

COVER SHEET

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S.E.C. Registration Number

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										I	N	C	.									

(Company's Full Name)

1	5	T	H	F	L	O	O	R	,	P	H	I	L	I	P	P	I	N	E	S	T	O	C	K		
E	X	C	H	A	N	G	E	T	O	W	E	R	,	5	T	H	A	V	E	.	C	O	R	N	E	R
2	8	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	C	I	T	Y	,	M	E	T	R	O	M	A	N	I	L	A					

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

MA. ANGELICA CABANIT

Contact Person

8250-8713

Company Telephone Number

1	2		3	1
Month			Day	

Fiscal Year

1	2	-	1
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FORM TYPE

Mo	nth		Day			Year	

Period Ended

MUTUAL FUND

Secondary License Type, If applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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File Number

_____ LCU

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Document I.D

_____ Cashier

STAMPS

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**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 12-1**

REGISTRATION STATEMENT UNDER THE SECURITIES REGULATION CODE

1. SEC Identification Number: **CS201902172**

2. **PHILEQUITY ALPHA ONE FUND, INC.**

Exact name of registrant as specified in its charter

3. **METRO MANILA, PHILIPPINES**

Province, Country or other jurisdiction of
incorporation or organization

4. **010-270-954-000**

BIR Tax Identification Number

5. **OPEN-END MUTUAL FUND**

General character of business of registrant

6. Industry Classification Code:

(SEC Use Only)

**7.15TH FLOOR, PSE TOWER, 5TH AVENUE CORNER 28TH STREET, BONIFACIO
GLOBAL CITY, TAGUIG CITY, 1634**

TELEPHONE NUMBER: (632) 250-8700; FAX NUMBER: (632) 250-8701

Address, including postal code, telephone number, FAX number including area code, of
registrant's principal offices

8. **NOT APPLICABLE**

If registrant is not resident in the Philippines, or its principal business is outside the
Philippines, state name and address including postal code, and email address of resident agent in
the Philippines

9. Fiscal Year Ending Date (Month and Day): **DECEMBER 31**

Computation of Registration Fee

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of Registration fee
Amended Registration Statement				P12,000.00
Add: Legal Research Fee				P120.00
Documentary Stamp Tax				P30.00
Total Registration Fees				P12,150.00

DRAFT PROSPECTUS

OF

PHILEQUITY ALPHA ONE FUND, INC.

AN OPEN-END INVESTMENT COMPANY, UNITIZED MUTUAL FUND

The Fund only offers units of participation. The Participation Units consist of Ten Billion (10,000,000,000) units to be offered at current Net Asset Value per Unit (NAVPU). The units to be offered are not listed in the Philippine Stock Exchange, and shall be issued and redeemed through its principal distributor, Philequity Management, Inc. (PEMI).

PHILEQUITY MANAGEMENT, INC.

Principal Distributor

15th Floor, PSE Tower, 5th Avenue Corner 28th Street,
Bonifacio Global City, Taguig City, 1634
Tel. No. 250-8700

Sub-distributors

BDO Securities Corporation
COL Financial Group, Inc.
First Metro Securities Brokerage Corporation
Investa Financial Inc.
Novel Securities, Inc.
Rampver Financials, Inc.
Unicapital Securities Inc.
Wealth Securities, Inc.

This Prospectus is dated November 30, 2025

THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.

SUMMARY OF FEES, COMMISSIONS, AND OTHER CHARGES TO BE DEDUCTED

FUND	
Management Fee	0.75% per annum of the average NAV of the Fund
Distribution Fee	0.75% per annum of the average NAV of the Fund
Transfer Agent Retainer	Fixed monthly fee of P30,000.00 (excluding transaction charges)
Custodian Fee	0.015% per annum based on the Market Value of the Fund, payable quarterly upon billing
External Audit Fee	150,000 exclusive of 10% out-of-pocket expenses and 12% value-added taxes (estimate only)
Directors Fee	10,000.00 per diem per meeting

INVESTOR	
Sales Load Fe	Maximum of five percent (5%) of the subscription amount
Early Redemption Fee	Maximum of one percent (1%) of the amount redeemed if less than 90 days
	0% if more than 90 days

PHILEQUITY ALPHA ONE FUND, INC.

15th Floor, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City
Telephone Number: (632) 8250-8700

This Offering Prospectus relates to the offer and sale of Ten Billion 10,000,000,000 units of participation (the “Offer,” and such Units of Participation, the “Units”), with an initial net asset value per unit of ₱1.00 per Unit, of Philequity Alpha One Fund, Inc. (hereinafter, referred to as the “Fund” or the “Company”), a corporation organized under Philippine laws. The Fund is a growth oriented open-ended unitized mutual fund.

The total value of the 10,000,000,000 units is estimated to be worth PHP 10,000,000,000 (computed as 10 billion units multiplied by the initial NAVPU of PHP 1.0000/unit offer price). Proceeds from the sale of units shall be used to invest primarily in Philippine listed companies that have strong growth potentials. The Fund may also invest a portion of its assets in other securities such as fixed income, bonds, and currencies depending on prevailing market conditions. Any remaining unissued units will be sold at the prevailing NAVPU upon subscription. For more details, please refer to the section entitled “Use of Proceeds”.

The units of participation shall primarily be offered by Philequity Management, Inc. (“PEMI”), the Fund’s principal distributor and investment advisor. PEMI is paid a management fee equivalent to 0.75% and a distribution fee equivalent to 0.75% per annum of the average net asset value of the Fund as principal distributor and investment advisor; and (ii) a sales load not exceeding five (5) percent of the subscription amount. For more details on the Investment Company Adviser, please refer to the section entitled “Plan of Distribution”.

All of the offered units of the Company issued or to be issued pursuant to the Offer (collectively the “Units”) are unclassified and have, or upon issue will have, identical rights and privileges. The Units may be owned by any person or entity regardless of citizenship or nationality. Each unitholder shall have no voting rights but shall be notified of any material change in the Registration Statement and the subscription agreement. Unitholders are not entitled to dividends of the Fund. The Fund may allow non-guaranteed unit-paying and/or income-paying feature/s if so declared and approved by the Board of Directors of the Fund, and accordingly permitted by the Securities and Exchange Commission.

The information contained in this Prospectus relating to the Company and its operations has been supplied by the Company, unless otherwise stated herein. To the best of its knowledge and belief, the Company, which has taken all reasonable care to ensure that such is the case, confirms that the information contained in this Prospectus relating to the Company and its operations are correct, and that there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect. The Company and its Fund Manager hereby accepts full responsibility for the accuracy of the information contained in this Prospectus as of the date hereof but shall not, under any circumstances, create any implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

At present, there is no formal or organized secondary market for the purchase and sale of units. The sale of units will not be underwritten.

In making an investment decision, investors must rely on their own examination of the Company and the terms of this Offer, including the material risks involved. The Offer is being made on the basis of this Prospectus only.

Due to the underlying investments of the Fund, various factors, such as market conditions and general economic situations may affect the value of the Fund. Consequently, there may be instances when the redemption proceeds of redeemed units may be of lesser value than when initially invested. A detailed discussion of risks can be found on the section entitled “Risk Factors”.

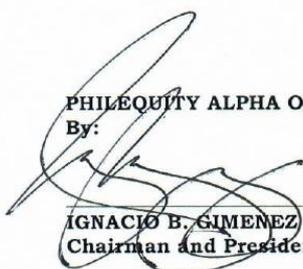
Application has been made to the Securities and Exchange Commission (SEC) to register the Offer Units under the provisions of the Securities Regulation Code of the Philippines (Republic Act No. 8799). Any inquiries regarding this Prospectus should be forwarded to the Company.

No dealer, selling agent or any other person has been authorized to give information or make any representation not contained in this Prospectus. This Prospectus does not constitute an offer of any securities other than those to which it relates, or an offer to sell or a solicitation of an offer to buy any securities other than those to which it relates in any jurisdiction or to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The delivery of this Prospectus at any time does not imply that the information herein contained is correct as of any time subsequent to this date.

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE ACCEPTED OR RECEIVED UNTIL THE REGISTRATION STATEMENT HAS BECOME EFFECTIVE, AND ANY SUCH OFFER MAY BE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OF COMMITMENT OF ANY KIND, AT ANY TIME PRIOR TO NOTICE OF ITS ACCEPTANCE GIVEN AFTER THE EFFECTIVE DATE. AN INDICATION OF INTEREST IN RESPONSE HERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY.

PHILEQUITY ALPHA ONE FUND, INC.

By:


IGNACIO B. GIMENEZ
Chairman and President

SUBSCRIBED AND SWORN TO BEFORE ME this DEC 15 2023 day of _____ at _____
CITY OF MANILA, affiant exhibited to me his Tax Identification Number 228-111-486-000.

Doc. No. 66;
Page No. 18;
Book No. XIV;
Series of 2023

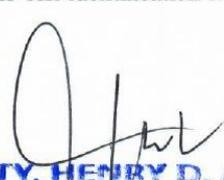

NOTARY PUBLIC, CITY OF MANILA
APPOINTMENT: 1977/12/31/2025
IBP NO. 197139 / 01/03/2023
PTR NO. 0861345 / 01/03/2023
ROLL NO. 29679, TIN NO. 172-528-620
MILE COMP. NO. VII-000165 VALID UNTIL APRIL 14, 2025
STA. CRUZ, MANILA

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PRINCIPAL PARTIES TO THE OFFER

REGISTRANT

Philequity Alpha One Fund, Inc.

15th Floor, PSE Tower,
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City, 1634
Telephone No.: 8250-8700
Website: www.philequity.net

INVESTMENT MANAGER, ADVISOR AND PRINCIPAL DISTRIBUTOR

Philequity Management, Inc.

15th Floor, PSE Tower,
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City, 1634
Telephone No.: 8250-8700
Website: www.philequity.net

CUSTODIAN

BPI Asset Management and Trust Corporation

7th Floor, BPI Buendia Center,
Sen. Gil J. Puyat Ave, Makati, 1209
Telephone No.: 8580-2682
Website: www.bpiassetmanagement.com

TRANSFER AGENT

Philequity Management, Inc.

15th Floor, PSE Tower,
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City, 1634
Telephone No.: 8250-8700
Website: www.philequity.net

LEGAL COUNSEL

Valerio & Associates Law Office

Unit 17/F, 17th Floor Petron Mega Plaza 358
Sen. Gil Puyat Ave., Makati City 1209
Telephone No.: +632 8856-5191

EXTERNAL AUDITOR

SyCip Gorres Velayo & Co.

6760 Ayala Avenue Makati City
Telephone No.: 891-0307
Website: www.sgv.ph

PROSPECTUS SUMMARY

The following summary is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus.

Issuer

Philequity Alpha One Fund, Inc. with office address 15th Floor, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City, 1634. The Fund's telephonenumber is (632) 8250-8700.

The general character of the business of the Fund is an Open-End Unitized Mutual Fund established under the Investment Company Act, R.A. 2629 and R.A. 8799. The Fund is an equity fund which intends to invest primarily in Philippine listed companies that have strong growth potentials. The Fund shall only offer units of participation. The Fund shall not offer common shares.

Units Offered/Initial Net Asset Value Per Unit

The Units offered by the Fund shall have an initial net asset value of One Peso (₱1.00) per Unit.

Offer Price

The offer price per unit is the current NAVPU for the business day, if payment is made within the daily cut-off time, plus a sales load fee, if applicable.

Total Units to Offer

The total number of units to offer shall be Ten Billion (10,000,000,000).

Proceeds from the Offering

The total proceeds expected to be raised by the Fund is Ten Billion Pesos (₱10,000,000,000.00) (computed as 10 billion units multiplied by the initial net asset value of PHP 1.0000 per unit). The net proceeds from the sale of securities will be used to invest primarily in companies listed on the PSE.

Sales Load

The sales load fee shall be a maximum of five percent (5.0%) of the value of the investment.

Daily Cut-Off Time

12:00 noon

Minimum Investment

One Thousand Pesos (₱1,000.00) for initial investments and Five Hundred Pesos (₱500.00) for additional investments. Installment payments are prohibited.

Redemption Price

The redemption price of the securities surrendered within the daily cut-off time shall be the current computed NAVPU after the request for redemption is received. Securities surrendered after the daily cut-off time shall be deemed to have been received on the following business day.

Redemption Fee and Charge

A redemption fee of maximum of one percent (1.0%) of the redemption proceeds will be deducted there from if redeemed within the first ninety (90) days of investment. No redemption fee shall be deducted if redeemed beyond ninety (90) days from the time of investment. Redemptions for deposit to bank accounts are subject to check clearing, redemptions made through RTGS / PDDTS are subject to bank charges and any stale checks will be subject to a penalty of Php 25.00.

Management and Distribution Fee and Expenses

A management fee equivalent to 0.75% and a distribution fee equivalent to 0.75% per annum of the average net asset value of the Fund's assets computed on a daily basis, shall be payable by the Fund to its investment manager, Philequity Management, Inc. (PEMI). Certain operating expenses of the Fund are deemed covered by the management fee and shall be for the account of PEMI.

Investment Policies and Objective

The investment objective of Philequity Alpha One Fund, Inc. is to generate growth through primarily investing in securities listed in the Philippine Stock Exchange. It is categorized as growth-oriented. The Fund may also invest in fixed income, commercial papers or other financial securities to generate growth.

Risk Factors

Prospective investors are encouraged to read the section on “Risk Factors” before making an investment. Various risk factors could adversely affect the investment of the unitholder. Consequently, there may be instances when the redemption proceeds may of lesser value than the principal amount invested.

These risks (as described and explained under “Risk Factors”) include:

- A. Market Risk
- B. Credit Risk
- C. Liquidity Risk
- D. Operational Risk
- E. Country Risk
- F. Regulatory Risk
- G. Non – Guarantee
- H. Fund Manager Risk
- I. Taxation Risk
- J. Large Transaction Risk

SUMMARY OF FINANCIAL INFORMATION

The selected financial information set forth in the following table has been derived from the Company’s audited Financial Statements for the period ending December 31, 2024 and interim unaudited Financial Statements for the quarter ending June 30, 2025. This consolidated financial data should be read together with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the financial statements and related notes included elsewhere in this Prospectus.

The designated settlement bank will be used to handle the cash flow for each transaction although the investment assets will always be safe kept by the custodian or depository.

PHILEQUITY ALPHA ONE FUND, INC.
(An Open-End Mutual Fund Company)
STATEMENTS OF FINANCIAL POSITION

	June 30, 2025		December 31, 2024	
	Shareholders	Unitholders	Shareholders	Unitholders
ASSETS				
Cash and cash equivalents	964,754	3,102,997	956,396	4,654,413
Financial assets at fair value through profit or loss	-	233,601,736	-	278,704,947
Receivables	1,620	1,460,721	1,428	172,169
	966,374	238,165,454	957,824	283,531,529
LIABILITIES AND EQUITY				
Liabilities				
Accrued expense and other liabilities	62,777	1,566,103	62,777	860,564
	62,777	1,566,103	62,777	860,564
Equity				
Net assets attributable to shareholders:				
Capital stock	1,000,000		1,000,000	
Accumulated Earnings	(96,403)		(104,953)	
Net assets attributable to unitholders:				
Principal		250,010,147		282,960,032
Accumulated Earnings		(13,410,796)		(289,067)
	903,597	236,599,351	895,047	282,670,965
	966,374	238,165,454	957,824	283,531,529
Net Asset Value Per Share	0.9036	0.9882	0.8950	1.0369

PHILEQUITY ALPHA ONE FUND, INC.
(An Open-End Mutual Fund Company)
STATEMENTS OF COMPREHENSIVE INCOME

	June 30, 2025		June 30, 2024	
	Shareholders	Unitholders	Shareholders	Unitholders
INVESTMENT INCOME (LOSS)				
Trading and investment securities gains (losses) - net		(15,436,283)		(3,300,342)
Interest Income	10,687	8,321	13,402	418,138
Dividend income		5,822,909		6,502,780
Other Income		0		0
	10,687	(9,605,053)	13,402	3,620,576
OPERATING EXPENSES				
Management fee		2,181,357		2,592,880
Taxes and licenses		629,050		421,902
Commission		399,527		244,770
Professional fees		50,097		81,173
Transaction costs		71,915		44,059
Others		183,065		80,948
	0	3,515,011	0	3,465,730
INCOME (LOSS) BEFORE INCOME TAX	10,687	(13,120,064)	13,402	154,846
PROVISION FOR FINAL TAX	2,137	1,664	2,680	83,628
TOTAL COMPREHENSIVE INCOME (LOSS)	8,550	(13,121,728)	10,722	71,218

GLOSSARY

For the purpose of this Prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below:

Banking Day	Any of the days in a week, except Saturdays, Sundays, and holidays, when banks are not required to do, or are authorized by law to close for, business in Metro Manila.
BSP	Bangko Sentral ng Pilipinas
Custodian	BPI Asset Management and Trust
Investment Manager	Philequity Management, Inc. (PEMI)
Investor	Any individual, association or corporation who desires to invest in the units of the Fund
NAV	Net Asset Value
NAVPU	The computed NAV on a per unit basis at the close of the day. It is calculated by dividing the Fund's total net assets by the number of its outstanding units.
NIRC or R.A. 8424, As Amended	National Internal Revenue Code of 1997, as amended
PDDTS	Philippine Domestic Dollar Transfer System
Pesos or ₱	Philippine Peso, lawful currency of the Philippines
PAOF	Philequity Alpha One Fund, Inc.
Principal Distributor	Philequity Management, Inc.
PSE or the "Exchange"	Philippine Stock Exchange, Inc.
R.A. 2629	Republic Act No. 2629 or the Investment Company Act
R.A. 8799	Republic Act No. 8799 or the Securities Regulation Code
RTGS	Real Time Gross Settlement
SEC or the "Commission"	Securities and Exchange Commission
Unitholder	Any natural or juridical person who has subscribed to the units of the Fund.
The "Fund" or the "Company"	Philequity Alpha One Fund, Inc.
Transfer Agent	Philequity Management Inc.
Unitized Mutual Fund	A mutual fund company that issues units of participation, each of which represents an undivided interest in the pool of investment assets of the scheme.

RISK FACTORS

Before investing in the Fund, an Investor should ensure that he fully understands the nature and terms of the investment, the relevant risk factors, as well as the nature and extent of his risk of loss. He should also carefully evaluate whether a mutual fund investment is appropriate for him in light of his experience, objectives, financial resources and other relevant circumstances, and whether he has the willingness and ability to accept the risks inherent in this kind of investment vehicle.

Prior to making an investment decision, the prospective investors should carefully consider the risks described below in addition to the other information set forth in this Prospectus. However, this section does not purport to disclose all risks and other significant aspects of investing in the Offered Securities. The investment considerations and risks enumerated hereunder are considered to be each of equal importance.

Investors deal in a range of investments, each of which may carry a different level of risk. The occurrence of any of the events discussed below and any additional risks and uncertainties not presently known to the Company or that are currently considered immaterial could have a material adverse effect on the Company's business, results of operations, financial condition and prospects and may cause the market price of the securities offered to fall significantly and investors may lose all or part of their investment.

RISK OF INVESTING

General Warning

The price of securities can and does fluctuate, and the price of an individual security may experience upward or downward movements, and may even lose all of their value. There is an inherent risk that losses may be incurred rather than profits made, as a result of buying and selling securities.

Past performance is not a guide to future performance.

There is an extra risk of losing money when securities are bought from smaller companies. There may be a big difference between the buying price and the selling price of these securities.

An investor deals in a range of investments each of which may carry a different level of risk.

Prudence Required

This risk disclosure does not purport to disclose all of the risks and other significant aspects of investing in these securities. An Investor should undertake his or her own research and study on the trading of securities before commencing any trading activity. He or she may request information on the securities and issuer thereof from the Commission, all of which are available to the public.

Professional Advice

An Investor should seek professional advice if he is uncertain of, or has not understood any aspect of the securities to be invested in or the nature of the risks involved in the trading of the securities, especially those high risk securities.

Risk Factors

As with any investment, a fund's past performance is no guarantee of its future success. Over the long-term, however, the success or failure to profit in the Fund will depend on the following: (i) the Fund's fees and expenses; and (ii) the Fund Manager's ability to manage risks and volatility.

Various risk factors can affect the market value of the assets of the Fund and can cause fluctuations of the Fund's net asset value. The Fund, however, adopts steps to minimize, if not eliminate, the effect of these risks. The major risks facing the Fund are as follows:

- a. **Market Risk** is the risk that the value of an Investor's mutual fund investment will be adversely affected by the fluctuations in the price level or volatility of one or more of the underlying instruments of the mutual fund. This consists of two main components:
 - i. **Systematic Risk** – is the variability in price caused by factors that affect all securities across all markets (e.g. significant economic or political events). This may be seen in connection with the below-discussed Country Risks. To lessen the impact of systematic risk, the Fund from time to time will increase its allocation to cash or equivalents during extreme market volatility. The increase allocation to cash should mitigate somewhat the volatility of the securities in the portfolio and lower the systematic risk to the Fund.
 - ii. **Unsystematic Risk** – is the variability in price caused by factors which are specific to the particular issuer (PSE-listed companies) of the shares of stocks. Through proper portfolio diversification, this risk can be minimized as losses on one particular stock may be offset by gains in another.

There are two types of market risk namely:

1. **Interest Rate Risk** – This refers to the change in the value of a financial asset due to market interest rate changes. The Fund's fixed rate investments and receivables are exposed to such risk. This risk is minimized by closely monitoring the direction of interest rates and aligning it with the appropriate strategy of the Fund.
2. **Equity Price Risk** – This refers to the changes in prices of equity investments held by the Fund. This is affected by the volatility due to different market factors. Changes in prices of equity refer to the equity investments held by the Fund either for strategic or trading purposes. These equity investments, if any, are subject to the daily price fluctuations, as determined by market forces. Hence, prices may vary as a result of the general economic and political conditions, as well as developments in the company's operations and overall profitability. To manage this risk, the equity investments included in the Fund's portfolio are carefully selected based on their fundamental soundness.

- b. **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. Investments in bonds carry the risk that the issuer of the bonds might not be able to meet its interest and principal payments. The value of the bonds will therefore be adversely affected and may result in a write-off. To mitigate this risk, each Issuer/Borrower/Counterparty passes through a stringent assessment to determine the quality of the issue meets the standards of the Fund. This assessment is conducted periodically to ensure the credit standing is maintained.

Maximum exposure to credit risk

The Fund's maximum exposure to credit risk is limited to the carrying value of its financial assets as of reporting date. The Fund does not hold any collateral or other credit enhancements that will mitigate credit risk exposure.

Credit quality per class of financial assets

The Fund rates its financial assets based on internal credit rating system. The Fund only invests in high grade financial assets. High grade cash and cash equivalents are short-term placements and working cash fund placed, invested, or deposited in local banks belonging to the top twenty banks in terms of resources and profitability. High grade accounts are accounts considered to be of high value. The counterparties have a very remote likelihood of default and have consistently exhibited good paying habits.

- c. **Liquidity Risk** 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 a counterparty failing on repayment of a contractual obligation, or inability to generate cash inflows as anticipated.

The Fund is exposed to daily redemptions of redeemable participating units. The Fund is exposed to the risk of being unable to meet its payment obligations to redeeming shareholders. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

To mitigate liquidity risk, the Fund's Liquidity Contingency Plan is in place to ensure an adequate liquidity reserve. The Fund's Liquidity Contingency Plan and internal guidelines on cash and cash equivalent positions shall likewise be monitored on a daily basis during times of volatility. Finally, the Fund Manager shall ensure that the Fund is invested in securities considered as "liquid" based on the internal guidelines of the Fund Manager.

- d. **Operational Risk** (also called 'Operations Risk') is the risk to earnings or capital arising from problems with service or product delivery. This risk is a function of internal controls, information systems, employee integrity and operating processes. Different institutions have different definitions of operations risk. Some institutions focus only on procedural risks, while others categorize all risks other than credit, market and liquidity under operations risk.

Operations risks refer to possible breakdowns in internal controls and corporate governance, error and fraud, technology failure, business disruptions and unpredictable external events. These circumstances can be very costly for a company. Thus, companies must proactively manage operations risk in order to minimize losses, remain competitive and protect shareholder value.

To mitigate the risk, the Fund manager implements a sound system of internal control which includes but is not limited to segregation of functions among the different personnel, tight security administration and back-up plan, daily reconciliation of nostro accounts, confirmation or call back procedure, and monitoring of exceptions and errors. Personnel are also updated with current regulations affecting the Fund.

- e. **Country Risk**

The success of the Fund's investments may be influenced by the general political situation in, and the state of the economy of, the Philippines.

The general political and economic situations of the country also influence the net asset value of the Fund. As an illustration, when the country's general political and economic situations are perceived to be in turmoil, investors view this situation as the time to pull out their placements and either move these funds to better quality, safer, lower risk investments such as the US dollar or at least place these funds with bigger financial institutions/banks, until such situations normalize. As a consequence, these instances can result to the redemption prices of redeemed units being less than the prices at which the units were originally purchased. Investors who redeem their units may not be able to recover the full cost of their investment.

To somewhat lessen the impact of risk originating from economic and political factors in the Philippines, the Fund will continuously monitor and assess various economic indicators as well as political factors of the country to gauge if certain risks exist that might have a significant effect on the net asset value of the Fund. Economic factors include the GDP, growth in remittances from overseas workers, business process outsourcing revenues, inflation rate, lending and borrowing rates, and the country's debt-to-GDP. Political factors the Fund might monitor are political decisions made by the administration, status of reforms being administered by the government and foreign investors' perception of doing business in the Philippines.

f. Foreign Exchange Risk

While the Fund is denominated in Philippine Pesos, the Fund may at times invest in foreign exchange, primarily the US dollar. Significant fluctuations in exchange rates may affect the Fund's financial position.

To mitigate risk, the Fund shall monitor the economic and political health of each country where the Fund has currency exposure.

The following are additional risks affecting the Fund which are not quantifiable:

1. Regulatory Risk

The Fund's investment and operations are subject to government regulation, which are subject to change from time to time. Regulations such as taxation and accounting rules may have a significant impact in the performance of the Fund which may either be positive or negative for the shareholders of the Fund. To address this risk, the Fund will keep itself abreast with all regulatory changes that may have an impact on the Fund's operation and assets and seek to communicate and dialogue with agencies concerned. In addition, the Fund will be an active member of the Philippine Investment Fund Association (PIFA), through which it may recommend changes in regulatory policies that affect the mutual fund industry.

2. Non – Guarantee

Investments made in Mutual Funds which the Fund is classified as, is not guaranteed by the Philippine Depository Insurance Corporation (PDIC). Therefore investors of the Fund are subject to higher risk of losing their capital without any form of guarantee. Moreover, like any similar risk type of investment, past performance of the Fund is not an indicator of the future performance of the Fund. In order to lessen the risk of loss of capital for the investors of the Fund, certain risk-mitigating measures like diversification, investing only in high-quality and highly liquid companies listed in the PSE, will be strictly observed by the Fund.

3. Fund Manager Risk

In general, the performance of a mutual fund is dependent on the expertise and experience of the Fund Manager. Although a fund's performance is affected by, but not limited to economic, market, political and regulatory factors, decisions made by the Fund Manager has a direct impact on the performance of the Fund. In order to mitigate this risk, the Fund Manager will adhere to a thorough investment process, considering macroeconomic as well as company-specific factors before making an investment decision.

4. Large Transaction Risk

If an investor in a Fund makes a substantial subscription/redemption in the Fund, the Fund's cash flow may be adversely affected. For a significant subscription amount, the Fund may be forced to buy securities at unfavorable prices to maintain its intended portfolio positions and weightings. For a significant redemption amount, the Fund may be forced to sell securities at unfavorable prices or even cut losses to ensure there is a sufficient fund to pay the redemption proceeds.

5. Taxation Risk

The original issue of shares of stock or units of participation in a mutual fund company are exempt from the documentary stamp tax in accordance with Section 199(o) and (p) of the Tax Code.

Furthermore, Gains realized by the investor upon redemption of its shares of stock or units of participation in a mutual fund company registered under Republic Act No. 2629 or the Investment Company Act are excluded from the computation of a taxpayer's gross income and are thus exempt from taxation in accordance with Section 32(B)(7)(h) of the Tax Code

Risk Monitoring and Management Procedure

The Fund Manager through its Compliance Officer continuously monitors areas that may pose risks to the Fund. The Fund also has an Audit Committee to monitor risks, the members of which are required to have accounting and finance backgrounds.

Said Committee, among others, shall also ensure compliance with the risk management policies of the Fund. It shall provide oversight over the Fund's activities in managing credit, market, liquidity, operational, legal, and other risks. On an annual basis, the Committee shall review its business continuity plan and implement any changes that are necessary to ensure risks are identified, mitigated and/or eliminated.

Exceptions and revisions to the risk management framework will also be subject to Board approval. The framework also includes the requirements of the SEC with regards to breach of investment restrictions, and respective curing periods.

FUND FEATURES

THE FUND

PAOF was incorporated on February 13, 2019. The general character of the business of the Fund is an Open-End Unitized Mutual Fund established under the Investment Company Act, R.A. 2629. The investment objective of the Fund is to generate returns by primarily investing in equity securities that have strong growth potentials. The Fund issues mutual fund units for sale to the public. There are no sales or revenues and net income contributed by foreign sales.

The investment objectives, policies and initial investment plans are discussed in detail under the topics Investment Objective and Investment Policies and Investment Restrictions.

The Fund appointed PEMI as its investment manager and principal distributor. The Fund employs no personnel as the function is solely through PEMI. A detailed description of the duties of PEMI as investment manager and distributor, the investment procedure and the plan of distribution are discussed under the topic Parties Involved in the Fund and in the Management and Distribution Agreement.

The custodians safe keeps the securities of the Fund and in case of company bankruptcy and upon liquidation of the assets, the Fund shall payout the applicable redemption price to its unitholders under a distribution process to be determined by the Board of Directors of the Fund. The Fund shall submit a redemption plan to the Commission prior to its dissolution.

The Fund has been conducting the same business since its inception. The Fund has no intention, nor has it undergone any merger, consolidation, any material reclassification or purchase or sale of significant amount of asset not in the ordinary course of the business. The Fund has never filed for bankruptcy, receivership nor has it undergone similar proceedings.

INVESTMENT OBJECTIVE AND POLICIES

The Fund is a growth oriented fund which aims to generate returns by primarily investing in listed companies in the Philippine Stock Exchange that have strong potentials for growth. The Fund may also invest a portion of its assets in other securities such as but not limited to derivatives, foreign exchange, fixed income, commercial papers depending on market conditions. The Fund is suitable for retail and corporate investors who fully understand the risks involved of investing in mutual funds. The fund is classified as a high risk investment.

The Fund will act within the provision of applicable laws and regulations as stated in the investment restrictions.

INVESTMENT RESTRICTIONS

Unless otherwise prescribed by the Commission, the investments and operation of the Fund shall be subject to the following limitations and restrictions:

1. The maximum investment of the Fund in any single enterprise or issuer shall not exceed an amount equivalent to fifteen percent (15%) of its net assets, nor shall the total investment of the fund exceed ten percent (10%) of the outstanding securities of the investee company.

2. The Fund shall not invest, in aggregate, more than twenty percent (20%) of its net assets in transferrable securities, money market instruments, deposits and OTC financial derivatives issued by any single business group, provided the investments in OTC financial derivatives with non-investment grade or unrated counterparty shall not exceed five percent (5%) of the net asset of the Fund. In investing in financial derivative instruments for the Fund, PEMI shall subject itself to the limitations provided in Section 6.8.h of the Implementing Rules and Regulations of the Investment Company Act, Section 2 of SEC Memorandum Circular No. 15 s.2020 and any other rules as prescribed by the Commission.
3. Deposits of the Fund shall not exceed twenty percent (20%) of its net assets in a single bank/non-bank with quasi bank license excluding monies for liquidation of a revoked Investment Company.
4. Investments in:
 - a. Deposits placed with unrated or non-investment grade deposit-taking institution;
 - b. Debt securities or money market instruments not dealt in on organized market or issued by an unrated or non-investment grade issuing body;
 - c. Unlisted shares; and
 - d. Over-the-counter financial derivatives with non-investment grade or unrated counterpartymust not, in aggregate, exceed fifteen (15%) of the net assets of the investment company provided the investments enumerated herein shall not exceed five percent (5%) of the net assets of the investment company.
5. Investment in foreign government debt securities or money markets where the issuer or the guarantor is a government, sovereign or central bank with an international long-term issuer rating of investment grade may be increased to a maximum of thirty five percent (35%) of the net assets of the Fund;
6. In investing in financial derivative instruments, the Fund Manager shall employ a risk-management process which captures the risks associated with the use of financial derivatives and satisfies all the following requirements:
 - a. The total exposure to financial derivatives or embedded financial derivatives, including counterparty transactions, shall not exceed twenty percent (20%) of the net assets of the investment company;
 - b. The Fund shall invest five percent (5%) of its net assets to liquid assets to meet all its payment and delivery obligations;
 - c. The Fund Manager shall not act as a counterparty to an OTC derivative invested into by the Investment Company.
7. The Fund shall be prohibited from investing in the securities it is issuing.
8. The Fund shall not purchase from or sell to any of its officers or directors or the officers or directors of its investment advisor/s, manager or distributor/s or firm/s of which any of them are members, any securities other than the capital stock of the Fund.
9. The Fund shall not engage in short selling;
10. Unless the Commission shall provide otherwise, the Investment Company shall not invest in any of the following:
 - a. margin purchase of securities (investment in partly paid shares are excluded);
 - b. commodity futures contracts;
 - c. precious metals; and
 - d. unlimited liability investments.
11. For liquidity purposes, unless otherwise prescribed by the Commission, at least ten percent (10%) of the assets of the Fund shall be invested in liquid/semi-liquid assets.

Such liquid/semi-liquid assets shall refer to, but not limited to the following:

- 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 (LTNCTD)
- 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 deposit 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;
- f. Other collective schemes wholly invested in liquid/semi-liquid assets.

The Fund has submitted a notarized Liquidity Contingency Plan (“LCP”) to implement a decreased investment of less than ten percent (10%) of its assets in liquid/semi-liquid assets. The LCP sets forth governance, procedures, and controls for identifying, assessing, and managing liquidity risks. It mandates periodic and event-driven stress testing, and prescribes measures to ensure operational continuity, timely redemption fulfillment, and compliance with applicable SEC regulations during liquidity events.

12. Unless otherwise prescribed by the Commission, the total operational expenses of the Fund shall not exceed ten percent (10%) of its average investment fund or net worth as shown in the previous year's Audited Financial Statements. The formula shall be as follows:

$$\text{Expense Ratio (\%)} = \frac{\text{Total Operating Expenses}}{\text{Average Net Asset Value}} * 100$$

13. The Fund shall not incur any further debt or borrowing unless at the time of its incurrence or immediately thereafter there is a net asset coverage of at least three hundred percent (300%) for all its borrowing, or such net asset coverage as the applicable Philippine laws and regulations may prescribe. In the event that such asset coverage shall at any time fall below 300% or the coverage required by law, the Fund shall within three (3) days after, or such period as the applicable Philippine laws and regulations may require, reduce the amount of borrowings to an extent that the net asset coverage shall be at least 300% or the coverage required by law.

TERMS AND PRICING OF SECURITIES

1. Eligible Investors

The units of the Fund may be purchased and held by any person of legal age or duly organized and existing corporations, partnerships or corporate entities regardless of nationality.

In compliance with the Foreign Account Tax Compliance Act (“FATCA”) enacted in the United States (“U.S.”), Foreign Financial Institutions (“FFIs”) such as the Fund are obliged to submit certain compliance reports to the U.S. Inland Revenue Services (“IRS”) with respect to customers or clients who are considered U.S. Persons. If the Fund is found to be non-compliant, the Fund may be subject to a 30% withholding on certain income or proceeds from US sources. The FATCA requires FFIs such as the Fund to conduct due diligence and make certain reports to the IRS with respect to its customers or clients who are identified as U.S. Persons. In line with the Fund’s desire to maintain its processes FATCA-compliant, the Fund will implement its standard procedures which may require additional documents from such U.S. Persons who wish to purchase units of the Fund. PEMI reserves the right to reject any application to purchase units of the Fund if said application is found to be non-compliant with the requirements of PEMI.

2. Offering Price

The price at which the securities are to be sold is at the Net Asset Value Per Unit (“NAVPU”) on the day of the purchase. A sales load fee may also be charged on the day of the purchase.

The daily cut-off time for the reckoning of the date of submission of the subscription application shall be 12:00 noon. If the application is received on or before the said cut-off time, the units shall be valued based on the NAVPU of the same business day. For applications received after the cut-off time, it shall be deemed to have been received the next banking day, and the NAVPU for the next business day will be used as basis for payments. In both instances, a sales load fee may be charged based on the total price of the application. PEMI as the principal distributor does not charge any sales load. However, third party distributors may charge a sales load subject to their discretion provided that the sales load does not go beyond five percent (5.0%) of the investment value

NAVPU shall be the computed difference between total assets of the Fund and its total liabilities divided by the number of units outstanding.

3. Sales Load

The sales load fee shall be a maximum of five percent (5.0%) of the value of investment made.

4. Minimum Investment

Minimum initial investment of One Thousand Pesos (₱1,000.00) and a minimum of Five Hundred Pesos (₱ 500.00) worth of units for additional investments. No installment payment is allowed.

5. Income Distribution Policy

All investment income generated by the Fund will be distributed indirectly to all the unitholders through the daily adjustment of the Fund's NAVPU.

6. Subscription and Redemption Procedure

1. Subscription

a. Opening an Account

A prospective investor must submit one (1) valid government-issued ID and duly accomplished PEMI account opening documents. Upon submission, the Certified Solicitor and MF Distributor shall conduct a Client Suitability Assessment to measure the prospective investor's investment goals and risk tolerance. Once accomplished, the investor must make the appropriate payment to the Fund via the designated bills payment facility, subject to the cut-off time of 12:00 nn. The booking of such payments shall follow a trade date plus one (T+1) or trade date plus two (T+2) basis, depending on the processing time of the servicing financial institution.

For direct investors, payment made through the above-mentioned bills payment facility shall constitute conclusive evidence of the investor's intention to subscribe to the Fund. Such payment shall be deemed valid and binding, even in the absence of additional supporting documentation, such as an investment application form or subscription form, as the required transaction details—including the date, amount, client account number, and investor's name—are captured through the bills payment facility. Access to this facility is secured by authentication credentials, including a password known only to the account holder, thereby further confirming the legitimacy and ownership of the transaction in lieu of a signed document.

For investors subscribing through Distributors, a Transaction Order Form (TOR) shall be submitted by the Distributor. Once accepted by the Investment Manager, the TOR shall constitute a binding agreement for the purchase of the Fund units in accordance with the terms set forth in this Prospectus and the Account Opening Form. Upon booking of the transaction, the investor shall be issued a Confirmation Notice of subscription and an Acknowledgement Receipt

b. Acceptance of Investment Applications

Applications for the number of units and the applicable NAV are subject to acceptance and approval by the Principal Distributor. Upon acceptance the payment shall be booked using the NAVps on that day, and the investor shall receive a Confirmation Notice.

The Principal Distributor reserves the right to reject and scale-down any subscription payment for any reason. The Principal Distributor shall inform the Investor of such reduction or rejection within seven (7) days after submission of the TOR or the payment date, as applicable.

c. Payment Terms

Subscriptions shall be paid in full through the designated bills payment facility. Installment payments are prohibited. Any applicable bank charges shall be borne solely by the investor.

d. Refunds

Refunds of payments for any rejected or scaled-down applications shall be made without interest by the Principal Distributor not later than five (5) days after submission. The respective Investor shall receive a check, crossed "Payee's Account Only," or fund transfer to the investor's account.

e. Delivery of Certificate of Participation

Certificates are issued to investors in Scripless format. In the interest of economy and convenience, certificates for units purchased will only be issued if so requested in writing by the unitholders. Units are recorded on a register by the Corporation's duly appointed Transfer Agent and unitholders who do not elect to receive certificates have the same rights of ownership as if certificates had been issued to them.

Upon the request of the Investor, certificates representing units of participation in the Fund and Custodian Receipts shall be issued by the Transfer Agent and Custodian Bank, respectively, and shall be made available to the Investor as soon as practicable at the office(s) of the Transfer Agent and Custodian Bank.

f. Periodic Fund Statement

The Investor shall receive a monthly Fund Statement indicating the status of the investment in the Fund through email.

g. NAVPU Computation

The NAVPU shall be the computed difference between the total assets of the Fund and its total liabilities divided by the number of units outstanding as of the end of the reporting day.

2. Redemption

a. NAVPU Computation

The NAVPU shall be the computed difference between the total assets of the Fund and its total liabilities divided by the number of units outstanding for the day. The NAV shall be posted in a conspicuous place at the principal office of the Fund, as well as in all its branches and designated redemption centers. It shall also be published in at least two (2) newspapers of general circulation in the Philippines on a daily basis. Lastly, it shall also be uploaded in its website, through digital portals such as its website or social media accounts.

b. Manner and Method of Redemption

Upon the presentation to PEMI a redemption order form and/or any document to be prescribed and recognized by PEMI for redemption, the unitholder is entitled to receive, by way of redemption, approximately his/her proportionate share of the Fund's current net assets or the cash equivalent thereof, i.e. the NAVPU, subject to existing laws and the By-Laws of the Fund. Any request for redemption should always be accompanied by duly endorsed certificates and custodian receipt/s, if they have been issued. The redemption proceeds shall be paid within five (5) banking days from receipt of the duly accomplished redemption application. Upon booking of the transaction, the investor shall be issued a Confirmation Notice of redemption.

c. Redemption Price

The redemption price of the securities surrendered within the daily cut-off time shall be the current computed NAVPU after the request for redemption is received. Securities surrendered after the daily cut-off time shall be deemed to have been received on the next business day. The daily cut-off time shall be 12:00 o'clock noon. A redemption fee may be charged by the Corporation to any unitholder, the rate of which shall be decided upon by the Board of Directors or by the Corporation's investment manager.

The Corporation shall not suspend the right of redemption or postpone the date of payment or satisfaction upon redemption of any redeemable unit for more than the period prescribed by applicable Philippine laws and regulations after the tender of such unit to the Corporation, except on instances the Securities and Exchange Commission may from time to time prescribe.

d. Minimum Holding Period and Redemption Charges

The following fees shall be deducted from the redemption proceeds depending on the retention period of the investor:

RETENTION PERIOD	REDEMPTION FEE
90 days	A redemption fee of one percent (1.0%) of the redemption proceeds will be deducted there from if redeemed within the first ninety (90) days of investment.
More than 90 days	Nil

Redemptions for deposit to bank accounts are subject to check clearing, redemptions made through RTGS / PDDTS are subject to bank charges and any stale checks will be subject to a penalty of Php 25.00.

e. Special Considerations

The Commission motu proprio or, upon the request of the Fund Manager, may suspend the redemption of units of the Fund if:

- The exchange, where eighty percent (80%) of the securities in the Investment Company's portfolio, is suspended;
- Eighty percent (80%) of the securities in the Investment Company's portfolio, could not be traded or liquidated;
- Whenever necessary or appropriate in the public interest or for the protection of investors.
- Such other circumstance as the applicable Philippine laws or regulations may allow.

If the request for suspension of redemption of units is made by PEMI, for any of the grounds mentioned above, the approval of the IOE must be secured.

The Commission shall provide the period of suspension of redemption which shall not be more than twenty-one (21) business days, unless an extension is approved by the Commission En Banc. PEMI must report to the Commission when dealing of the Fund is resumed.

f. Applicable Taxes

The original issue of shares of stock or units of participation in a mutual fund company are exempt from the documentary stamp tax in accordance with Section 199(o) and (p) of the Tax Code.

Furthermore, Gains realized by the investor upon redemption of its shares of stock or units of participation in a mutual fund company registered under Republic Act No. 2629 or the Investment Company Act are excluded from the computation of a taxpayer's gross income and are thus exempt from taxation in accordance with Section 32(B)(7)(h) of the Tax Code

COMPUTATION OF NET ASSET VALUE

To comply with Section 17 of MC No. 33, Series of 2020, the net asset value shall be calculated by adding:

- The aggregate market value of the portfolio securities and other assets;
- The cash on hand;
- Any dividends on stock trading ex-dividend; and
- Any accrued interest on portfolio securities,

And subtracting:

- Taxes and other charges against the fund not previously deducted;
- Liabilities
- Accrued expenses and fees; and
- Cash held for distribution to investors of the fund on a prior date.

In compliance with SEC Memorandum Circular No. 21, series of 2019, the Fund's Audit Committee was appointed to act as the Fund's Independent Oversight Entity and Independent Net Asset Value Calculator. The Audit Committee shall cross-check the Net Asset Value every dealing day.

USE OF PROCEEDS

The total proceeds from the sale of units shall primarily be invested in a composition of equity securities (0-100%). The Fund may likewise invest in fixed income securities, derivatives, foreign exchange and other high yielding instruments (0-20%) provided it complies with limitations and restrictions of the ICA which is also under Investment Restriction of page 19.

All cash proceeds, including the original subscription payments at the time of incorporation constituting the paid in capital of the investment company shall be deposited with the Fund's deposit account with BPI Asset Management and Trust Corporation, which is the settlement account for payments relating to trades and transfers of securities.

The Fund shall be guided by the investment policies and restrictions on its investments under the topics Investment Objective and Investment Policies and Investment Restrictions.

The Fund has entered into a Management and Distribution Agreement with PEMI. As Fund Manager, PEMI may, without need of prior approval of or prior notification to the Fund, purchase and sell securities or make other investments for the account of the Fund within the limits of the Fund's investment objectives, policies or guidelines and subject to the provisions of R.A. 2629. The complete scope of services of PEMI as Fund Manager and Distributor can be see under the section titled "Management and Distribution Agreement"

The Company shall not engage in lending operations and shall not make loans to other interested persons such as the members of the Board of Directors, officers of the Company and any affiliates or affiliated corporations to the Fund.

No material amount of other funds shall be necessary to accomplish the specified purpose for which the offering is made.

The designated settlement bank will be used to handle the cash flow for each transaction although the investment assets will always be safe kept by the custodian or depository.

The Fund has no intention to use any material amount of the proceeds for the acquisition of assets or to finance the acquisition of other businesses. The Fund also has no intention to incur or discharge debt.

No amount of the proceeds shall be used to reimburse any officer, director, employee or shareholder of the Fund for any services rendered, assets previously transferred, and money loaned or advance or otherwise.

DETERMINATION OF OFFERING PRICE

The price at which the securities are to be sold is at the Net Asset Value per Unit ("NAVPU") on the day of the purchase. A sales load fee up to a maximum of 5% may also be charged on the day of the purchase. The daily cut-off time for the reckoning of the date of submission of the subscription application shall be 12:00 noon. If the application is received on or before the said cut-off time, the units shall be valued based on the NAVPU of the same business day. For applications received after the cut-off time, it shall be deemed to have been received the next business day, and the NAVPU for the next

business day will be used as basis for payments. In both instances, a sales load up to a maximum of 5% fee may be charged based on the total price of the application.

NAVPU shall be the computed difference between total assets of the Fund and its total liabilities divided by the number of units outstanding, as of the end of the reporting day. The sales load fees for the amount of investment in an Investment Application shall be a maximum of five percent (5%).

DILUTION

The company is an open-ended mutual fund which intends to issue units of participation. Common equity securities shall not be issued by the company.

SELLING SECURITY HOLDERS

There are no securities to be registered which will be offered for the account of security holders.

PLAN OF DISTRIBUTION

The sale of the Offer Units will not be underwritten. There are no units designated to be sold to specified persons and none of the units are to be allocated to an Exchange and/or to its members.

The Fund has appointed Philequity Management, Inc. (“PEMI”) as the Principal Distributor of the Fund. Under the agreement, PEMI shall among others prepare and monitor the sales and redemptions of the Fund and provide a monthly report on fund distribution. PEMI shall maintain accurate and appropriate records pertaining to fund distribution which may be subject to inspection or audit by the Fund at any time. The Fund has also authorized PEMI to set up a marketing network and accredit sub-dealers or agents who are directly liable to PEMI. As such, PEMI will sell the Fund’s units through its Registered Certified Investment Solicitors and dealers with whom it has entered into distribution agreements.

Any order for units may be rejected by PEMI. The SEC, the Fund, or PEMI may suspend the continuous offering of units to the general public at any time in response to conditions in the securities markets or otherwise and may thereafter resume such offering from time to time. Neither PEMI nor the eligible agents are permitted to withhold placing orders to benefit themselves from a price change.

PEMI is licensed by the Commission as an Investment Company Adviser with Certificate of Registration No. 01-2004-00156 issued on 30 March 2004 and License Number ICA-00007. The said certification is being renewed annually.

PEMI shall be paid a management fee equivalent to 0.75% and a distribution fee equivalent to 0.75% per annum of the average net asset value of the Fund’s assets computed daily as its management and distribution fee. Sales load not exceeding five percent (5%) shall also be charged.

The Fund’s units will be made available through Philequity’s web portal. As of 31 July 2025, the portal is still under development and not available to customers. The Fund’s units shall also be made available through its sub-distributors namely BDO Securities Corporation, COL Financial Group, Inc., First Metro Securities Brokerage Corporation, Investa Financial Inc., Novel Securities, Inc., Rampver Financials, Inc., Unicapital Securities Inc., Wealth Securities, Inc. PEMI may also enter into sub-distribution agreements with trained and qualified bank employees to market and sell the units of the Fund subject to the requirement that the bank and/or employees shall be required to secure the necessary licenses from the SEC to distribute mutual fund units to the public. For their services, a distribution fee shall be paid to the sub-distributor based on the outstanding daily balance of the Fund’s units distributed and shall be deducted from the distribution fee.

DESCRIPTION OF UNITS TO BE REGISTERED

The Fund has an authorized capital stock of One Million Pesos (P1,000,000.00) composed of One Million (1,000,000) common shares with par value of One Peso (P1.00) per share. The Fund only offers units of participation. The Participation Units consist of Ten Billion (10,000,000,000) units with an initial net asset value per unit of ₱1.00 per Unit.

Category of the Fund

The Fund is a growth oriented open-ended unitized mutual fund that invests primarily in Philippine listed companies. Proceeds from the sale of securities shall be used primarily to purchase common stocks with strong growth potentials. The fund is categorized as a high risk investment.

Profile of Prospective Investors

The Fund aims to reach prospective investors who are looking for an alternative to traditional deposits and has some familiarity with equities. The Fund is most suitable for investors with an aggressive risk appetite and a long-term investment horizon. These prospective investors should be made aware that the proceeds from the sale of securities shall be primarily invested in exchange listed securities and should consider the risks involved before investing in the Fund.

Procedure for Handling Customer Complaints

In case of complaints, investors may contact:

Philequity Management Inc,

15th Floor PSE Tower, 5th Avenue corner 28th Street, BGC, Taguig City 1634

E-mail: ask@philequity.net

Website: www.philequity.net

Telephone No.: +63 2 8250 8700

Office Hours: Monday to Friday 8:30 a.m. to 5:30 p.m.

Complaints are logged for monitoring purposes. Philequity Management Inc. endeavors to resolve complaints at the soonest possible time. A company representative will reply to complaints sent through e-mail within 24 hours upon receipt. The Investment Manager shall resolve complaints or issues within thirty (30) days from acknowledgement.

A Code of Business Conduct in dealing with sensitive information covers Philequity Management employees. Rest assured that all Investor information and details about any complaint would remain private and confidential.

Alternatively, you may contact the Securities and Exchange Commission thru cgfd_ld@sec.gov.ph. Philequity Management Inc is regulated by the Securities and Exchange Commission (SEC).

Change in Control of the Registrant

There are no provisions in the company charter or by-laws that would delay, defer or prevent a change in control of the registrant

Procedure for Monitoring Fund Distribution

As principal distributor of the Fund, PEMI shall monitor all sales and redemptions of the Fund and provide a monthly report on fund distribution to the Commission. PEMI shall maintain records of said reports which may be subject to inspection or audit by the Fund at any time.

Policies on the Conflict of Interest, Management and Procedures in Monitoring and Resolving Conflicts Of Interest

The Directors and Officers of the Fund shall always act in the best interest of the Fund, in a manner characterized by transparency, accountability and fairness. Fair business transactions should occur with the Funds' counterparties such as the Fund Manager, Distributor, Transfer Agent, and Custodian. Directors and officers shall ensure that personal interest is not in conflict with the interest of the Fund, and they shall not use their position to profit, gain or take advantage of any situation that may compromise impartiality. If an actual or potential conflict of interest arises on the part of a director or officer, he or she should fully and immediately disclose it and should not participate in the decision-making process. A director or officer who has a continuing material conflict of interest should seriously consider resigning from his or her position.

Delegation of Fund Management or Custody of Assets, if any

Fund Management services has been appointed to PEMI. Please see the Management Agreement in Exhibit 6A. Custody of Assets has been appointed to BPI Asset Management and Trust Corporation. Please see the Custody Agreement in Exhibit 6D. The delegation of fund management or custody of assets shall be subject to compliance with the requirements of the ICA-IRR as amended.

Rights of a Unitholder in case of Dissolution

The custodian bank safe keeps the securities and in case of company dissolution and upon liquidation of the assets, the Fund shall payout the applicable redemption price to its Unitholders under a distribution process to be determined by the Board of Directors of the Fund. The Fund shall submit a Redemption Plan to the Commission prior to its dissolution.

Statement of liability of the Unitholders to the Investment Company

The liability of or loss to the Unitholders of the Fund shall be limited to their investments in the Fund.

At incorporation, the Fund had an ACS of One Million Pesos (PHP 1,000,000) divided into One Million (1,000,000) unclassified common shares with a par value of PHP 1.0000 per share.

The Fund is authorized to offer Ten Billion (10,000,000,000) Units of Participation with an initial net asset value of One Peso (₱1.00) per Unit.

Each unitholder of the Fund shall have the following rights:

A. Right of Notification

Unitholders are entitled to be notified of any significant changes to the Registration Statement and the Subscription Agreement. Unitholders shall be notified of these changes at least thirty (30) days before the change is to take effect. Where the change cannot be determined in advance, the investors shall be informed as soon as practicable.

B. Right of Redemption

Upon the presentation to PEMI or any of the Fund's duly authorized representatives of the Custodian Receipt(s) and the stock certificate(s) for redemption if they have been issued, the unitholder is entitled to receive by way of redemption approximately his proportionate share of the Fund's current net assets in a form of cheque, i.e. the net current asset value per unit, subject to existing laws and the By-Laws of the Fund.

C. Dividends

Unitholders are not entitled to dividends of the Fund. The Fund may allow non-guaranteed unit-paying and/or income-paying feature/s if so declared and approved by the Board of Directors of the Fund, and accordingly permitted by the Securities and Exchange Commission.

D. Restriction on Transfers

No transfer of units of the Fund which would reduce the stock ownership or equity interest of Filipino citizens to less than the percentage required by applicable laws or regulations shall be caused or allowed to be recorded in the books of the Fund.

E. Modification of Rights of Unitholders

The rights of Unitholders shall not be modified except by amendment of the Fund's Registration Statement or Subscription/Redemption Agreement.

Other than the above and those provided by law, there are no other material rights accorded to the unitholders. Unitholders do not have voting and pre-emptive rights.

INTERESTS OF NAMED EXPERTS AND INDEPENDENT COUNSEL

There are no experts or independent counsels hired on a contingent basis who received or will receive a direct or indirect interest in the Fund.

INFORMATION WITH RESPECT TO THE REGISTRANT

DESCRIPTION OF BUSINESS

The Fund

Philequity Alpha One Fund, Inc. is a domestic corporation duly authorized to operate as an open-ended investment company with an investment objective of achieving returns by primarily investing in listed securities that have strong growth potentials. The Fund was incorporated on February 13, 2019 under SEC Registration No. CS201902172.

The Fund has entered into a Management and Distribution Agreement with Philequity Management, Inc. authorizing PEMI to purchase and sell securities for the account of the Fund. As of date, PEMI currently employs fourteen regular employee seven (7) employees from Sales, Marketing and Customer Service Department, six (6) employees from the Operations Department and one (1) Compliance Officer. None of the employees have Collective Bargaining Agreements. Given the growing public interest in mutual funds, PEMI anticipates to increase the number of employees to twenty (20) in the next twelve (12) months. PEMI likewise benefits from shared service arrangements with its parent, Vantage Equities, in the functional areas such as Treasury Management, Human Resource Management, Information Technology, General Administration, Internal Audit, Controllershship and Accounting. The Fund does not employ personnel, the day-to-day transactions and operations are carried out by PEMI in the pursuant of the Management Distribution Agreement between the Fund and PEMI. PEMI will charge a management fee equivalent to 0.75% and a distribution fee equivalent to 0.75% for performing its function of the NAV of the Fund's assets computed on a daily basis, for performing its functions.

The custodian bank safe keeps the securities and in case of company bankruptcy and upon liquidation of the assets, the Fund shall payout the applicable redemption price to its unitholders under a distribution process to be determined by the Board of Directors of the Fund. The Fund shall submit a redemption plan to the Commission prior to its dissolution.

The Fund has been conducting the same business since its inception with its shares. The Fund has no intention, nor has it undergone any merger, consolidation, any material reclassification or purchase or sale of significant amount of asset not in the ordinary course of the business. The Fund has never filed for bankruptcy, receivership nor has it undergone similar proceedings.

Competition

Mutual funds mainly compete on fund returns, if a fund produces superior returns against its competitors, then the fund will likely have an increase in new subscriptions. However, higher fee structures may act as a deterrent to investing in a fund. The fund considers 23 equity mutual funds that invest primarily in stocks as its primary competitors. As of December 31, 2024, Sun Life Prosperity Phil. Stock Index Fund, Inc., Philequity Fund, Inc. and Philippine Stock Index Fund Corp. are considered to have the highest net assets and number of clients among the 23 equity mutual funds. Philequity has maintained its reputation as a leader in relative performance amongst its peers. Fees like sales load, management and early redemption fee are also factors that affect the decision-making process of potential investors. To date, the Fund changes the lowest fees and shortest holding periods. *

* PIFA Statistical Report, December 31, 2024

Dependence on a Single or a Few Customers

The Fund does not have dependence on a single or few customers.

Transactions with and/or dependence on related parties

The Fund does not foresee to have any transactions with and dependence on related parties.

Need for any Government Approval of Principal Products or Services

Apart from the application to issue units of participation, there are no other applications in progress that require government approval

Patents, trademarks, copyrights, licenses, franchises, concessions, and royalty agreements held

The Fund does not hold any patents, trademarks, copyrights, licenses, franchises, concessions or royalty agreements. So the Fund's operation will not be affected by the foregoing.

Compliance with the Investment Company Act

The Fund is primarily governed by the Securities and Exchange Commission (SEC). Specifically, the Fund shall comply with the implementing rules and regulations of R.A. 2629 or the Investment Company Act and any other amendments thereunto.

Other Laws and Government Policies Applicable to the company and Procedures to Ensure Compliance with Relevant Laws and Regulation

The Compliance Officer is tasked to ensure compliance with relevant laws and regulations. The Compliance Officer shall have the following functions:

- a. To have a system designed to achieve compliance with the SRC, ICA and their IRR, SEC Memorandum Circulars, Corporate Governance Rules and such other applicable laws, such as, but not limited to, the Anti-Money Laundering Act, Data Privacy Act;
- b. Comply with the orders or resolutions of the Commission, or any of its Department;
- c. Oversee the compliance with the requirements of the Commission relative to the closure of the business of an Investment Company and Fund Manager;
- d. Ensure that all CISols are registered and notify the Commission of any resignation; and
- e. Exercise due diligence in the conduct of his/her compliance function.

The Compliance Officer shall take adequate steps to ensure that the Fund is compliant with new laws and regulations that are enacted or issued and shall formulate new control procedures in response to any regulatory amendments. The Compliance Officer is expected to keep management, the Board of Directors and Officers abreast with relevant laws and regulations at all times.

Annual Shareholders' Meeting

The annual shareholders' meeting of the Fund shall be held at the Fund's principal every last Friday of September of each year beginning 2019, or such date and time as may be fixed by the Board of Directors. The Fund's application to amend its Articles of Incorporation and By-Laws to update the annual meeting date is in process and pending SEC approval; upon approval, the Fund will hold its annual stockholders' meeting on every last Friday of September of each year, or such date and time as may be fixed by the Board of Directors.

Effect of existing governmental regulations

Government regulations have both positive and negative effects on the interest of mutual fund investors.

Examples of positive effects are the Passive Income and Financial Intermediary Taxation Act (PIFITA) bill and Capital Markets Efficiency Promotion Act (CMEPA) law. Under CMEPA law, the removal of DST has made mutual funds more attractive, helping to bring in more investors by lowering investment cost. The PIFITA bill meanwhile, has potential negative impact on investor returns, primarily due to increased taxation on reinvested gains, dividends, and fund income. Although the reforms are intended to boost tax revenues, they may also reduce interest in mutual funds, prompt a shift toward alternative investments, and hinder efforts to promote financial inclusion.

Prevention of Money Laundering and Terrorist Financing

As part of the Fund's responsibility for the prevention of money-laundering under the AMLA, as amended, the Terrorism Financing Prevention and Suppression Act of 2012 (R. A. 10168) and other relevant rules and regulations, the Fund or any entity acting on its behalf may require evidence verifying the identity of a prospective purchaser of units and the source of the relevant funds. Whether or not such evidence will be required and, if so, the nature and extent of such evidence will depend on attendant circumstances. The Fund, including any entity acting on its behalf, reserves the right to request such information it considers necessary to verify the identity of a proposed purchase of units in each case. The Fund also reserves the right to refuse to accept a subscription for units in the event of delay or failure in the provision of any such required information.

In case of issuance of any freeze order, the Fund shall immediately preserve the subject property or funds upon receipt of the notice of a freeze order, in accordance with the order of the court of competent jurisdiction or the AMLC. The owner or holder of the property or funds shall be given a copy of the notice of the freeze order.

Compliance with Data Privacy Act of 2012 (Republic Act No. 10173)

To enable the Fund to comply with the requirements of the Data Privacy Act of 2012 (Republic Act No. 10173) and its implementing rules and regulations, the Fund requires all investors to expressly authorize the Fund to collect and process his/her personal and sensitive personal information and any information related to him/her and his/her account as well as its sharing, transfer and/or disclosure to any of the Fund's affiliates, agents and representatives, industry associations and third parties such as but not limited to outsourced service providers, external auditors, and local and foreign regulatory authorities in relation to any matter including but not limited to those involving anti-money laundering and tax monitoring, review and reporting, statistical and risk analysis, provision of any products, service, or offers made through mail/email/fax/telephone, customer satisfaction surveys, compliance with court and other lawful orders and requirements. The Fund further requires the investors to hold the Fund and PEMI free and harmless from any liability that may arise from any transfer, disclosure, processing, collection, use, storage or destruction of said information.

Compliance with Foreign Account Tax Compliance Act

In compliance with local and foreign regulatory requirements, the Fund requires the investor to notify the Fund in writing and provide the required details or documents within thirty (30) days from a change of his/her circumstances. Change of circumstances means any change in the investor's circumstances which results in the Fund being subject to tax reporting and withholding requirements under local and/or foreign laws applicable to the investor or investor's property (such as the US Foreign Account Tax Compliance Act). There is a change of circumstances if there is a change in the investor's contact information, identification documents, place of residence, citizenship of the owner or beneficiary, or other circumstances as defined under applicable laws.

Failure to accomplish the foregoing gives the Fund the right to exercise any of the following: a) continue the account on the same terms and conditions, b) continue the investment on the same terms and conditions and deduct from it any amounts that the Fund has to withhold under the applicable laws, or c) terminate the investor's account. The right to terminate the account will only be exercised after the investor has failed to provide the required information within thirty (30) days from written notice from the Fund and only after the Fund is unable to transfer the investor's policy or take any steps other than termination in order to comply with applicable laws.

PROPERTIES

Operations will be conducted within the premises of the fund manager. All facilities are either owned or provided by the fund manager. The Fund has neither properties under its fixed assets accounts nor hires employees for its operation.

LIABILITIES OF THE INVESTMENT COMPANY AND THE FUND MANAGER TO THE SHAREHOLDERS

Nothing in this Prospectus shall be construed as a guaranty of return or income; nor does it entitle the investor/s to a fixed rate of return on the money invested by him/her in the fund. PEMI shall not be liable for any loss or depreciation in the value of the fund or in the value of investor's shareholdings unless attributed to PEMI's act of fraud, willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of its office. It is understood that mutual funds are not bank deposit products, not guaranteed by PEMI, not covered by the Philippine Deposit Insurance Corporation, and that losses, if any, are for the sole account of the investor/s. The Investment Company and PEMI shall protect its investor's interest by safeguarding assets, disclosing material information truthfully and ensure full compliance with disclosed investment policies and regulatory requirements.

LEGAL PROCEEDINGS

The Fund is not involved in any litigation or disputes. As of date, the Fund does not foresee any legal dispute to be instituted either by any government agency or entity or by third parties.

The Fund is not involved in, nor is any of its properties subject to, any material legal proceedings that could potentially affect their operations and financial capabilities.

There is no material pending legal proceeding to which the Fund, its Fund Manager, or any of its subsidiaries or affiliates is a party or in which any of its properties are the subject of the proceeding.

MARKET FOR THE REGISTRANT’S COMMON EQUITY AND RELATED SHAREHOLDERS’ MATTER

Market Information

There is no established public trading facility or market for the units of the Fund. The Fund’s units shall be sold through its appointed Principal Distributor.

Stated below are the Net Asset Value per units for the last five years.

	1stQtr	2ndQtr	3rdQtr	4thQtr
2021	1.0058	1.0863	1.0944	1.148
2022	1.186	0.9974	0.9108	1.0464
2023	1.079	1.0437	1.0097	1.0191
2024	1.0582	1.0177	1.1323	1.0371
2025	0.9832	0.9882	-	-

Stated below are the High and Low Net Asset Value per share for the indicated quarters:

Year	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
	High	Low	High	Low	High	Low	High	Low
2021	1.1187	0.9997	1.0897	0.9903	1.1103	1.0176	1.1921	1.0924
2022	1.2087	1.1175	1.186	0.989	1.0728	0.9725	1.0717	0.9108
2023	1.1352	1.0425	1.0904	1.0231	1.0655	0.9548	1.0191	0.9557
2024	1.0712	1.0074	1.0692	0.9795	1.1497	1.0114	1.1811	1.0046
2025	1.0481	0.9474	1.0191	0.9272	-	-	-	-

Holdings

As of July 31, 2025 the Fund has 14 shareholders and 1,113 unitholders.

Recent Sales of Unregistered Securities

There has been no recent sale of unregistered securities.

Dividends

The Fund only intends to issue units of participation. Unitholders are not entitled to dividends of the Fund. The Fund may allow non-guaranteed unit-paying and/or income-paying feature/s if so declared and approved by the Board of Directors of the Fund, and accordingly permitted by the Securities and Exchange Commission.

MANAGEMENT’S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

The following discussion and analysis of the Company’s financial condition and results of operations should be read in conjunction with the financial statements of the Company and notes thereto included elsewhere in this Prospectus. The Company cautions prospective investors that its business and financial performance are subject to substantive risks and uncertainties.

Plan of Operation

The Fund was incorporated to carry out the general business of an open-end mutual fund.

The principal sources of income shall be the returns on its investments as stated in the Investment Objective and Policies as well as, proceeds from the sale of its units to the public.

The Fund will not undertake any product research and/or development during its operations. It does not foresee any significant changes in the number of employees in the next twelve (12) months.

Management's Discussion and Analysis

1. Financial Condition and Liquidity

The table below would present the Fund's assets, liabilities and equity.

Financial Position	Unaudited	Audited	Increase/ Decrease	Percentage
	June 30, 2025	December 31, 2024		
Total Assets	966,374	957,824	8,550	0.89%
Total Liabilities	62,777	62,777	-	0.00%
Total Equity	903,597	895,047	8,550	0.89%

2. NAV Per Share

As an open-end mutual fund company, the Fund stands ready at any time for redemptions on its outstanding capital stock at Net Asset Value (NAV) per share.

	June 30, 2025	December 31, 2024
NAV attributable to holders of redeemable shares (a)	903,597	895,047
Number of shares outstanding (b)	1,000,000	1,000,000
NAV per share (a/b)	0.9036	0.8950

3. Operating Revenues and Expenses

Revenue increased due to interest income earned from money market placements.

Expenses include organizational costs like SEC licenses, DST and professional fees.

Income Statement	Unaudited June 30, 2025	Audited December 31, 2024	Increase/ Decrease	Percentage
Investment Income (Loss)	10,687	30,644	(19,957)	-65.12%
Expenses	-	6,129	(6,129)	-100.00%
Net Income (Loss)	10,687	24,515	(13,828)	-56.40%

4. Earnings per Share

The following table reflects the net earnings/loss per share data:

	June 30, 2025	December 31, 2024
Net investment income/(loss) (a)	10,687	24,515
Weighted average number of outstanding shares of stock (b)	1,000,000	1,000,000
Earnings (loss) per share (a/b)	0.0107	0.0245

5. Key Ratios

The Fund sets certain performance measures to gauge its operating performance periodically to assess its overall state of corporate health. Listed below are the major performance measures, which the Fund has identified as reliable performance indicators:

	June 30, 2025	December 31, 2024
Current Ratio	1539.38%	1525.76%
Acid Test Ratio	1539.38%	1525.76%
Solvency Ratio	17.02%	39.05%
Debt-to-Equity Ratio	6.95%	7.01%
Asset-to-Equity Ratio	106.95%	107.01%
Interest Rate Coverage Ratio	N/A	N/A
Return on Assets	1.12%	2.61%
Return on Equity	1.20%	2.80%
Net Profit Margin	125.00%	125.00%

6. Top Five Key Performance Indicators

The Fund uses the following five key performance indicators to assess its performance relative to its competitors:

1. Performance vis-à-vis the Benchmark

The Fund will use the Philippine Stock Exchange Index as its benchmark in order to compare the Fund's performance. Considering that the Fund will primarily invest in stocks listed in the PSE, its performance will be measured against the PSEi.

Below is a comparative performance of the Fund against the PSEi.

	June 30, 2025	December 31, 2024	Return (%)
PSEi	6,364.94	6,528.79	-2.51%
PAOF	0.9882	1.0371	-4.72%

2. Assets under Management

One of the ways to measure the Fund's performance is the increase of its Assets under Management. The movement of the Fund's assets can be measured in two ways: net sales and marked-to-market valuations. The Fund shall focus on the net sales of its shares as an indication of investor confidence in the Fund's performance.

Below is the Fund's growth since December 31, 2024.

June 30, 2025	December 31, 2024	Growth (%)
236,591,959	282,732,907	-16.32%

3. Market Share in the Industry

This indicator is related to Assets under Management whereby the performance of the Fund will have a direct impact on the Assets under Management of the Fund and thus either increase or decrease its market share.

Listed below are the Net Assets of active equity mutual funds as of June 30, 2025:

	June 30, 2025		December 31, 2025	
	Net Assets (P'm)	%	Net Assets (P'm)	%
ALFM Growth Fund, Inc.	3,726.52	11%	3,848.65	11%
ATRAM Alpha Opportunity Fund, Inc.	1,174.56	3%	832.00	2%
ATRAM Phil. Equity Opportunity Fund, Inc.	1,062.37	3%	1,070.57	3%
Climbs Share Capital Equity Investment Fund Corp.	478.97	1%	408.27	1%
First Metro Consumer Fund, Inc.	344.47	1%	386.24	1%
First Metro Save and Learn Equity Fund, Inc.	2,968.70	9%	3,191.69	9%
MBG Equity Investment Fund, Inc.	43.08	0%	120.05	0%
Philam Strategic Growth Fund, Inc.	3,033.54	9%	3,203.98	9%
Philequity Dividend Yield Fund, Inc.	2,504.86	7%	2,446.26	7%
Philequity Fund, Inc.	9,041.28	26%	9,003.95	26%
Soldivo Strategic Growth Fund, Inc.	3,651.02	11%	3,473.27	10%
Sun Life Prosperity Philippine Equity Fund, Inc.	5,338.62	15%	5,675.19	16%
United Fund, Inc.	547.08	2%	509.75	1%
COL Strategic Growth Equity Unitized Mutual Fund, Inc.	434.77	1%	379.28	1%
Philequity Alpha One Fund, Inc.	236.60	1%	282.67	1%
	34,586.44	100%	34,831.82	100%

4. Performance vis-à-vis Competition

Categorized as a stock fund based on the Philippine Investment Fund Association's classification, the Fund's performance will most likely be compared to similar actively managed equity mutual funds in the industry.

As of June 30, 2025, below are the performances of the various equity funds.

Fund Name	Return (%)
ALFM Growth Fund, Inc.	1.13%
ATRAM Alpha Opportunity Fund, Inc.	27.27%
ATRAM Phil. Equity Opportunity Fund, Inc.	2.54%
Climbs Share Capital Equity Investment Fund Corp.	5.16%
First Metro Consumer Fund, Inc.	-5.47%
First Metro Save and Learn Equity Fund, Inc.	0.92%
MBG Equity Investment Fund, Inc.	-2.01%
Philam Strategic Growth Fund, Inc.	0.84%
Philequity Dividend Yield Fund, Inc.	4.63%
Philequity Fund, Inc.	2.95%
Soldivo Strategic Growth Fund, Inc.	5.63%
Sun Life Prosperity Philippine Equity Fund, Inc.	-0.56%
United Fund, Inc.	8.59%

COL Strategic Growth Equity Unitized Mutual Fund, Inc.	3.47%
Philequity Alpha One Fund, Inc.	-4.70%

5. NAV Growth vis-à-vis Industry Growth

The Fund's performance is measured by the movements in its NAV. The Fund aims to measure its NAV movement over a series of time periods to assess its performance against the industry which in this case are stock funds.

Fund Name	NAVPS	
	June 30, 2025	June 30, 2024
ALFM Growth Fund, Inc.	221.84	213.62
ATRAM Alpha Opportunity Fund, Inc.	2.3101	1.599
ATRAM Phil. Equity Opportunity Fund, Inc.	3.0594	2.967
Climbs Share Capital Equity Investment Fund Corp.	0.7503	0.7108
First Metro Consumer Fund, Inc.	0.6027	0.6283
First Metro Save and Learn Equity Fund, Inc.	4.6862	4.5154
MBG Equity Investment Fund, Inc.	69.69	77.02
Philam Strategic Growth Fund, Inc.	466.15	452.01
Philequity Dividend Yield Fund, Inc.	1.4588	1.3009
Philequity Fund, Inc.	36.0733	33.818
Soldivo Strategic Growth Fund, Inc.	0.7528	0.6821
Sun Life Prosperity Philippine Equity Fund, Inc.	3.4756	3.4131
United Fund, Inc.	3.4349	3.0717
COL Strategic Growth Equity Unitized Mutual Fund, Inc.	1.0916	1.0212
Philequity Alpha One Fund, Inc.	0.9882	1.0177

A. Causes for any Material Changes (+/-5% or more) in the Financial Statements

Income Statement Items – Period ended June 30, 2025

Income pertains to interest from bank deposits

Expenses includes documentary stamp tax, business permit and incorporation fees.

Balance Sheet Items - Period ended June 30, 2025

Cash and cash equivalents mainly from subscription of shares

Liabilities came from expenses paid by related party

B. Liquidity and other concerns

The Fund does not expect any liquidity or cash flow problems given the Fund's Investment Restrictions outlined in this Registration Statement. As a defensive strategy the Fund may, at its discretion elect to invest up to 100% of the Fund's assets in cash and/or other liquid assets, subject to any existing liquidity requirements as may be required by law.

In addition, the Fund does not have any of the following:

- Off-balance sheet obligations, arrangements or transactions with other individuals or institutions.
- Trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

- c. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation
 - d. Any significant elements of income or loss that did not arise from the Fund’s continuing operations.
 - e. Any seasonal aspects that had a material effect on the financial condition or results of operations.
- Information on Independent Accountant and Other Related Matters
- f. Any material commitments for capital expenditures
 - g. Causes for any material change from period to period

Information on Independent Accountant and Other Related Matters

A. External Audit Fees and Services

1. Audit and Audit Related Fees

The total audit fee is P132,101 and P101,025 for 2024 and 2023, respectively. These fees pertain to the audit of the financial statements of the Fund in relation to statutory and regulatory filings.

There are no other assurance and related services rendered by the external auditor that are reasonably related to the performance of the audit of the Fund’s financial statements.

2. Tax Fees

There were no professional services rendered by the external auditor for tax accounting, compliance, advice, planning and any other form of tax services.

3. All Other Fees

There were no products and services provided by the external auditor, other than its external audit services.

4. Audit Policies

The Audit Committee approves any engagements for the services of the external auditor. The final draft of the Audited Financial Statement is presented to the Audit Committee, before the Board’s final approval and confirmation.

B. Changes in and disagreements with Accountants on Accounting and Financial Disclosure

There are no changes in and disagreements with SGV & Co. on accounting and financial disclosures.

MANAGEMENT AND CERTAIN SECURITY HOLDERS

DIRECTORS AND EXECUTIVE OFFICERS

As of the date of filing of this Registration Statement, the names, citizenship and ages of all incumbent Directors and Executive Officers of the Company, are as follows:

Name	Citizenship	Position	Age	Periods Serve
Ignacio B. Gimenez	Filipino	Chairman & President	80	2019-Present
Leo M. Garcia	Filipino	Treasurer	90	2024-Present
		Director	90	2019-Present
Dobbin A. Tan	Filipino	Independent	61	2019-Present
Norman L. Wee	Filipino	Independent	52	2019-Present
Gregorio U. Kilayko	Filipino	Director	70	2021-Present
Aurora L. Shih	Filipino	Director	84	2019-Present
Kevin A. Sy	Filipino	Assistant Treasurer	40	2019-Present

Ma. Angelica Cabanit	Filipino	Compliance Officer	56	2013-Present
Jonathan P. Ong	Filipino	Corporate Secretary	58	2020-Present

Hereunder is a discussion on the business experiences of the incumbent members of the Board of Directors and Executive Officers:

Ignacio B. Gimenez

Mr. Gimenez is the Chairman and President of the Fund. He is also the Chairman and President of the following mutual funds: Philequity Fund, Inc., (2006 to present), Philequity Dollar Income Fund, Inc., Philequity Peso Bond Fund, Inc., (2006 to present), Philequity Dividend Yield Fund (2012 to present), Philequity MSCI Philippines Index Fund, Inc. (2019 to present), Philequity Balanced Fund, Inc., Philequity Foreign Currency Fixed Income, Philequity Resources Fund, Inc., and Philequity Strategic Growth Fund, Inc. (2008 to present). Concurrently, he is also a Director of Vantage Equities Inc., and Vantage Financial Corporation. At the same time, he also holds positions as Chairman of Philippine Investment Funds Association (PIFA) and as Corporate Secretary of I.B. Gimenez Securities, Inc. He holds a graduate degree in Business Administration from the Asian Institute of Management (1970) and a college degree from the University of the Philippines (1967).

Leo M. Garcia

Mr. Garcia is a Director and the Treasurer of the following mutual funds: Philequity PSE Index Fund, Inc. (Director: 2014 to present, Treasurer: Sept 2024 to present), Philequity MSCI Philippines Index Fund, Inc. (Director: 2018 to Present, Treasurer: Sept 2024 to present) and Philequity Alpha One Fund, Inc. (Director: 2019 to Present, Treasurer: Sept 2024 to present). Mr. Garcia was formerly the President of LM Garcia Securities Corporation (1980 to 1997). Mr. Garcia holds a Bachelor of Science in Business Administration degree from the University of the Philippines (1958).

Dobbin Tan

Mr. Tan is an Independent Director of the Fund. He is also an Independent Director of the following mutual funds from 2018 to present: Philequity Peso Bond Fund, Inc., Philequity Dollar Income Fund, Inc. and Philequity Dividend Yield Fund, Inc and Philequity PSE Index Fund, Inc. He also serves as Independent Director Philequity Fund, Inc. (2014-Present). Concurrently, he is the CEO of New Sunlife Ventures, Inc. He holds a Masters of Business Administration at University of Chicago, Booth School of Business (2013).

Norman Wee

Mr. Wee is an Independent Director of the fund. He is also the Independent Director of Philequity Fund Inc. (2018 to Present), Philequity MSCI Philippines Index Fund, Inc. (2019 to Present), Philequity Foreign Currency Fixed Income Fund, Inc. (2018 to Present), Philequity Resources Fund, Inc. (2018 to Present), Philequity Balanced Fund, Inc. (2018 to Present), and Philequity Strategic Growth Fund, Inc. (2018 to Present) and currently the Chief Financial Officer of W Group Inc. and Chief Financial Officer of W Landmark Inc. He is also a Director and Vice President of W Hydrocolloids Inc. Mr. Wee holds a Bachelor’s Degree in AB Management from De La Salle University College of St. Benilde (1995).

Gregorio U. Kilayko

Mr. Kilayko is the Director of Philequity PSE Index Fund, Inc. (2021 to Present). He also an Independent Director of the following corporation: SM Prime Holdings (2008 to present), Belle Corporation (2003 to present). He holds a Bachelor of Science Degree in Industrial Management Engineering from De La Salle University (1978) and a Management of Business Administration from the Wharton School University of Pennsylvania (1981)

Aurora L. Shih

Ms. Shih is a Director of the Fund. She is also a director of the following mutual funds: Philequity, Inc. (1994 to present), Philequity Peso Bond Fund, Inc., and Philequity Dollar Income Fund, Inc. (1999 to Present), Philequity MSCI Philippines Index Fund, Inc. (2019 to Present). She is also the Vice President of Luys Securities Company, Inc. Ms. Shih graduated from University of the East with a degree in Business Administration (1963).

Kevin Neil A. Sy

Mr. Sy is the Assistant Treasurer of the fund. He is also the Vice President of Wealth Securities Inc. and an Assistant Treasurer of the following funds from 2015 to Present: Philequity Fund, Inc., Philequity PSE Index Fund, Inc., Philequity Dividend Yield Fund, Inc., Philequity Peso Bond Fund, Inc., Philequity Dollar Income Fund, Inc., Philequity Foreign Currency Fixed Income Func, Inc., Philequity Resources Fund, Inc., Philequity Strategic Growth Fund, Inc. and Philequity

Balanced Fund, Inc and Philequity MSCI Philippines Index Fund, Inc. (2019 to Present). Mr. Sy holds a Bachelor of Science in Corporate Finance and Accounting from Bentley College (2007).

Ma. Angelica D. Cabanit

Ms. Cabanit is the Compliance Officer of Vantage Equities, Inc., Philequity Management and the following funds: Philequity Fund, Inc., Philequity PSE Index Fund, Inc., Philequity Peso Bond Fund, Inc., Philequity Dollar Income Fund, Inc. (2010 to Present), Philequity Dividend Yield Fund, Inc. (2014 to Present), Philequity MSCI Philippines Index Fund, Inc. (2018 to Present) and Philequity Alpha One Fund, Inc. (2019 to Present). Ms. Cabanit is a graduate of Bachelor of Science in Commerce major in Accounting from St. Scholastica's College (1989).

Atty. Jonathan P. Ong

Atty. Ong is the Corporate Secretary of Vantage Equities, Inc., Vantage Financial Corporation, Philequity Management and the following funds: Philequity Fund, Inc., Philequity PSE Index Fund, Inc., Philequity Dividend Yield Fund, Inc., Philequity Peso Bond Fund, Inc., Philequity Dollar Income Fund, Inc., Philequity MSCI Philippines Index Fund, Inc. and Philequity Alpha One Fund, Inc. (2020 to Present). He obtained his Bachelor of Science (Economics) degree from the U.P. School of Economics on April 2, 1989 and his Bachelor of Laws degree from the U.P. College of Law on April 24, 1993. He took the bar examinations in September 1993 and was admitted to the Philippine Bar on March 15, 1994. He joined the law firm of Atty. Mario E. Ongkiko sometime in 1994. In June 1996 he became in-house counsel of the erstwhile International Exchange Bank until August 31, 2006. He then joined Maybank Philippines (MPI) in November 2006 as the Head of its Legal Department, and was appointed as its Corporate Secretary in May 2007, positions which he held until July 19, 2019. He is also the Corporate Secretary of the affiliates of MPI in the Philippines – Philmay Property, Inc. and Philmay Holdings, Inc. He is currently special counsel to the DisiniButed and Disini law offices, which he advises on matters involving banking and litigation, and a senior associate at the Valerio Law Offices.

INCORPORATORS

The following are the incorporators of the fund:

1. Edmundo Marco P. Bunyi, Jr.
2. Ignacio B. Gimenez
3. Roberto Z. Lorayes
4. Joseph L. Ong
5. Timothy Bryce A. Sy
6. Valentino C. Sy
7. Wilson L. Sy

SIGNIFICANT EMPLOYEES

The Fund has no significant employees, or persons other than the above-named directors and officers who are expected to make a significant contribution to the business of the Fund.

FAMILY RELATIONSHIPS

There are no family relationships up to the fourth civil degree either by consanguinity or affinity among directors, executive officers or persons nominated or chosen by the Registrant to become directors or executive officers.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

To the best of the Company's knowledge, within the past five (5) years up to the present, none of the Fund, its Fund Manager, Directors, Executive Officer, Control Persons, nor any of their respective subsidiaries or affiliates: (a) has been involved in any bankruptcy/insolvency/receivership or similar proceeding; (b) has been convicted by final judgment or is presently subject to any criminal proceeding; (c) has been subject to any order, judgment, or decree limiting or prohibiting involvement in business, securities, commodities, or banking activities; or (d) has been found to have violated any securities or commodities law or regulation, except for:

Atty. Jonathan P. Ong (Corporate Secretary)

In May 2013, the BIR filed a P169.83M case for tax evasion against Philmay Property, Inc. (PPI) an affiliate of Maybank Philippines, Inc. Included in the case were its President and CEO – Mr. Ong SeetJoon, Treasurer – Atty. Rafael A. Morales, Corporate Secretary – Atty. Jonathan P. Ong, Sales and Marketing Head – Mr. Benjamin Q. Lira and Accounting Associate Michelle F. Reyes. The case arose from PPI's supposed tax deficiencies, as follows: tax deficiencies, including surcharge and interest: P37.81 million in income tax deficiency P73.13 million in value-added tax deficiencies P15.57 million in documentary stamp tax deficiency P43.32 million in expanded withholding tax.

The proceedings in the DOJ were suspended because PPI questioned the assessments on which the tax evasion case was based on with the Court of Tax Appeals (CTA). On May 23, 2018 the CTA second division issued a decision cancelling and withdrawing the assessments on which the tax evasion case of the BIR was based on, but ordered PPI to pay the amount of P276,381.24 as deficiency DST for fiscal year 2009, plus interest and surcharges, which it did. The BIR filed a motion for reconsideration but it was denied. The BIR elevated the decision of the CTA 2nd division to the CTA en banc. On February 5, 2020 the CTA en banc affirmed with modification the decision of the CTA 2nd Division and declared the assessments on which the BIR's case for tax evasion was based on as null and void. The BIR appealed this to the Supreme Court in February 2020.

As of September 13, 2022, PPI had already filed its comment to the BIR's appeal. As of August 14, 2024, the BIR filed its reply to PPI's comment. The case is still pending in the Supreme Court with G.R. number 252107.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The directors have not received any form of compensation from inception up to present other than a per diem meetings attended and annual directors' bonuses. There is no employment contract between with any of the current executive officers. In addition, there are no compensatory plans or arrangements that resulted in or will result from the resignation, retirement or termination of such executive director or from a change-in-control in the Company and any material terms of any other arrangements, to which any director was compensated, or is to be compensated, directly or indirectly, for any service provided as a director, except as provided below:

	Annual Compensation	
	2024	2023
Ignacio B. Gimenez <i>Chairman and President</i>	3,555.56	2,915.03
Directors		
Violeta O. Luym	2,444.44	2,915.03
Aurora L. Shih	3,555.56	3,150.33
Leo M. Garcia	3,555.56	3,150.33
Gregorio U. Kilayko	3,111.11	2,915.03
Independent Directors		
Norman L. Wee	3,111.11	3,150.33
Dobbin A. Tan	3,111.11	2,915.03

The Fund does not employ any officers.

**For the year 2025, the Fund forecasts a total per Diem of Php 5,000.00 for each director.*

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Certain Record and Beneficial Owner

On September 17, 2019, SEC approved the request for confidential treatment of the Top 20 unitholders of the Fund, including the 5% and 10% beneficial owners.

Security Ownership of Management

As of June 30, 2025 the following is a tabular presentation of the shares recorded under the name of the directors and executive officers of the Company:

Title of class	Name of beneficial Owner	Amount and nature of beneficial ownership	Citizenship	Percent
Common	Ignacio B. Gimenez	1	Filipino	0.00%
Common	Gregorio U. Kilayko	1	Filipino	0.00%
Common	Aurora L. Shih	1	Filipino	0.00%
Common	Leo M. Garcia	1	Filipino	0.00%
Common	Dobbin A. Tan	1	Filipino	0.00%
Common	Norman L. Wee	1	Filipino	0.00%

Voting Trust Holders

Vantage Equities, Inc., with office address at 15th Floor, PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City, is the only person that owns at least ten percent (10%) of the outstanding voting securities of the Fund. Vantage owns (99%) of the shares of the fund.

NAME	TIN No.	CITIZENSHIP	NO. OF SHARES SUBSCRIBED	AMOUNT OF CAPITAL STOCK SUBSCRIBED
Vantage Equities, Inc. (SEC Reg. No. ASO92-007059)	002-010-620	Filipino	999,987	999,987.00

Changes in Control

There are no arrangements which may result in the change in control of the Company.

CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS

The Fund has not been a party to any transaction or proposed transaction, in which any director or executive officer of the Fund or any security holder owning 5% or more of the securities of the Fund or any member of the immediate family of such persons, had a direct or indirect material interest except the Management and Distribution Agreement entered into by the Fund and Investment Manager.

Pursuant to the terms of the Management and Distribution Agreement, the Fund shall pay a management fee equivalent to 0.75% and a distribution fee equivalent to 0.75% per annum of the average net asset value of the Fund's assets. The NAV shall be determined in accordance with the procedures agreed upon by both parties. Also, the Fund shall remit to PEMI sales commission of a maximum of 5% of the gross investment based on tiered-front end sales schedule.

Related party transactions and balances with PEMI as of and for the period ended December 31, 2024:

	Management fee	Sales commission	Due to PEMI
2024	5,168,603	120,118	221,292

To the best of the company's knowledge, there are no other related parties that fall outside the definition of "related parties" under SFAS/IAS No 24.

Apart from the MDA, certain Directors may have positions as Directors or Officers in companies which the Investment Company may be dealing with. Directors are required to disclose to the Investment Company and its Fund Manager his/her appointment and roles in said company. Dealings with related parties shall be done on an arm's length basis and in accordance with the best execution requirements set in the established internal guidelines

Position on Other Publicly Listed Companies

As of December 31, 2024, the Fund's Directors have the following position on other publicly listed companies.

Fund - Position	Publicly Listed Company - Position
Ignacio Gimenez (Chairman & President)	Vantage Equities, Inc. – Director
Gregorio Kilayko (Director)	East West Banking Corporation – Independent Director
Dobbin Tan (Independent Director)	Alliance Select Foods International, Inc. – Independent Director

As of December 31, 2024, the Fund Manager’s Directors have the following position on other publicly listed companies.

Fund Manager - Position	Publicly Listed Company - Position
Roberto Lorayes (Chairman)	Vantage Equities, Inc. – Director
Edmundo Bunyi (President)	Vantage Equities, Inc. – CEO/Director
Joseph Ong (Treasurer)	Vantage Equities, Inc. – Director
Willy Ocier (Director)	Abacore Capital Holdings, Inc. – Director APC Group, Inc. – Chairman and Director Belle Corporation – Chairman Pacific Online Systems Corporation – Chairman Vantage Equities, Inc. – Director
Wilson Sy (Founder, Director & CIO)	The Philippine Stock Exchange, Inc – Director Vantage Equities, Inc. – Director
Valentino Sy (Director)	Vantage Equities, Inc. – Director
Andy Co (Independent Director)	Vantage Equities, Inc. – Independent Director
Antonio Moncupa, Jr. (Independent Director)	Vantage Equities, Inc. – Independent Director
Bert Hontiveros (Independent Director)	Vantage Equities, Inc. – Independent Director
Darlene Sy (Sales and Marketing)	Vantage Equities, Inc. – Director

PARTIES INVOLVED IN THE FUND

INVESTMENT MANAGER AND PRINCIPAL DISTRIBUTOR

Philequity Management, Inc. (PEMI) is the investment manager, advisor and principal distributor of the Fund. It is duly licensed with the SEC as an Investment Company Adviser with Certificate of Registration No. 01-2004-00156 issued on 30 March 2004 and License Number ICA-00007. PEMI has a solid track record in fund management, being the investment manager and principal distributor of Philequity Fund, Inc., Philequity Dividend Yield Fund, Inc., Philequity Dollar Income Fund, Inc., Philequity Peso Bond Fund, Inc., Philequity PSE Index Fund, Inc. and Philequity MSCI Philippines Index Fund, Inc.

The guidelines for management of the resources and operations of the Fund are set in the Management and Distribution Agreement between the parties.

PEMI Board of Directors and Officers

The following are the PEMI Board of Directors and Officers:

Roberto Z. Lorayes

Mr. Lorayes is the Chairman of PEMI. He is also a director of Vantage Equities, Inc. and Vantage Financial Corporation, Inc. (1994 to present). In the past, he served as Chairman of the Philippine Stock Exchange (1993 to 1994) and Investment Companies Association of the Philippines (2005-2008). He also served as President of Manila Stock Exchange (1991-1992), UBP Securities (1989-1993), Citicorp (1987-1989), CT Corp, Scringeur, Vickers (1987-1989), and as a director of Philippine Central Depository (1995-1996). He received his Bachelor of Science in Commerce degree and Bachelor of Liberal Arts degree in De La Salle University (1966). He holds a Masters degree in Business Management from Ateneo de Manila University (1969).

Edmundo Marco P. Bunyi, Jr.

Mr. Bunyi is currently the President of PEMI. He is also the President and Chief Executive Officer of Vantage Equities, Inc. and Vantage Financial Corporation. He is the former Senior Vice President and Treasurer of International Exchange Bank (1995 to 2004), Assistant Vice President and Head of FCDU & FX Sales of United Coconut Planters Bank, Assistant Manager for Corporate Banking Group of Far East Bank and Trust Company, and Assistant Manager for the Corporate

Banking Department of Union Bank of the Philippines. He holds a degree in Management Engineering from the Ateneo de Manila University (1985).

Joseph L. Ong

Mr. Ong is both the Treasurer and a Director of PEMI. Mr. Ong is the treasurer of the Company. In 2003, he became a director of Philequity. Previously, he was connected with Exxon Chemicals serving various functions in sales, marketing, audit, and logistics operation both here and abroad. Currently, he is engaged in the import and distribution of industrial chemicals. Mr. Ong holds a degree in Chemical Engineering, magna cum laude, from De La Salle University.

Antonio C. Moncupa, Jr.

Mr. Moncupa is the Independent Director of Philequity Management, Inc (2023 to Present). Concurrently, he is also the Independent Director of Vantage Equities, Inc. and Vantage Financial Corporation. After 37 years, Mr. Moncupa retired from Banking in early 2023. Right before retirement, he served as CEO of EastWest Bank, Chairman and President of the Bankers Association of the Philippines, Chairman of East West Rural Bank and East West Insurance Brokers, and director of EastWest Ageas Life Insurance, Philippine Payments Management, Inc., the Philippine Dealing System group of Companies. He was also in the board of the Polytechnic University of the Philippines and Philippine Rural Reconstruction Movement. Mr. Moncupa completed his degrees in Accounting and Economics from De La Salle University and his MBA from the University Of Chicago Booth School Of Business.

Willy N. Ocier

Mr. Ocier is a Director of PEMI. He is also a Director of Vantage Financial Corporation. and Vantage Equities, Inc. At the same time, he is also the Chairman and President of Pacific Online Systems Corporation (1999 to present) and serves as Vice Chairman of Belle Corporation and Co-Vice Chairman of Highlands Prime, Inc. (1999 to present). Concurrently, he is the Chairman of the Boards of the following corporations: APC Group, Inc. (2005 to present), Sinophil Corporation (2005 to present), Premium Leisure and Amusement, Inc. (1999 to present), Tagaytay Midlands Golf Club, Inc. (1999 to present), and Aragorn Power and Energy Corporation (1999 to present). He earned his Economics degree from the Ateneo de Manila University (1977).

Valentino C. Sy

Mr. Sy is a Director of PEMI. He is also the Chairman and Chief Executive Officer of Vantage Equities, Inc. Concurrently, he is a Director of Wealth Securities (1998 to 2011) and Vantage Financial Corporation, and the President of Equinox International Corp (1996 to present) and Wealth Securities (2011 to present). He holds a degree in Industrial Management Engineering from the De La Salle University (1977).

Wilson L. Sy

Mr. Sy is a Director of PEMI. He is the Chairman of Wealth Securities, Inc. (2016-present), Vice Chairman of Asian Alliance Holdings, Corp. and serves as Director of Vantage Equities, Inc., Vantage Financial Corporation, Xcell Property Ventures, Inc. (2005 to present), Monte Oro Resources & Energy, Inc. (2005 to present), the Philippine Stock Exchange (2016 – present) and Eastwest Banking Corporation (2016 – present). He was a former Chairman of the Philippine Stock Exchange, Inc. (1994 to 1995). He holds a degree in Management Engineering from the Ateneo de Manila University (1975).

Bert Hontiveros

Mr. Hontiveros is the Director of PEMI. Concurrently, he is the General Manager of HB Design Power Systems (2000 to present). He obtained his Bachelor of Science in Industrial Engineering from University of the Philippines in 1975.

Atty. Jonathan P. Ong

Atty. Ong is the Corporate Secretary of Vantage Equities, Inc., Vantage Financial Corporation, Philequity Management and the following funds: Philequity Fund, Inc., Philequity PSE Index Fund, Inc., Philequity Dividend Yield Fund, Inc., Philequity Peso Bond Fund, Inc., Philequity Dollar Income Fund, Inc., Philequity MSCI Philippines Index Fund, Inc. and Philequity Alpha One Fund, Inc. (2020 to Present). He obtained his Bachelor of Science (Economics) degree from the U.P. School of Economics on April 2, 1989 and his Bachelor of Laws degree from the U.P. College of Law on April 24, 1993. He took the bar examinations in September 1993 and was admitted to the Philippine Bar on March 15, 1994. He joined the law firm of Atty. Mario E. Ongkiko sometime in 1994. In June 1996 he became in-house counsel of the erstwhile International Exchange Bank until August 31, 2006. He then joined Maybank Philippines (MPI) in November 2006 as the Head of its Legal Department, and was appointed as its Corporate Secretary in May 2007, positions which he held until July 19, 2019. He is also the Corporate Secretary of the affiliates of MPI in the Philippines – Philmay Property, Inc. and Philmay Holdings, Inc. He is currently special counsel to the DisiniButed and Disini law offices, which he advises on matters involving banking and litigation, and a senior associate at the Valerio Law Offices

CUSTODIAN

BPI Asset Management and Trust Corporation is the Fund's Custodian. It shall be responsible for holding all proceeds from the sale of securities, including the original subscription or payments at the time of incorporation; safekeeping the assets of the Fund; ensuring that the Fund's assets and properties are properly earmarked, and segregated physically and/or on its records; ensure that the assets and properties of the Fund are registered in the name of or for the account of the Fund; and files reports, periodic or otherwise, that relate to its operation as custodian.

TRANSFER AGENT

The transfer agent of the Fund is Philequity Management. The primary responsibility of the transfer agent is the accurate record keeping of individual shareholdings and the issuance and cancellation of stock certificates/depository receipts.

LEGAL COUNSEL

Valerio & Associates Law serves as the legal counsel of the Fund.

EXTERNAL AUDITOR

The external auditor of the Company is SyCip, Gorres, Velayo & Company

INDEPENDENT OVERSIGHT ENTITY (IOE)/INDEPENDENT NET ASSET VALUE CALCULATOR

The Fund's Audit Committee was appointed to act as the Fund's Independent Oversight Entity and Independent Net Asset Value Calculator. The Audit Committee is responsible for monitoring the transactions and functions carried out by PEMI, its Fund Manager to ensure compliance with the disclosures made in the Registration Statement, prospectus, ICA, SRC and their implementing rules and regulations. Its other roles and responsibilities are enumerated in Rule 5.9.2 of the Implementing Rules and Regulations of the Investment Company Act and Section 10 of SEC Memorandum Circular 33, Series of 2020 related to Amendments to the Implementing Rules and Regulations of the Investment Company Act, as amended.

BROKERS/DEALERS

The Fund Manager may deal with various brokers/dealers to buy and sell securities for the Fund. Brokers/Dealers have not given any discounts/commissions to the Fund or the Fund Manager for trading securities.

MATERIAL CONTRACTS AND AGREEMENTS

Following is a summary of the material terms of the principal agreements related to the business of the Fund and should not be considered to be a full statement of the terms and provisions of such agreements. Accordingly, the following summary is qualified by reference to each agreement and is subject to the full text of each agreement.

MANAGEMENT AND DISTRIBUTION AGREEMENT

Under this Agreement, Philequity Management, Inc. (PEMI) was engaged by the Fund to act as the investment manager and principal distributor of the Fund.

The scope of services and facilities of PEMI includes the following:

1. Manage the resources and operations of the Fund;
2. Invest and re-invest the assets of the Fund;
3. Prepare and submit such information and data relating to economic conditions, industries, business, corporation or securities as may be required by the Fund's Board of Directors;
4. Coordinate all activities and extend all necessary assistance to the custodian, auditors and legal counsel of the Fund;
5. Prepare and submit reports, circulars, notices and other information required by the Fund;
6. Provide representation with government offices, instrumentalities and agencies;
7. Provide accounting, bookkeeping, clerical and other administrative services;
8. Provide office space and other administrative facilities;

9. Transact with stockbrokers for the account of the Fund;
10. Distribute and sell units of participation of the Fund on a best efforts basis at a public offering price equal to the sum of (i) the net asset value per share in effect at the time of the sale of each share; and (ii) the sales load fee payable to the investment manager/principal distributor; and

In purchasing and selling securities and making or disposing of investments for the account of the Fund, PEMI may act without need of prior approval or prior notification to the Fund, provided that it is within the limits of the investment policies and guidelines prescribed by the Board of Directors of the Fund and subject to the provisions of applicable Philippine laws and regulation and the Registration Statement of the Fund.

The securities, certificates and other evidences of title to assets within the investment portfolio of the Fund shall be under the custody of the designated Custodian. PEMI may, either directly or through the Custodian, take charge of the collection of interest, dividends or other payments on all securities owned by the Fund, and shall exercise any and all rights of the Fund pertaining to such securities.

PEMI is entitled to a management fee equivalent to 0.75% and a distribution fee equivalent to 0.75% per annum of the average net asset value of the Fund's assets computed on a daily basis. In addition, the Fund shall pay PEMI the sales load charge, if any, for every sale of the Fund's units. PEMI reserves the right to waive the fee required to be paid on certain accounts.

The initial term of the Agreement is five (5) years. After such period, the agreement shall continue in effect from year to year, provided that such continuation shall be specifically approved by the Board of Directors of the Fund or by a vote of the majority of the outstanding shareholder of the Fund. The Agreement may be terminated at any time by the Board of Directors of the Fund, by vote of two thirds (2/3) of the outstanding capital stock of the Fund or upon written notice of not less than sixty (60) days.

CUSTODIAN AGREEMENT

Pursuant to the Terms and Conditions for BPI Asset Management and Trust Corporation and participation agreement, BPI shall:

1. Hold the certificates representing the investments made by the Investment Manager on behalf of the Fund in accordance with the rules and regulations of the SEC; and
2. Fulfill such duties and responsibilities as set forth in the Custodian Bank Agreement.

BPI Asset Management and Trust Corporation shall receive, safe keep, record, and account for the cash proceeds of the sale of the units of participation of the fund. A custodian fee of 0.015% per annum based on the Market Value of the Fund, payable quarterly upon billing.

STOCK TRANSFER AND DIVIDEND PAYING AGENCY AGREEMENT

Under this Agreement, Philequity Management, Inc. was engaged by the Fund to act as the stock transfer and dividend paying agent of the Fund.

The scope of services and facilities of the transfer agent includes the following:

1. Register all the certificates of stock representing the capital stock of the Fund;
2. Prepare and issue stock certificates, as well as cancel certificates of stock presented for redemption;
3. File the reports pertaining to the Fund as may be required by the SEC and other governmental entities;
4. Prepare the list of stockholders and unitholders and number of shares and units owned by each for all regular or special meetings of the stockholders of the Fund, upon prior written request of the Investment Manager;
5. Prepare and mail out all notices, reports and circulars to all stockholders of the Fund upon prior written request of the Investment Manager;
6. Compute cash and stock dividends;
7. Prepare and Mail checks for the payment of cash dividends and certificates covering number of shares declared as stock dividends;
8. Replace stock certificates reported as lost, stolen or destroyed;
9. Register all liens constituted on the shares of stock of the Fund;
10. Ensure all certificates issued are within the authorized capitalization of the Fund; and
11. Follow such duties and responsibilities as set forth in the Stock and Transfer Agency Agreement.

For its services as Transfer and Dividend Paying Agent, the AGENT shall be compensated in accordance with the following fee schedule:

1. An on boarding fee of Thirty Thousand Pesos (Php 30,000.00)
2. A monthly retainer's fee of Thirty Thousand Pesos (Php 30,000.00)
3. A fee of Forty Five Pesos (Php 45.00), for each scripless shares/units issuance or certificate issued by the AGENT and Twenty Pesos (Php 20.00) for each scripless shares/units cancellation/ certificate cancelled.
4. For the performance of special non-recurring functions such as proxy tabulation, stock rights and stock conversions, and other similar functions, all fees shall be subject to prior mutual agreement before the performance of each said special function if not otherwise agreed upon in Annex A of this Agreement.
5. For the preparation of cash dividend checks, the Agent shall charge the COMPANY the amount of Thirty Pesos (Php 30.00) per check.
6. All direct cost of records, reports, and forms, and all out-of-pocket expenses shall be chargeable to the COMPANY.

These fees are quoted with the understanding that they may be revised from time to time at the request of either party and adjusted on a mutually satisfactory basis.

CORPORATE GOVERNANCE

To fully comply with the adopted leading practices on good corporate governance, the Fund has prepared and approved its Manual on Corporate Governance.

The Company's Manual on Corporate Governance provides for, among others, the following:

1. **Appointment of a Compliance Officer.** The Company has a Compliance Officer (who is an officer of the Company and is not a member of the Board) with sufficient authority to monitor and ensure adherence to the Manual on Corporate Governance, the Code of Business Conduct and Ethics, and relevant laws, rules, and regulations. The Compliance Officer reports to the Chairman/President and coordinates with the Corporate Secretary, and is responsible for, among others, monitoring compliance, reporting violations to the Board, and recommending the imposition of appropriate disciplinary action, when warranted.
2. **Responsibilities, specific duties, and functions of the Board of Directors.** Sets out the roles and responsibilities of the Board of Directors, including ensuring the Company's compliance with all relevant laws, regulations, and codes of best business practices, and fostering the long-term success and competitiveness of the Company consistent with its fiduciary responsibilities to the Company, its shareholders, and stakeholders.
3. **Creation of Board Committees.** Establishment of Board Committees to support the Board in fulfilling its governance responsibilities such as Audit Committee, the Nominations Committee and the Compensation and Remuneration Committee.
4. **Procedures for monitoring and assessment of compliance with the Manual of Corporate Governance.** The Company's evaluation and monitoring system includes, among others:
 - a. an annual Board, Chairperson, individual director, and Board committee self-assessment, including evaluation of management performance, and mechanisms to assess whether the Board's actions contribute to corporate objectives and whether directors provide constructive feedback and recommendations;
 - b. administration and documentation of the annual self-assessment process by the Corporate Secretary and reporting/record-keeping of the results;
 - c. continuous compliance monitoring by the Compliance Officer, including escalation/reporting of violations to the Board and recommending sanctions, when warranted.
5. **Training and continuing education.** Provides an orientation program and relevant training/continuing education programs for directors and key officers to strengthen governance implementation and effectiveness.
6. **Penalties for non-compliance / deviations from the Manual.** Directors, officers, and staff who violate the Corporate Governance Manual and Code of Ethics may be subject to penalties and/or sanctions, as may be imposed by the Board of Directors.

As of the date, the Company is not aware of any material deviation from the Manual of Corporate Governance that required disclosure of the name and position of the person(s) involved and the sanction(s) imposed. Should any deviation occur or be identified, the Company will disclose in the appropriate report(s) the nature of the deviation, the name and position of the person(s) involved, and the sanction(s) imposed by the Company/Board, consistent with the Manual and applicable regulations.

In addition to the foregoing, the Company undertakes measures to support full compliance with leading governance practices, including maintaining Board committee oversight (Audit and Corporate Governance, among others), strengthening disclosure and transparency policies, implementing mechanisms for confidential/anonymous reporting of concerns and complaints, and ensuring disciplinary action for violations of governance and ethics policies, consistent with the Manual.

The Company will continue to enhance corporate governance through (i) periodic review and updating of its Manual, committee charters, and governance policies; (ii) implementing action items arising from annual Board/committee evaluations; (iii) continuing director and key officer training programs; and (iv) strengthening monitoring, internal controls, and compliance oversight to support sustained adherence to the Manual and applicable regulations.

EXPENSES CHARGEABLE TO THE FUND AND THE INVESTMENT MANAGER

EXPENSES CHARGEABLE TO THE FUND

1. Compensation of the officers and directors of the Fund;
2. Audit and legal fees;
3. Brokerage charges and other customary fees and charges in connection with the acquisition, appraisal and disposition of the Fund's assets;
4. Fees of the custodian bank and customary fees and charges in connection with the acquisition, appraisal and disposition of the Fund's assets.
5. Fees of the Investment Manager as compensation for the services and facilities of the investment manager.
6. Cost of printing and mailing reports, notices, proxy forms, and other communication to stockholders of the Fund, except those borne by the custodian bank;
7. Fees of transfer agents for the units of the Fund and other transfer fees to the extent not absorbed by buyers of the Fund's units;
8. Costs of the registration of the Fund with the SEC; and
9. Taxes, including income taxes, license fees, documentary stamp taxes, to the extent not absorbed by buyers of the Fund's securities, including cost of bonding the Fund's personnel and officers as may be required by law or by rules and regulations of the SEC.

EXPENSES CHARGEABLE TO THE INVESTMENT MANAGER

The following expenses shall be deemed covered by the management fee under Section 3 of the Management and Distribution Agreement and shall therefore be for the account of the Investment Manager (PEMI), to wit:

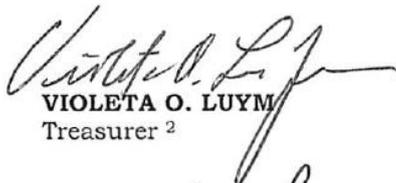
1. Salaries, bonuses, allowances and other compensation of the personnel hired by PEMI to perform the services in Section 1(a) of the Management and Distribution Agreement, including other costs incurred by PEMI's salesmen, personnel and officers, in connection with the selling of the Fund's units as may be required by applicable Philippine law or by rules and regulations of the SEC;
2. Expenses of providing the office space and other administrative facilities referred to in Section 1(b) of the Management and Distribution Agreement, including office rentals, cost of office equipment and supplies, cost of utilities, such as telephone, light and water facilities;
3. All other operating expenses of the Fund, subject to the exceptions specified above under the topic Expenses Chargeable to the Fund.
4. Costs of registration of units with the SEC.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, this Registration Statement is signed on behalf of the registrant by the undersigned; thereunto duly authorized, in the City of CITY OF MANILA on DEC 15 2023, _____.

By:


IGNACIO B. GIMENEZ
 Chairman and President ¹


VIOLETA O. LUYM
 Treasurer ²

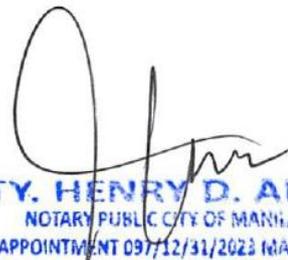

LILY YU
 Comptroller / Principal Accounting Officer


ATTY. JONATHAN P. ONG
 Corporate Secretary

SUBSCRIBED AND SWORN to before me this DEC 15 2023 day of _____ at CITY OF MANILA affiants exhibits to me Tax Identification Number (TIN), as follows:

Name	TIN
Ignacio B. Gimenez	228-111-486-000
Violeta O. Luym	109-731-437-000
Lily T. Yu	211-047-056-000
Atty. Jonathan P. Ong	162-906-632-000

Doc. No. 70;
 Page No. 10;
 Book No. XIV;
 Series of 7023


ATTY. HENRY D. ADASA
 NOTARY PUBLIC CITY OF MANILA
 APPOINTMENT 097/12/31/2023 MANILA
 IBP NO. 181139 / 01/03/2023
 PTR NO. 0861145 / 01/03/2023
 ROLL NO. 29679, TIN NO. 172-528-620
 MCLE COMP. NO. VII-0000165 VALID UNTIL APRIL 14, 2025
 (15) STA. CRUZ, MANILA

¹ Equivalent to Principal Executive Officer and Principal Operating Officer
² Equivalent to Principal Financial Officer

LIST OF EXHIBITS

Exhibit 1	Publication of Notice re: Filing
Exhibit 2A	Articles of Incorporation
Exhibit 2B	By-laws
Exhibit 3	Subscription Form
Exhibit 4	Redemption Form
Exhibit 5	Opinion re: Tax Matters
Exhibit 6A	Fund Management Agreement
Exhibit 6B	Marketing and Distribution Agreement
Exhibit 6C	Stock Transfer and Dividend Paying Agency Agreement
Exhibit 6D	Custodian Agreement
Exhibit 7A	Notarized Curriculum Vitae of Officers and Directors of the Fund
Exhibit 7B	Notarized Curriculum Vitae of Officers and Directors of the Investment Manager
Exhibit 8	Certification by the President and Chairman of the Board describing the involvement, if any, by management or members of the Board of Directors in companies which the investment company will be dealing with
Exhibit 9	Authorization to Commission to access registrant's bank accounts
Exhibit 10	Copy of Board Resolution approving the securities offering and authorizing the filing of the Registration Statement
Exhibit 11	Duly notarized Board Resolution manually signed by a majority of the Board of Directors of the Investment Company and Fund Manager approving the disclosures contained in the Registration Statement and assuming responsibility for the information contained therein