ms. Chua started the report by giving a market review of the financial markets. She reported that there is a general decline in interest rates as investors expect further rate cuts from the Bangko Sentral ng Pilipinas (BSP) and the US Federal Reserves. Equity markets have remained volatile due to shifting global trade policies imposed by the United States and resulting corresponding negative sentiments globally. She further discussed that federal rate cuts resulted to a strong performance year to date, however, local equities have been adversely affected by the alleged corruption the government's fund control projects.

It was noted that in the United States, inflation is likely to remain elevated as impact of higher tariffs materialize. In the Philippines, it was also noted that economic growth slowed down due to governance concerns. Nonetheless, slower inflation and rate cuts could support household spending.

Additionally, inflation in the Philippines is expected to stay manageable due to the declining prices of rice.

Risks pointed out were the geopolitical tensions, and global trade policy uncertainty.

Benchmark	PHP Returns	
	YTD (30 October 2025)	2024
Fixed Income ("Bonds")		
91-day T-bills (net of tax)	3.35%	4.50%
BPI GS 1-5 Index	5.27%	4.56%
JACI Philippines	8.40%	2.79%
Equities ("Stocks")		
PSEi (Local)	-9.18%	1.22%
MSCI World Equity Index (Global)	16.67%	18.50%
Currencies	30 October 2025	27 December 2024
USD / PHP	58.85%	57.85%

A summary of the review of the forecasts for Philippine Economy for end 2025 and full year 2026 is presented below:

Economic Indicators	2022A	2023A	2024F	2025F	2026F
GDP Growth	7.6%	5.5%	5.7%	4.8%	5.5%
Inflation (12-mo average)	5.8%	6.0%	3.2%	1.8%	3.2%
USD/PHP	55.76%	55.37	75.85%	58.20	59.70%

B. Fund Update

Ms. Tanliao then reported on the performance of the Fund, which is managed by the Company's Fund Manager, BPI Wealth.

The net asset value of the Fund is at PHP 483,570,000. As of 30 October 2025, the Fund has given a year-to-date (YTD) return of 3.59%. The Fund continues to maintain a constructive outlook on the local fixed income space.

VI. APPROVAL OF ALL THE ACTS, PROCEEDINGS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND 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 63,868,001 shares or 100% of the shares present or represented by proxy and entitled to vote.

VII. ELECTION OF DIRECTORS

The Chairman stated that in accordance with the Fund's Manual of Corporate Governance, the Nomination Committee has previously met and pre-screened the list of the nominees to determine

their qualifications. As required by the SEC, the list of the nominees and their qualifications are set out in the Fund's Definitive Information Statement sent to all stockholders.

At the request of Mr. De Ocampo, Ms. Gatdula reported that the following individuals were nominated for election as directors of the Company:

1. Mr. Roberto F. De Ocampo
2. Atty. Reynaldo G. Geronimo
3. Mr. Andrae V. Manalo
4. Mr. Ramon Paulo L. Tayag
5. Mr. Simon R. Paterno
6. Mr. Fernando J. Sison III

There being no other nominations, and upon motion made and seconded, the nominations were declared closed. Mr. De Ocampo accordingly declared the following nominees duly elected as directors of the Company for the year 2025-2026:

1. Mr. Roberto F. De Ocampo
2. Atty. Reynaldo G. Geronimo
3. Mr. Andrae V. Manalo
4. Mr. Ramon Paulo L. Tayag
5. Mr. Simon R. Paterno
6. Mr. Fernando J. Sison III
7. Vacant

VIII. RE-APPOINTMENT OF ISLA LIPANA & CO. AS 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 2025.

The total number of affirmative votes on this motion is 63,868,001 shares or 100% of the shares present or represented by proxy and entitled to vote.

IX. CONFIRMATION OF BPI WEALTH AS PRINCIPAL DISTRIBUTOR & TRANSFER AGENT

The Chairman stated that the Company submitted for approval of the stockholders the confirmation of the appointment of BPI Wealth as Principal Distributor & Transfer Agent.

Upon motion made and seconded, the stockholders approved the confirmation of BPI Wealth as Principal Distributor & Transfer Agent.

The total number of affirmative votes on this motion is 63,868,001 shares or 100% of the shares present or represented by proxy and entitled to vote.

X. QUESTION AND ANSWER PORTION

The floor was opened for any questions from the stockholders.
Mr. Sherwin Nino H. Lao of BPI Wealth read the questions from the stockholders.

For the first question, the Fund Manager was asked how the corruption issues confronting the country affect the Fund's overall strategy.

The Fund Manager responded that in the local fixed income space, growth sharply slowed down during the third quarter of 2025 amid the corruption issues relating to the government's infrastructure projects. Overall, however, local inflation remains manageable and BSP policy has not changed. Given this, the Fund Manager remains cautiously optimistic and looks to maintain a nimble trading position whilst taking advantage of the current market trends.

In terms of global fixed income, the Fund Manager also remains cautiously optimistic as any news or headlines could affect near-term yields. As for long-term yields, the Fund Manager is also closely monitoring signals from any budget deficits or any economic slow-down that could drive yield movements.

On the equity income space, global equity will likely outperform domestic equity. The Fund Manager remains constructive on the global equity income space but recognizes that there is deep value in Philippine equity, with the stock prices of some blue-chip stock going down to pre-pandemic levels because of negative market sentiment. Thus, the Fund Manager looks to employ a defensive strategy, focusing on stocks with clear earnings growth drivers and with attractive dividends.

For the second question, the Fund Manager was asked what its outlook was on PSE index in the next twelve (12) months.

The Fund Manager responded that they have no index target, but they think that the corruption issue will continue to drag sentiment on the Philippine stock market, thus capping its potential upside until the first half of 2026.

XI. 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:

Roberto F. De Ocampo
Chairman