COVER SHEET

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SEC Registration Number

FIRST METRO PHILIPPINE EQUITY EX-CHANGE TRADED FUND, INC.

(Company's Full Name)

4TH FLOOR TOWER ONE AND EXCHANGE PLAZA, AYALA TRIANGLE, AYALA AVE., MAKATI CITY 1226

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

Maria Avalen A. Dianco
(Contact Person)

(632)7777-4100
(Company Telephone Number)

1 2 | **3 1**
Month *Day*
(Fiscal Year)

SEC 20-IS / Definitive
(Form Type)

2nd Wednesday of June
(Annual Meeting)

Investment Company
(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

3,238
Total No. of Stockholders

Domestic | Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

FIRST METRO PHILIPPINE EQUITY EXCHANGE TRADED FUND, INC. (FMETF)
ANNUAL STOCKHOLDERS' MEETING
Wednesday, June 24, 2026, 02:00PM via Zoom
Link to the ASM provided in the website
https://etf.atrfami.com.ph/

AGENDA

1. Call to Order

2. Certification of Notice and Quorum

3. Approval of the Minutes of the Annual Stockholders' Meeting held on June 11, 2025

4. Annual Report to the Stockholders

5. Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2025, and subsequent Acts and Resolutions until 30 April 2026

6. Election of the Members of the Board of Directors for the year 2026-2027

7. Renewal of the Management Distribution Agreement for the Year 2026

8. Renewal of the Stock Transfer Agency Agreement

9. Appointment of External Auditor for the year 2026

10. Other Matters
    a. Amendment of Articles of Incorporation and By-Laws to reflect the change in principal office address and alignment with the SRC, IRR of ICA and RCC of the Philippines
    b. Amendments to the Registration Statement and Prospectus

11. Adjournment

Stockholders of record as of May 25, 2026 shall be entitled to vote at the meeting. Pursuant to SEC regulations allowing holding of the annual meetings online, there will be no physical venue for the Meeting. The conduct of the annual shareholders' meeting will be streamed live, and shareholders may attend the meeting by remote communication and may vote in absentia or by proxy. Due to the limitations of available technology, voting will not be possible during the livestream, but participants may send in questions or remarks via the livestream platform.

Stockholders who intend to participate in the meeting should register on or before 12:00 noon on June 9, 2026 via Zoom through the link https://atrfami.com.ph/2026-annual-shareholders-meeting-of-atr-financial-advisory-and-management-inc-mutual-funds/. All registrations shall be validated by the Corporate Secretary in coordination with the Stock and Transfer Agent. Upon registration, shareholders will receive instructions on how to access an online web address which will allow them to join the meeting and to cast votes *in absentia* or by proxy.

We are not soliciting proxy, however, if you cannot attend the meeting and you wish to be represented, you may designate your authorized representative by submitting a signed proxy document on or before June 9, 2026, through email at asm@atrfami.com.ph. The validation of proxies submitted for the meeting will be conducted on June 9, 2026.

This Agenda and the Definitive Information Statement including the Audited Financial Statements will be distributed through electronic mail to all stockholders as of record date.

MA. ALICIA G. PICAZO-SAN JUAN
Corporate Secretary

PROXY

The undersigned stockholder of **FIRST METRO PHILIPPINE EQUITY EXCHANGE TRADED FUND, INC.** hereby appoints ______________________________, as attorney-in-fact and proxy, with power of substitution, to present and vote all shares registered in his/her/its name at the annual meeting of stockholders of the Company on Wednesday, June 24, 2026 and at any of the adjournments thereof. The proxy shall be revoked only in writing and by informing the Corporate Secretary prior to the annual stockholders' meeting.

The proxy may vote by checking (✓) the area that corresponds to his vote. In the election of the Members of the Board of Directors, the proxy shall indicate number of votes on the blank place provided beside the names of the nominees or check abstain should they wish to do so.

ITEMS	**ACTIONS**		
	Yes	**No**	**Abstain**
1. Approval of the Minutes of the Annual Stockholders' Meeting held on June 11, 2025			
2. Annual Report to the Stockholders			
3. Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2025, and subsequent Acts and Resolutions until 30 April 2026			
4. Election of the Members of the Board of Directors for the year 2026-2027	# of Votes		
Mr. Manuel N. Tordesillas, Chairman			
Mr. Eduardo R. Carreon, President			
Ms. Regina Paz Goco-Morales, Director			
Mr. Manuel Jose M. Tordesillas II, Director			
Mr. Emmanuel G. Herbosa, Independent Director			
Mr. Bernardo M. Villegas, Independent Director			
Mr. Victor A. Abola, Independent Director			
	Yes	**No**	
5. Renewal of the Management Distribution Agreement for the Year 2026			
6. Renewal of the Stock Transfer Agency Agreement			
7. Appointment of External Auditor for the year 2026			
8. Other Matters: a. Amendment of Articles of Incorporation and By-Laws to reflect the change in principal office address and alignment with the SRC, IRR of ICA and RCC of the Philippines b. Amendments to the Registration Statement and Prospectus			

____
PRINTED NAME OF STOCKHOLDER

____
SIGNATURE OF STOCKHOLDER/ AUTHORIZED SIGNATORY

____
DATE

[1] Please fill-out and sign the proxy form and return via email through asm@atrfami.com.ph on or before 5:00 p.m. on June 9, 2026.

THIS PROXY NEED NOT BE NOTARIZED. IF THE STOCKHOLDER ATTENDS AND EXPRESSES HIS INTENTION TO VOTE, THE PROXY WILL BE REVOKED.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box
   ( ) Preliminary Information Statement
   (/) Definitive Information Statement

2. Name of registrant as specified in its charter:
   FIRST METRO PHILIPPINE EQUITY EXCHANGE TRADED FUND, INC.

3. Province, Country or other jurisdiction of incorporation or organization;
   Metro Manila, Philippines

4. SEC Identification number: **CS2013300728**

5. BIR Tax Identification Code: **008-447-745-000**

6. Address of Principal Office:
   4th Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Ave., Makati City 1226

7. Telephone Number:
   (632) 7777-4100

8. Date, time, place, of the meeting of security holders:

   Date : **June 24, 2026**
   Time : **2:00 p.m.**
   Place : **Live via Zoom through the link:**
   https://atrfami.com.ph/2026-annual-shareholders-meeting-of-atr-financial-advisory-and-management-inc-mutual-funds/
   and at 4th Floor, Tower One and Exchange Plaza,
   Ayala Triangle, Ayala Ave., Makati City 1226

9. Approximate date on which the Information Statement is first to be sent or given to security holders:
   May 27, 2026

10. In case of Proxy Solicitations:

    We are not soliciting proxy.

11. Securities registered pursuant to Sections 4 and 8 of the RSA:

Title of each class	Number of Shares of Common Stock Outstanding (Par value of ₱100.00)
Common Shares	**12,291,260 shares**[1]

[1] Number of shares of common stock outstanding as of March 31, 2026.

12. Are any or all of registrant's securities listed on the Philippine Stock Exchange?
    Yes.

PART I - INFORMATION STATEMENT

A. GENERAL INFORMATION

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

Date	:	Wednesday, June 24, 2026
Time	:	02:00 p.m.
Place	:	Live via Zoom through the following link: https://atrfami.com.ph/2026-annual-shareholders-meeting-of-atr-financial-advisory-and-management-inc-mutual-funds/ and at 4th Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Ave., Makati City, Philippines 1226 For the purposes of registration, participation and voting in absentia, you may access the information through the link: https://etf.atrfami.com.ph/news/the-2026-annual-shareholders-meeting-of-first-metro-philippine-equity-exchange-traded-fund

Mailing Address of the Registrant

4th Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Ave., Makati City 1226

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

May 27, 2026

Item 2. Right of Appraisal:

There are no matters or proposed corporate actions which may give rise to a possible exercise by security holders of their appraisal rights under Title X of the Revised Corporation Code (RCC) of the Philippines. Notwithstanding the foregoing, a brief description of the nature of appraisal rights, the instances under the Revised Corporation Code when such rights may be exercised, and the procedure for exercising such rights is provided below for reference.

Nature of Appraisal Right. The appraisal right is the statutory right of a dissenting stockholder to demand payment of the fair value of his or her shares when the stockholder voted against a proposed corporate action. Upon the exercise of this right, the corporation is required to purchase the shares of the dissenting stockholder at fair value.

Instances When Appraisal Right May Be Exercised. Under Section 80 of the Revised Corporation Code, a stockholder may exercise his or her appraisal right in the following instances: (1) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (2) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Code; (3) in case of merger or consolidation; and (4) in case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

Procedure for Exercising Appraisal Right. Pursuant to Section 81 of the Revised Corporation Code, a stockholder who dissents from a proposed corporate action must have voted against the proposed action at the meeting. The dissenting stockholder must make a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair value of his or her shares. The failure to make the demand within said period shall be deemed a waiver of the appraisal right. Within ten (10) days after demanding payment, the dissenting stockholder must submit the certificates of stock representing his shares to the corporation for notation thereon that such shares are dissenting shares. Upon demand, the corporation shall pay the dissenting stockholder the fair value of his or her shares, which value shall be determined as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

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

a. Other than election to office, there is no matter to be acted upon in which any director or executive officer is involved or had a direct, indirect or substantial interest.

b. No director has informed the registrant, in writing or otherwise, that he intends to oppose any action to be taken by the registrant at the Meeting.

B. CONTROL & COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof:

I. Class of Voting Shares :

Class of Voting Securities	Total Outstanding Shares	Votes Entitlement
Common Shares	**12,291,260**[1]	One (1) vote per share

II. Record Date:

Stockholders of record as of May 25, 2026 are entitled to notice and to vote in the Annual Stockholders Meeting .

III. Manner of Voting

A shareholder may vote in absentia, by proxy or by remote communication. The Revised Corporation Code and Article III, Section 7 of the By-Laws of the Corporation provides that each stockholder shall at every meeting of the stockholders be entitled to one vote, in person or by proxy, or in absentia, for each share with voting right held by such stockholder. At all meetings of the stockholders, all elections and all questions, except in cases where other provision is made by statute or by these By-laws, shall be decided by the plurality vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present. Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting, and entitled to vote thereat, the vote on any question need not be by ballot. On a vote ballot, each ballot shall be signed by the stockholder voting, or in his name by his proxy if there be such proxy, and shall state the number of shares voted by him.

Pursuant to the Revised Corporation Code and SEC Memorandum 6-2020, for the 2026 annual shareholders meetings, shareholders may opt to participate and vote through remote communication and to vote in absentia or by proxy. The board in its meeting last March 19, 2026 approved to adopt the guidelines previously approved by the Board in 2020, for shareholders to participate via remote communication in the shareholder's meeting and to vote in absentia or by proxy.

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

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

[1] As of March 31, 2026

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

The Corporate Secretary shall validate the identity and attendance of shareholders who signified their intention to participate through remote communication, at least thirty minutes before the scheduled time of the meeting. Officers and other staff may be deputized to make such validations. The decision of the Corporate Secretary on the validity of the proxies shall be final and binding until and unless set aside by a court of competent jurisdiction.

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

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

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

The following stockholder owns more than 5% of the common voting securities as of March 31, 2026:

Title of Class	Name and Address of Owner	Name of Beneficial Owner	Citizen	No. of Shares Held	Percent to Outstanding Shares
Common	*COL Financial Group, Inc.* 2403-B East Tower, PSE Center, Exchange Road Ortigas Center, Exchange Rd, Ortigas Center, Pasig, 1605 Kalakhang Maynila	Various Clients	Filipino	3,773,949	30.70%
Common	*First Metro Securities Brokerage Corporation* 8th Floor PSBank Centre, 777 Paseo de Roxas Ave. cor. Sedeño St., Salcedo Village, Makati City, Philippines 1226	Various Clients	Filipino	3,607,903	29.35%
Common	*BDO Securities Corporation* BDO Corporate Center, BDO South Tower, 20th, 1226 Makati Ave, Makati, Metro Manila	Various Clients	Filipino	1,062,795	8.65%
Common	*AB Capital Securities, Inc.* Units 1210-1212, 1911-1912 12th and 19th Floors PSE Tower, 5th Avenue corner 28th Street Bonifacio Global City Taguig City, Philippines 1634	Various Clients	Filipino	1,020,225	8.30%
Common	*BPI Securities Corporation* 23rd Floor, Ayala Triangle Gardens Tower 2, Paseo De Roxas, cor Makati Ave, Makati, 1226	Various Clients	Filipino	948,446	7.72%

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

Security Ownership of Directors/Management

Following are the securities owned by directors and officers of the Fund as of March 31, 2026:

Title of Class	Name of Beneficial Owners	Amount and Nature of Ownership	Citizenship	Percent to Outstanding Shares
Common Shares	Mr. Manuel N. Tordesillas	1	Filipino	0.00000%
Common Shares	Mr. Eduardo R. Carreon	1	Filipino	0.00000%
Common Shares	Ms. Regina Paz Goco-Morales	1	Filipino	0.00000%
Common Shares	Mr. Manuel Jose M. Tordesillas II	1	Filipino	0.00000%
Common Shares	Mr. Emmanuel G. Herbosa*	1	Filipino	0.00000%
Common Shares	Mr. Bernardo M. Villegas*	1	Filipino	0.00000%
Common Shares	Mr. Victor A. Abola*	1	Filipino	0.00000%

**Independent Director*

Voting Trust Holders of 5% or More

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

Changes in Control

The Fund is an open-end investment company engaged in the business of investing, reinvesting and trading in and issuing and redeeming its shares of stock in creation unit in exchange for basket of equity securities representing an index. The fund has an initial paid-up capitalization of ₱750.00 million that was paid by First Metro Investment Corporation (FMIC). The fund's shares were listed with the Philippine Stock Exchange (PSE) on December 2, 2013. As of March 31, 2026, the majority of the shares are held by COL Financial Group, Inc.

There is no arrangement that may result in a change in control of the registrant.

No change of control in the Corporation has occurred since the beginning of its last fiscal year.

Item 5. Directors and Executive Officers

Incumbent Directors (7) - All directors are elected for a term of one year and until their successor shall have been elected or qualified. Below is a list of FMETF's incumbent directors with their corresponding business affiliations and other qualifications.

All other officers shall be elected/appointed by the Board of Directors. Vacancies occurring among such officers however arising shall be filled by the Board.

The Board of Directors and Executive Officers of the Fund as of March 31, 2026 are as follows:

Directors

Name	Term Served	Age	Business Experience
Manuel N. Tordesillas	1 year	73	Banking/Finance
Eduardo R. Carreon	12 years	77	Banking/Finance
Regina Paz Goco-Morales	1 year	61	Banking/Finance

Manuel Jose M. Tordesillas II	4 months	42	Economics/Finance
Emmanuel G. Herbosa*	1 year	73	Banking/Finance
Bernardo M. Villegas*	1 year	87	Economist
Victor A. Abola*	1 year	83	Economics/Finance/Education

**Independent Director*

Executive Officers

Name	Position	Age	Citizenship	Business Experience
Manuel N. Tordesillas	Chairman	73	Filipino	Banking/Finance
Eduardo R. Carreon	President	77	Filipino	Banking/Finance
Maria Avalen A. Dianco	Treasurer	47	Filipino	Banking/Finance
Ma. Alicia G. Picazo-San Juan	Corporate Secretary	55	Filipino	Banking/Finance/Law
Sydney S. Reyes	Compliance Officer / Chief Information Officer	33	Filipino	Banking/Finance

Mr. Manuel N. Tordesillas, 73, Filipino, term of office is one year.

Mr. Tordesillas currently serves as the Chairman of ATR Financial Advisory and Management Inc. and Chairman and President of ATR Financial Holdings Inc. since December 2024, and Chairman of First Metro Philippine Equity Exchange Traded Fund, Inc. since February 2025. He was also elected to serve as Director for First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc., First Metro Consumer Fund, Inc. First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc. and First Metro Asia Focus Equity Fund, Inc. since February 2025.

Mr. Tordesillas is the current President and a Director of ATR Holdings, Inc. (since 1995). He is the Vice-Chairman and a Director of ATR Kim Eng AMG Holdings, Inc. (since 1995). He is the Chairman and a Director of MET Holdings, Inc. (since 1999). He is the Vice Chairman and a Director of ATR Asset Management, Inc. (since 2004) and ATRAM Investment Management Partners Corp. (since 2013) and currently Chairman and Director of ATRAM Trust Corporation (since 2012). He is a Director of Assist America of the Philippines, Inc. (since 2006). He is the President of MGNT Consultants Corp. (since 2011). He is a Board Trustee and Director of East Bay Condominium Corp. (since 2016). He is a member of the Investment Committee of De la Salle University (since 2018). He is a Director of Urbasolar Philippines Corporation (since 2018).

His past positions include having served as Chairman and President of AsianLife and General Assurance Corporation (from 2017 to 2019) and Senior Advisor and Director of Etiqa Life and General Assurance Philippines, Inc. (from 2019 to 2021). He served as Chaiman of Maybank ATR Kim Eng Capital Partners, Inc. (from 2016 to 2018). He was the President and CEO of ATR Kim Eng Group of Companies (from 1998 to 2011). He was the President of the Investment House Association of the Philippines (from 2012 to 2018).

Mr. Tordesillas received his Bachelor of Science degree in Industrial Engineering from De La Salle University in 1975 and his MBA from Harvard Business School in 1982.

Mr. Eduardo R. Carreon, 77, Filipino, term of office is one year.

Mr. Carreon has been serving as a member of the Board of Director and elected as Chairman of the Board of First Metro Philippine Equity Exchange Traded Fund, Inc. since June 2013 to Jan 2025, First Metro Save and Learn Money Market Fund, Inc. since June 2018 to Jan 2025 and First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. since June 2022 to Jan 2025. He was elected as President for First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc., First Metro Consumer Fund, Inc., First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc., First

Metro Asia Focus Equity Fund, Inc., and First Metro Philippine Equity Exchange Traded Fund, Inc. since February 2025.

He is also the President of Jempan Development Corporation since 2009. He served in various positions with Maybank Philippines since 1999. He was Consultant (2008-2009), and prior, Senior Vice President of the Enterprise Financial Services (2003-2008). He was also Country Manager for Dow Jones Philippines (1995-1998); General Manager, Philippine Finance and Investment Company, Hong Kong (1979-1981); Assistant Vice President, PCIBank (1974-1979); and Pro Manager, Citibank (1970-1973).

Mr. Carreon graduated from the Ateneo de Manila University in 1969 with a Bachelor of Arts degree. He is also an MBA candidate from the Ateneo Graduate School of Business.

Ms. Regina Paz Goco-Morales, 61, Filipino, term of office is one year.

Ms. Morales was elected as President of First Metro Save and Learn Balanced Fund, Inc., First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save and Learn Dollar Bond Fund, Inc., First Metro Save and Learn Money Market Fund, Inc. and First Metro Philippine Equity Exchange Traded Fund, Inc. since October 2025. Prior thereto, she served as Director of the following companies from February to October 2025, namely: First Metro Save and Learn Balanced Fund, Inc., First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save and Learn Dollar Bond Fund, Inc. and First Metro Save and Learn Money Market Fund, Inc. She currently serves as Director of First Metro Philippine Equity Exchange Traded Fund, Inc. from February 2025 to present.

Ms. Morales currently holds the role of Independent Director of Union Bank Financial Services Inc. where she chairs the Audit Committee.

Ms. Morales also serves as an advisor to ATR FAMI, a leading asset management company in the Philippines. She is also the CEO and part owner of Degustation Corporation that oversees the management and development of a number of restaurant concepts nationwide. She is also "Fellow" of the Philippine Institute of Corporate Directors.

Prior to this, Ms. Morales has over thirty (30) years of extensive experience in the financial services sector, including a position as EVP of Philam Asset Management, Inc. (PAMI), Ms. Morales was in-charge of investment sales, marketing, training and product management of PAMI. Prior to PAMI, she was with Citibank Philippines for over 13 years and ending her stint as the Group Head for Financial Institutions Group covering all bank and non-bank relationships. Her over 20-year banking career included senior roles in relationship management and credit risk management. She also has a background in corporate finance and treasury, successfully closing deals in loan syndication and structured trade finance, debt capital markets and derivatives hence generating significant revenues for the bank.

Ms. Morales graduated BSC Accounting from Assumption College and is a CPA. She also completed her Master's in Business Administration from the Asian Institute of Management in Makati City, Philippines.

Mr. Manuel Jose M. Tordesillas II, 42, Filipino, term of office is one year.

Mr. Tordesillas is currently Senior Vice President and Director of ATR Financial Advisory and Management, Inc. since December 2024. He also serves as Director of First Metro Philippine Equity Exchange Traded Fund, Inc. since October 2025. He previously worked for Etiqa Life and General Assurance Philippines as Head of E-Channel (2021-2025). Prior to this, he was the CEO and part owner of Inspired Fitness Ventures, Inc. (2015-2021), which oversaw the management and development of Ride Revolution, a chain of indoor cycling studios. His prior experience in the field of finance includes stints at ATR Asset Management and ATR KimEng Capital Partners.

Mr. Tordesillas received his Bachelor of Arts degree in Economics from the University of Southern California in 2006 and his MBA from Georgetown University in 2014.

Mr. Emmanuel G. Herbosa, 73, Filipino, term of office is one year.

Mr. Herbosa is currently serving as Independent Director of ATR Financial Advisory and Management Inc. since December 2024, and First Metro Philippine Equity Exchange Traded Fund, Inc. since February 2025.

He was the President and CEO of Development Bank of the Philippines (March 2019-Jan 2023) and Philippine Export-Import Credit Agency (Jan 2018-Feb 2019). He was the Executive Vice President of Bank of Commerce (Jan 2014-Dec 2017). He held various positions in Bank of the Philippine Islands from Account Manager - Corporate Banking to Senior Vice President (Aug 1979-April 2013). He was also a Department Manager - Production in Procter and Gamble (July 1975-June 1977).

Mr. Herbosa received his Bachelor of Science degree in Industrial Management Engineering from De La Salle University in 1975 and his MBA from Wharton, University of Pennsylvania in 1979.

Dr. Bernardo M. Villegas, Ph.D., 87, Filipino, term of office is one year.

Dr. Villegas has been serving as a member of the Board of Director of First Metro Save and Learn Dollar Bond Fund, Inc. (June 2023-Jan 2025), First Metro Save and Learn Money Market Fund, Inc. (June 2021 – Jan 2025), and First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc. (June 2022 – Jan 2025). He was elected as Independent Director of First Metro Philippine Equity Exchange Traded Fund, Inc. since February 2025.

He serves as University Professor and Vice President of the University of Asia and the Pacific. He is a columnist for Manila Bulletin and Business World. He has served as Independent Director for Transnational Diversified, Inc. from 2000 to the present. He has been the Chairman of Filipino Fund since June 2012. He has been the Chairman of the Board of the Benguet Corporation since 2010. He was in the boards of BPI, Globe Telecom, Insular Life, McDonalds, IBM, Rolls Royce, AES, and Alaska Milk. He is a member of the boards of director of leading NGOs such as Dualtech Foundation and the Philippine Foundation for Cultural and Educational Development.

He also served as Chairman of Filipino Fund Inc. until February 2007, Co-Chairman until November 30, 2007, and served as its President. He served as Chairman, Department of Economics-De La Salle University Manila and Director, Economic Research Bureau and Graduate School of Business-De La Salle University Manila. He has been an Independent Director of Benguet Corp. since June 25, 1998. He has been a Director of Alaska Milk Corp. since August 2008. He served as Director of Bank of Philippine Islands from 1980 to 2000. He served as a Director of the Filipino Fund Inc., from June 1995 to November 30, 2007. He served as a Non-Executive Independent Director of Uniwide Holdings Inc., since September 11, 1994. He served as an Independent Director of Alaska Milk Corp. from 1999 to 2006.

Dr. Villegas holds a Ph.D. in Economics and M.A. in Economics from Harvard University. He obtained his Bachelor's degrees in Commerce and the Humanities (both Summa Cum Laude) from De La Salle University.

Dr. Victor A. Abola, 83, Filipino, term of office is one year.

Dr. Abola serves as director and president of First Metro Save and Learn Balanced Fund, Inc., First Metro Save and Learn Equity Fund, Inc., First Metro Save & Learn Fixed-Income Fund, Inc. since August 2012 to Jan 2025 and First Metro Save and Learn Dollar Bond Fund, Inc. since June 2022 to Jan 2025. He was also elected to serve as Independent Director for First Metro Philippine Equity Exchange Traded Fund, Inc. and First Metro Save and Learn Money Market Fund, Inc., since February 2025.

Dr. Abola is the current Program Director of the Strategic Business Economics Program of the University of Asia and the Pacific (UA&P). He is the Executive Director of the UA&P-FMIC Capital Market

Research Center and the Corporate Secretary of Research, Education and Institutional Development Foundation, Inc..

He gives lectures on Macroeconomic Policy at the graduate school level of the School of Economics. He was a lecturer in Macroeconomics and Introduction to Money, Banking and Finance in the Management Associates Program of the Development Bank of the Philippines (2006-2010). He was the Chief of Party of the Fiscal Policy Analysis Activity of the Department of Finance, a project funded by the USAID in order to enhance policy analysis and revenue forecasting capabilities of DOF's Domestic Finance Group. This work involved completing one of Asia's first Microsimulation Models for major taxes. He finished his doctorate degree in Development Management from the University of Asia and the Pacific, where he also received his M.S. in Industrial Economics. After obtaining his Bachelor of Arts and Bachelor of Science in Commerce (major in Accounting) from the De La Salle University, he obtained his CPA certificate. Prior to this, he spent 15 years in Hong Kong as a Consultant to PCI Capital Asia, Ltd. and later became the Executive Director of the Philippine Research Center (HK), Limited. He has authored numerous articles that have appeared in local and foreign newspapers and periodicals, and UA&P's research publications. He co-authored with Dr. Bernardo M. Villegas the textbooks, Economics An Introduction (now in its 6th edition) and Basic Economics (2nd ed. 2010). He is the author of the text/reference book Money, Banking and Finance (2006).

The three (3) independent directors, namely, Mr. Emmanuel G. Herbosa, Dr. Bernardo M. Villegas and Dr. Victor A. Abola, possess the qualifications and none of the disqualifications of an independent director.

Ms. Maria Avalen A. Dianco, 47, Filipino, term of office is one year.

Ms. Dianco is Vice President and Treasurer of ATR Financial Advisory and Management Inc. since December 2024. She also serves as the Treasurer of First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn Balanced Fund, Inc., First Metro Save & Learn Fixed Income Fund, Inc., First Metro Save and Learn Dollar Bond Fund, Inc., First Metro Save & Learn Money Market Fund, Inc., First Metro Philippine Equity Exchange Traded Fund, Inc., First Metro Save and Learn F.O.C.C.U.S Dynamic Fund, Inc., First Metro Consumer Fund, Inc., First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc. and First Metro Asia Focus Equity Fund, Inc., since February 2025.

She is a Certified Public Accountant and graduated cum laude with a degree of Bachelor of Science in Accountancy from Pamantasan ng Lungsod ng Maynila. She has also passed Level I of the CFA Program.

Atty. Ma. Alicia G. Picazo-San Juan, 55, Filipino, term of office is one year.

Ms. Picazo-San Juan is a practicing lawyer and Partner of Picazo Buyco Tan Fider Santos & Dee Law Offices and Corporate Secretary of more than 45 Philippine companies, including, SSI Group, Inc., Max's Group, Inc., The Real American Doughnut Co., Inc., Teriyaki Boy Group, Inc., Max's Kitchen, Inc., IBM Philippines, Inc., IBM Business Services, Inc., IBM Solutions Delivery, Inc., IBM Global Financing Philippines, Inc., AXA Asian Markets Services Philippines, Inc., ADA Digital Philippines, Inc., ATR Asset Management, Inc., ATR Financial Advisory and Management Inc., ATR Financial Holdings, Inc., ATRAM Investment Management Partners Corp., Seedbox Technologies, Inc., Seedbox Securities, Inc., Solutions Exchange, Inc., and Cartera Interchange, Inc., and several mutual fund companies.

She graduated magna cum laude with the degree of Bachelor of Science in Management, Major in Legal Management, from the Ateneo de Manila University in 1992, and graduated cum laude with the degree of Bachelor of Laws from the University of the Philippines in 1996. She has over 28 years of experience in corporate, banking and securities law practice.

Ms. Sydney S. Reyes, 33, Filipino, term of office is one year.

Ms. Reyes currently serves as Risk and Compliance Officer of ATR Financial Advisory and Management Inc., since March 2025. She also holds the same position for First Metro Save and Learn Equity Fund, Inc., First Metro Save and Learn F.O.C.C.U.S. Dynamic Fund, Inc., First Metro Consumer Fund, Inc., First Metro Save & Learn Philippine Index Fund (SALPHIN), Inc., First Metro Asia Focus Equity Fund, Inc., First Metro Save and Learn Balanced Fund, Inc., First Metro Save & Learn Fixed-Income Fund, Inc., First Metro Save & Learn Money Market Fund, Inc., and First Metro Save and Learn Dollar Bond Fund, Inc., since February 2025.

She also serves as Compliance Officer and Corporate Information Officer of First Metro Philippine Equity Exchange Traded Fund, Inc. since February 2025.

She holds a Bachelor of Arts in Political Science from University of Makati and is a graduating Juris Doctor candidate at Arellano University School of Law, Class of 2026.

The principal officers are appointed or elected annually by the Board of Directors at its first meeting following the Annual Meeting of Stockholders.

Significant Employees

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

Nominee Directors

The persons listed below have been nominated to become directors for 2026-2027. All directors are elected for a term of one year and until their successors shall have been elected and qualified.

Mr. Manuel N. Tordesillas, Chairman
Mr. Eduardo R. Carreon, President
Ms. Regina Paz Goco-Morales, Director
Mr. Manuel Jose M. Tordesillas II, Director
Mr. Emmanuel G. Herbosa*
Dr. Bernardo M. Villegas*
Dr. Victor A. Abola*
**Independent Directors*

The nominees are incumbent directors of First Metro Philippine Equity Exchange Traded Fund, Inc. All seven (7) nominees have confirmed and accepted their nomination to become directors.

Independent Directors

In accordance with Securities Regulation Code (SRC) Rule 38(8), FMETF has formulated its rules relative to the election of independent directors, as follows:

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

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

Mr. Emmanuel G. Herbosa, Dr. Bernardo M. Villegas and Dr. Victor A. Abola are nominees for independent directors of FMETF and they were recommended to the nominations committee for election of independent directors by First Metro Securities Brokerage Corporation represented by Mhelvin Abajon, stockholder, in accordance with the foregoing rules. Mhelvin Abajon has no relations with any nominees. No other persons were nominated.

The current members of the nomination committee are Mr. Manuel N. Tordesillas as the Chairman and Mr. Eduardo R. Carreon and Dr. Bernardo M. Villegas as members of the Committee.

Legal Proceedings

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

- involved in any legal proceeding the past five (5) years that are material to an evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter, or control person of the Registrant;

- involved in any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two (2) years prior to that time;

- involved in or convicted by final judgment in any criminal proceeding, domestic or foreign, or subject to a pending criminal proceeding, foreign or domestic, excluding traffic violations and other minor offenses;

- subject to any order, judgment, or decree not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and

- found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the said judgment has not been reversed, suspended or vacated.

Family Relationships

Mr. Manuel N. Tordesillas, Chairman of the Board of Directors of the Fund, is the father of Mr. Manuel Jose M. Tordesillas II, who also serves as a member of the Fund's Board of Directors.

Relationships and Related Transactions

In the ordinary course of business, the Fund has transactions with related parties. Parties are related if one party has the ability, directly or indirectly, to control the other parties or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. The Fund's related parties also include key management personnel, close family members of key management personnel and entities which are controlled, significantly influenced by or for which significant voting power is held by key management personnel or their close family members.

Except for the related party transactions stated in the notes to financial statements of the Fund as of and for the years ended December 31, 2025, 2024, and 2023, there has been no material transaction during the last two years nor is there any material transaction currently proposed to which the Fund was, or is a party, or in which any director or executive officer of the Fund, any nominee for election, any owner of more than five

(5.00%) percent of the Fund's voting shares, or any member of the immediate family of any such director or officer, had or is to have a direct or indirect material interest.

Related party transactions and balances as at and for the year ended March 31, 2026, and December 31, 2025 are as follows:

	March 31, 2026 (Unaudited)		
Category	**Amount/ Volume**	**Outstanding Balance**	**Terms and Conditions/Nature**
Related parties*			
Management and retainer fees/Payable to ATR FAMI	₱1,233,975	₱427,552	Monthly fee based on average NAV
Rent/payable to ATR FAMI	28,373	–	Sharing office expenses
Directors' and officers' fees	84,000	–	Per diem given to directors and officers during board meetings
Advisory Fee/Payable to ATRAM	727,688	232,269	Monthly fee based on average NAV

**Pertain to ATR FAMI & ATRAM*

	December 31, 2025 (Audited)		
Category	Amount/ Volume	Outstandin g Balance	Terms and Conditions/Nature
Related parties*			
Management and retainer fees/Payable to ATR FAMI	₱5,376,681	₱382,220	Monthly fee based on average NAV
Rent/payable to ATR FAMI**	64,068	–	Sharing office expenses
Directors' and officers' fees	272,500	–	Per diem given to directors and officers during board meetings
Advisory Fee/Payable to ATRAM***	2,545,099	711,975	Monthly fee based on average NAV

**Pertain to ATR FAMI & ATRAM*
***Effective June 2025*
****Effective February 2025*

Pursuant to the Management and Distribution Agreement (the Agreement) between the Fund and ATR FAMI, the Fund shall pay a monthly fee as compensation for the services provided by ATR FAMI equivalent up to 0.50% per annum of the average NAV of the Fund. The NAV shall be determined by computing the total value of the Fund's assets less its liabilities.

The Agreement shall take effect for a period of two years and shall continue in effect from year to year, unless otherwise terminated or amended by the parties in accordance with specified terms and conditions.

The Sub-Fund Management Agreement entered into by the Fund and ATR FAMI, which appointed ATRAM to perform certain day-to-day investment, research, and statistical functions in accordance with the Fund's prospectus and investment guidelines, was terminated in February 2026, effective March 31, 2026. Accordingly, ATRAM ceased providing these services to the Fund.

On June 10, 2025, the BOD approved that the Fund shall pay a fixed monthly share in the office rental, effective June 2025.

The fees accruing during each calendar month shall be paid to ATR FAMI during the first week of the succeeding month.

Item 6. Compensation of Executive Officers and Directors

Per Diem payments to directors and officers estimated for the year 2026, and for the year ended December 31, 2025, 2024, and 2023 are as follows:

	Per Diem			
	2026 (Estimate)	2025	2024	2023
Directors	₱324,000	₱240,500	₱294,000	₱260,000
Executive Offices	32,000	32,000	34,500	39,500
Aggregate Annual Per Diem	₱356,000	₱272,500	₱328,500	₱299,500

Per diem of Directors, Corporate Secretary and Officers of the Fund amounting to ₱10,000, ₱3,000 and ₱2,500, respectively, are given during their Annual Stockholders' and regular meetings.

Other the per diem stated, there are no standard arrangements pursuant to which any director or executive officer of the Registrant is compensated, directly or indirectly, for services rendered. Likewise, there are no other arrangements, whether material or otherwise, that provide for compensation or remuneration of any director or executive officer

The Registrant further confirms that there are no employment contracts between the Registrant and its Named Executive Officers. In addition, there are no compensatory plans or arrangements in place covering any of its directors or executive officers.

The Registrant likewise has no outstanding stock warrants, options, or other equity-based instruments held by its directors or officers. Accordingly, there is no information to present in tabular form with respect to such holdings.

The Registrant has not granted any stock warrants or options. Consequently, there have been no adjustments or amendments, including any repricing thereof.

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

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

Item 7. Independent Public Accountants:

As of November 26, 2025, the auditor of the Fund is Reyes Tacandong & Co. (RT&Co) and Sycip, Gorres, Velayo and Company (SGV & Co.), the Fund's previous auditor, ceased its services on the same date. The reports of said auditors on the financial statements of the company for the years ended December 31, 2025 and 2024.

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosures, auditing scope or procedures, which disagreements, if not resolved to their satisfaction, would have caused the auditors to make reference thereto in their respective reports on the financial statements for such years.

For the year 2026, FMETF will still be engaging the services of Reyes Tacandong & Co.

Representatives of RT&Co are expected to be present at the stockholders meeting on June 24, 2026. They will have the opportunity to make a statement if they desire to do so and they are expected to be available to respond to appropriate questions.

In compliance with the Revised SRC Rule 68, par. I (3)(B)(IX), the signing partner of the auditing firm is rotated every after five (5) years of engagement. A two-year cooling-off period shall be observed in the re-engagement of the same signing partner or individual auditor. Haydee M. Reyes signed the independent auditors' report for 2025 and Redgienald G. Radam for the year 2024, 2023, 2022 and 2021.

Audit and Audit-related Fees

The estimated fees to be paid for the professional services rendered by RT&Co. for the audit of our Financial Statements for the year 2026 is ₱129,360, while the aggregate fees paid for 2025 is ₱123,200 for 2025, while the services rendered by SGV & Co. were ₱129,360 and ₱123,200 for the year 2024 and 2023, respectively. RT&Co. and SGV & Co. conducted the audit in accordance with auditing standards generally accepted in the Philippines to obtain reasonable assurance about whether the financial statements are free of material misstatements. Their audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation.

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

Audit Committee's Approval Policies and Procedures

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

FMETF's Audit Committee is being chaired by Dr. Bernardo M. Villegas with Mr. Eduardo R. Carreon and Dr. Victor A. Abola as members of the committee.

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

C. ISSUANCES AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Otherwise than for Exchange – N/A

D. OTHER MATTERS

Item 17. Amendment of Charters, By-Laws or Other Documents

The proposed amendments to the Corporation's Articles of Incorporation and By-Laws relates to the principal office address and alignment with the SRC, IRR of ICA and Revised Corporation Code (RCC) of the Philippines.

The proposed amendments to the registration statement and prospectus include changes in Corporate's name, principal office address, changes in the relevant policies and procedures to ensure alignment with actual requirements and current processes as well as updated summary financial information of the Fund.

Approval of the amendments to the Articles of Incorporation requires the affirmative vote of a majority of the Board of Directors and the vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock, pursuant to Section 15 of the Revised Corporation Code.

Approval of the amendments to the By-Laws requires the affirmative vote of the majority of the Board of Directors and of holders of record of a majority of the outstanding capital stock, pursuant to Article XII, Section 7 of the By-Laws.

No stockholder shall have appraisal rights with respect to the proposed amendments.

The following table summarizes the proposed amendments to the Articles of Incorporation:

From (Existing Provision)	To (Proposed Provision)	Reason/Justification
That the principal office of the corporation shall be established at the 18/Floor, PS Bank Center, Paseo de Roxas, comer Sedeno St., Makati City, xxx	That the principal office of the corporation shall be established at the ~~18/Floor, PS Bank Center, Paseo de Roxas, comer Sedeno St.,~~ 4th Floor Tower One and Exchange Plaza, Ayala Triangle, Ayala Ave., Makati City, xxx	To reflect the change in the Fund's principal office address.
FOURTH: That the term for which the corporation shall exist is fifty (50) years from and after the date of the Certificate of Incorporation, renewable for such periods as may now or hereafter be allowed by law in which event the Articles of Incorporation shall be amended accordingly.	FOURTH: That the term for which the corporation shall exist ~~is fifty (50) years from and after the date of the Certificate of Incorporation, renewable for such periods as may now or hereafter be allowed by law in which event the Articles of Incorporation shall be amended accordingly.~~ is perpetual, unless sooner dissolved in accordance with the law.	As SUGGESTED by MSRD to amend this provision to explicitly state that the corporation shall have perpetual existence, if this is the intention. Please note under Section 2(d) of SEC Memorandum Circular No. 22, Series of 2020, the period to file a Notice to Retain Specific Corporate Term is only until 3 February 2021.

Item 18. Other Proposed Item

1. Approval of the Minutes of the Annual Stockholders' Meeting held on June 11, 2025
2. Annual Report to the Stockholders
3. Ratification of all Acts and Resolutions of the Board of Directors, Management and All Committees for the fiscal year 2025, and subsequent Acts and Resolutions until 30 April 2026
4. Election of the Members of the Board of Directors for the year 2026-2027
5. Renewal of the Management Distribution Agreement for the Year 2026
6. Appointment of External Auditor for the year 2026
7. Renewal of the Stock Transfer Agency Agreement
8. Other Matters
    a) Amendment of Articles of Incorporation and By-Laws to reflect the change of the principal office address and alignment with the SRC, IRR of ICA and RCC of the Philippines
    b) Amendments to the Registration Statement and Prospectus

During the Annual Stockholders' Meeting

The Fund conducted its last Annual Stockholders' Meeting (ASM) via remote communication on June 11, 2025, to provide the Directors, stockholders, and other stakeholders a safer mode of attendance and participation in the ASM and to comply with the Revised Corporation Code of the Philippines and SEC Memorandum Circular No. 6, Series of 2020. The items to be voted on were indicated in the Definitive Information Statement and sent to the shareholders at least 15 business days before the virtual meeting.

During the ASM, the host flashed the items to be voted on the screen, and voting was done through a poll mechanism and counted automatically.

All members of the Board, the Chairperson of the Board, the President and representatives of the external auditors, and other key officers attended the virtual ASM. The Chairperson of the Board formally opened the 2025 ASM. The Corporate Secretary certified the existence of a quorum for a valid transaction of business at the meeting. There were no questions raised prior, during and after the ASM. The Corporate Secretary was responsible for the validation of proxies and counting of votes for the matters presented for approval of the stockholders at last year's ASM.

Item 19. Voting Procedure

The matters included in the agenda require the approval of the stockholders, as follows:

1. For the approval of the minutes of the 2025 meetings and the ratification/approval of the acts and resolutions of the Board, the renewal of the management and distribution agreement, appointment of the external auditor, and the renewal of stock transfer agency agreement, a majority vote of the stockholders present in the meeting is sufficient.

2. For the election of Directors - The votes of all the shares as present in the meeting or by proxy, or voting *in absentia* will be on a per share basis.

   Article III of Section 7 of the By-Laws states that "unless otherwise provided by law, each stockholder shall at every meeting of the stockholders be entitled to one vote, in person or by proxy, for each share with voting right held by such stockholder. At all meetings of the stockholders, all elections and all questions, except in cases where other provision is made by statue or by these By-Laws, shall be decided by the plurality vote of stockholders present in person or by proxy and entitlement to vote thereat, a quorum being present. Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting and entitlement to vote thereat, the vote on any question need not be by ballot. On a vote ballot, each ballot shall be signed by the stockholder voting, or in his name by his proxy if there be such proxy, and shall state the number of shares voted by him.

3. For the amendment of Articles of Incorporation and By Laws

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

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

4. Methods by which votes will be counted

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

The Board of Directors in its special meeting held on May 22, 2020, approved the adoption of guidelines to allow participation through remote/electronic means of communication in board/shareholders' meeting and for voting in absentia. The guidelines detail mainly: a) the mechanism to verify the identity of the shareholders: (b) the measures to ensure that all shareholders have the opportunity to participate in the meeting; and (c) the mechanism to enable shareholders to vote during the meeting.

FIRST METRO PHILIPPINE EQUITY EXCHANGE TRADED FUND, INC. YEAR 2025 ANNUAL REPORT WILL BE PROVIDED WITHOUT CHARGE TO EACH STOCKHOLDER UPON WRITTEN REQUEST ADDRESSED TO:

Atty. Ma. Alicia G. Picazo-San Juan
Corporate Secretary
First Metro Philippine Equity Exchange Traded Fund, Inc.
4th Floor Tower One and Exchange Plaza
Ayala Triangle, Ayala Ave., Makati City

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct and no changes or revisions have been made, except those arising from comments and findings upon review of the Preliminary Information Statement. This report is signed in Makati City on May 26, 2026.

FIRST METRO PHILIPPINE EQUITY EXCHANGE TRADED FUND, INC.

By:

MA. ALICIA G. PICAZO-SAN JUAN
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 2 6 2026 at Makati City, affiant exhibiting to me her Philippine Passport No. P7431608A issued on 4 June 2018 at Department of Foreign Affairs in Manila.

Doc. No. 303;
Page No. 62;
Book No. III;
Series of 2026.

AINA RAE L. CORTEZ
Appointment No. M-568
Notary Public for Makati City
Until December 31, 2026
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 91405
PTR No. 10766612/Makati City/01-02-2026
IBP No. 536190/Makati/12-23-2025
MCLE No. VIII-0030503/April 28, 2025

PART II - COMPANY PROFILE

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

The First Metro Philippine Equity Exchange Traded Fund, Inc. (the Fund) was registered with the Securities and Exchange Commission ("SEC") on January 15, 2013 as an open-end investment company under Republic Act No. 2629, otherwise known as the Investment Company Act (ICA) and as an "Exchange Traded Fund" ("ETF") under SEC Memorandum Circular No. 10, Series of 2012 otherwise known as the SEC Rules and Regulations on Exchange Traded Funds (the "SEC ETF Rules"). The Fund is engaged primarily in the business of investing, reinvesting, and trading in, and issuing and redeeming its shares of stock in creation units in exchange for a basket of securities representing an index.

As a licensed ETF, it offers to and through qualified trading participants (the "Authorized Participants"), on a continuous basis, shares in the Fund which are issuable and redeemable in creation units. The Board approved during its meeting on December 11, 2015, the reduction of the number of shares comprising one creation unit from 200,000 to 50,000 shares. On December 13, 2016, the Board approved to reduce further the number of shares per creation unit from 50,000 to 10,000 shares. Shares of the Fund may be directly redeemed in exceptional circumstances as approved by the SEC.

The Fund aims to provide returns which would reflect the performance of the Philippine equities market by investing in a basket of securities which are included in the PSEi of the PSE (the "Underlying Index"). The portfolio of the Fund is to be rebalanced and reconstituted every six (6) months in order to adjust to the current composition of the PSEi. Price volatility of the constituent shares of stock can affect the market value of the assets of the Fund and cause the Fund's Net Asset Value ("NAV") to vary.

The Fund is the only mutual fund traded on the Philippine Stock Exchange (PSE) and the shares of the Fund is listed on the ETF Board of the PSE. The shares of the Fund may be bought and sold on the secondary market at the quoted market price in the PSE through the Trading Participants of the PSE which may require payment of brokerage commissions, stock transaction tax and/or other fees and charges (e.g. clearing house fees). However, shares of the Fund may be issued and redeemed only through Authorized Participants in creation units. Investors who are interested in creating or redeeming shares in creation units may contact any one of the Authorized Participants or request his or her existing registered broker/Trading Participant to place such an order with any of the Authorized Participants. Interested investors should be aware that the Authorized Participants and the Trading Participants are required to comply with Philippine general laws, rules and regulations including any "know-your- customer" requirements under existing regulations.

First Metro Investment Corporation (FMIC) is the Fund Sponsor. As Fund Sponsor, FMIC organized the Fund and has provided the initial capital of the Fund totaling ₱750 million.

Prior to August 2024, ATR Financial Advisory and Management Inc. (ATR FAMI) (formerly "First Metro Asset Management, Inc.") is majority-owned by FMIC, with Metropolitan Bank & Trust Company (MBTC) as its ultimate parent. ATR FAMI acts as the fund manager and principal distributor of the Fund. Metropolitan Bank & Trust Company - Trust Banking Group (MBTC-TBG) serves as the Fund's stock and transfer agent, while First Metro Securities Brokerage Corporation (FMSBC) serves as the Fund's market maker. The Fund's authorized participants are FMSBC and IGC Securities, Inc.

In August 2024, following the disposal of FMIC holdings and portion of ATR FAMI's holdings in the Fund, the Fund ceases to be a subsidiary of ATR FAMI and an affiliate of FMIC and MBTC.

The product being sold by the Fund is its shares of stock, being a mutual fund company. As of December 31, 2025, the registrant's total sales were ₱75.90 million.

The registered office address of the Fund is at 4th Floor Tower One & Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City.

The Fund earned some awards and recognitions based on its performance from Philippine Investment Fund Association (PIFA) as shown below:

- In 2021, First Metro Exchange Traded Fund ranked 2nd place on both 1-year and 5-year return categories and 1st place on 3-year return category.
- In 2022, the Fund ranked 1st place in 1-year, 3-year and 5-year return categories.
- In 2023, the Fund ranked 1st place in 3-year, 5-year and 10-year return categories and 2nd place in 1-year return category.
- In 2025, the Fund ranked 1st place in 1-year, 3-year, 5-year and 10-year return categories.

Competition

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

As of December 31, 2025, First Metro Philippine Equity Exchange Traded Fund, Inc. is the only Fund in exchange traded fund category.

Principal Suppliers and Major Clients
The Fund has no raw materials for its business nor has any major existing supply contracts.

Dependence to a Single Customer or Few Customers

First Metro Securities Brokerage Corporation and IGC Securities, Inc. are the Authorized Participants of the Fund. The Authorized Participant is a registered broker-dealer and Trading Participant that entered into an Authorized Participant Agreement and participates in the creation and redemption of Shares of the Fund.

Effect of existing governmental regulation

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

The Fund's investment activities are guided by the following limits/conditions:

- Investments in margin purchases of securities, commodity futures contracts, precious metals, unlimited liability investments, short-selling of currencies and securities are not allowed.
- It shall not incur any further debt or borrowing.
- It shall not participate in underwriting or selling activities in connection with the public distribution of securities except for its own capital stock.
- Investment in any company for the purpose of exercising control or management.
- Investment in the securities of other investment companies.
- Investment in real estate properties and developments.
- Purchasing or selling of securities other than capital stocks of the Fund from or to any of its officers or directors or the officers and directors of its investment adviser/s, manager or distributor/s or firm/s of which any of them are members is prohibited.
- It shall not engage in lending operations.

Executive Officers

The list of officers is found in Item 5 of Part I above.

Principal Officers are appointed annually by the Board of Directors at its organizational meeting following the Annual Meeting of Stockholders.

Number of Employees

The Fund has no employees because all aspects of its operations and administration are subcontracted with third parties; hence it has no risks as far as labor problems are concerned.

Compliance with the Manual on Corporate Governance

The Board approved the Fund's Corporate Governance Manual on June 19, 2013 to monitor and assess the level of the Fund's compliance with leading practices on good corporate governance as specified in Philippine SEC Circulars. Aside from establishing specialized committees to aid in complying with the principles of good corporate governance, the Manual also outlines specific investor's rights and protections and enumerates particular duties expected from the Fund's Board members, officers and employees. It also features a Disclosure System which highlights adherence to the principles of transparency, accountability and fairness. A Compliance Officer is tasked with the formulation of specific measures to determine the level of compliance with the Manual by the Fund's Board members, officers and employees. In general, the Company is in compliance with the leading practices in good corporate governance. This was reported in a Certification by the Compliance Officer filed with the Commission on January 28, 2026. No director or officer of the Company was found in violation of the Manual.

Major Risks Involved

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

The Fund has identified the following major risks involving each of its businesses and other operations:

> ***Market Risk.*** The Fund's investments in equity securities may decline in value due to factors affecting securities markets generally, or particular countries, segments, economic sectors, industries or companies within those markets. The value of a security may decline due to general economic and market conditions which are not specifically related to a particular issuer, such as real or perceived adverse economic conditions or changes in interest or currency rates. Fluctuations in the value of securities in which the Fund invests will cause the NAV of the Fund to fluctuate. Historically, the markets have moved in cycles, and the value of the Fund's securities and other financial instruments may fluctuate drastically from day to day.
>
> ***Stock Market Risk.*** Investing in shares of stock is generally riskier than investing in fixed-income securities, hence investors' money or principal may even be lost. The risks inherent to equity ETFs are related to the volatility of the stock market. Changes in prices of equity securities that compose the Fund's investment portfolio may substantially vary in a short span of time. The performance of the companies whose shares are included in the portfolio of the Fund is very much dependent on the people behind those companies. Added to that, stock prices are sensitive to political and economic conditions that normally change from time to time.
>
> ***Index Risk.*** The Fund is subject to the risk that the Underlying Index may underperform other segments of the equity market or the equity market as a whole.

The Fund aims to track the PSEi, which is rebalanced every six (6) months. The returns of the Fund may be affected by such rebalancing, and the Fund is subject to the risk that it may not accurately track the returns of the PSEi.

Liquidity Risk. Although the Underlying Index shall be comprised of securities included in the main index of the PSE, in certain circumstances, it may be difficult for the Fund to purchase and sell particular investments within a reasonable time at a fair price. In addition, the ability to assign an accurate daily value to certain investments may be difficult, and the Fund Manager may be required to fair value the investments.

Tracking Error Risk. The tracking error is the divergence of the Fund's performance from that of the index it tracks. Tracking error may occur because of differences between the securities held in the Fund's portfolio and those included in the index, pricing differences, transaction costs, the Fund's holding of cash, differences in timing of the accrual of dividends, changes to the Underlying Index or the need to meet various new or existing regulatory requirements. This risk may be heightened during times of increased market volatility or other unusual market conditions. Tracking error also may result because the Fund incurs fees and expenses, while the index it tracks does not.

Early Closing Risk. An unanticipated early closing of the PSE may result in a shareholder's inability to buy or sell shares of the Fund on that day.

Trading Halt Risk. Secondary market trading in the shares of the Fund may be halted or suspended by the PSE because of market conditions or other reasons. If a trading halt or suspension occurs, a shareholder may temporarily be unable to purchase or sell shares of the Fund.

Trading Risk. Shares may trade below their NAV. The NAV of the shares of the Fund will fluctuate with changes in the market value of the Fund's holdings. In addition, although the shares of the Fund are listed on the PSE, there can be no assurance that an active trading market for shares of the Fund will develop or be maintained.

The Philippine securities markets are substantially smaller, less liquid, and more volatile relative to major securities markets in the U.S. and other jurisdictions and may not be as highly regulated or supervised as some of these other markets. The NAVPS of the shares when issued may differ significantly from the price at which the shares will trade on the PSE.

Interest Rate Risk. Interest rate movements may have a direct impact on the prices of assets of the Fund. Some assets are more sensitive to changes in interest rates while other assets may not. It is expected that interest rate movements may have a negative influence of the Fund's assets.

Inflation Risk. Inflation risk is the risk that inflation may erode the real value of an investment by the Fund.

Non-Diversification Risk. The Fund is considered non-diversified and can invest a greater portion of its assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single security could cause greater fluctuations in the value of the shares of the Fund than would occur in a diversified fund.

Passive Investment Risk. The Fund is not actively managed, and the Fund Manager does not attempt to take defensive positions in declining markets. Therefore, the Fund may be subject to greater losses in a declining market compared to a fund that is actively managed.

Absence of Operating History. The Fund is a start-up company and may also be affected by risks associated with companies that do not have operating histories. However, people and companies behind the Fund have actual experience and a track record in mutual funds and other financial institutions.

The investors should be aware that their investment in exchange traded funds is not guaranteed by the Philippine Deposit Insurance Corporation. The Fund Manager is also not permitted by law to guarantee any yield to the investors in the Fund.

Risk of Dilution. Because the Fund is an Open-end Investment Company, investors may effectively subscribe to any amount of Shares of the Fund. As such, investors face the risk of the percentage of their stockholding in the Fund being diluted as more investors subscribe to the Shares. The influence that the investors can exert over the control and management of the Fund decreases proportionally.

Geographic Concentration Risk. The Fund's investments are primarily in shares of stock of publicly listed domestic corporations. Funds that are less diversified across countries or geographic regions are generally riskier than more geographically diversified funds. A fund that focuses on a single country or a specific region is more exposed to that country's or region's economic cycles, currency exchange rates, stock market valuations and political risks, among others, compared with a more geographically diversified fund.

Delay in Issuance of ETF Shares Risk. In the event that the authorized capital stock of the Fund has been fully subscribed, the Fund will have to apply for an increase in its authorized capital stock with the SEC in order to accommodate additional creation orders. Due to the corporate actions and regulatory approvals that have to be complied with to increase the authorized capital stock of the Fund, there may be a delay in delivery of the Shares of the Fund to Authorized Participants which made such creation orders.

Securities Lending Risk. The Fund bears the risk of loss of investing cash collateral and may be required to make payments to a borrower upon return of loaned securities if invested collateral has declined in value. Furthermore, because of the risks in delay of recovery, the Fund may lose the opportunity to sell the securities at a desirable price, and it may not have the right to vote securities while they are being loaned.

Regulation and Taxation Risk. The Fund is subject to a number of national and local laws and regulations. These include industry laws and regulations relating to investment and publicly- owned companies, the PSE and applicable taxes. The Fund cannot assure prospective investors that changes in laws or regulations, including those related to investment and publicly-owned companies, the PSE and applicable taxes, will not result in the Fund or the investors in the Fund having to incur substantial additional expenditures in relation to the Fund's investments or investments in the Fund.

Risks Relating to the Philippines. Substantially all of the Fund's Component Securities are shares of companies based in the Philippines, which exposes the Fund to the risks associated with the country, including the performance of the Philippine economy. Factors that may adversely affect the Philippine economy include: (1) decreases in business, industrial, manufacturing or financial activities in the Philippines, the Southeast Asian region or globally; (2) scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines, the Southeast Asian region or globally; (3) exchange rate fluctuations; (4) inflation or increases in interest rates; (5) levels of employment, consumer confidence and income; (6) changes in the Philippine government's fiscal and regulatory policies; (7) re-emergence of SARS, avian influenza (commonly known as bird flu), or H1N1, or the emergence of another similar disease in the Philippines or in other countries in Southeast Asia; (8) natural disasters, including but not limited to tsunamis, typhoons, earthquakes, floods, fires and similar events; (9) political instability, terrorism or military conflict in the Philippines, other countries in the region or globally; and (10) other social, political or economic developments in or affecting the Philippines. There can be no assurance that the Philippines will achieve strong economic fundamentals in the future. Changes in the conditions of the Philippine economy could materially and adversely affect the performance of the Fund.

Dependence on the Services of Third Parties. The Fund relies on the services of third parties such as the Authorized Participants, Principal Distributor, Fund Manager, Custodian, Stock and Transfer Agent, and INAV Calculator, among others, to run its operations. The loss of services of any of these third parties could materially impair the Fund's operations and performance, and the Fund may not immediately be able to replace such third party within a reasonable period of time, which could materially and adversely affect the Fund's operations and performance.

The Fund also relies on the PDTC as the securities depository of its shares. The PDTC may determine to discontinue providing its service with respect to the shares at any time by giving notice to the Fund, the Fund Manager, the Custodian and the Fund Sponsor and discharging its responsibilities with respect thereto under applicable law. Under such circumstances, the Fund, the Fund Manager and Principal Distributor, the Custodian and/or the Fund Sponsor shall take action either to find a replacement for the PDTC to perform its functions at a comparable cost or, if such a replacement is unavailable, to terminate the Fund.

PART III - SECURITIES OF THE REGISTRANT

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

A. Market Information

The Fund shares were traded in the Philippine Stock Exchange (PSE). Below is the history of Net Asset Value per Share (NAVPS) of the Fund for the first quarter of 2026, and the years 2025, 2024, and 2023:

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2026	High	109.4000	–	–	–
	Low	98.5000	–	–	–
2025	High	106.7000	107.0000	107.0000	101.0000
	Low	93.0000	95.5000	98.5000	94.8000
2024	High	110.7042	111.0751	119.8159	121.3183
	Low	101.9361	98.7188	101.9016	103.0992
2023	High	109.2333	104.5962	104.7476	103.0212
	Low	98.7674	100.2981	95.1826	94.0111

B. Shareholders

As of March 31, 2026, there are 3,238 shareholders of the Company's common stock. In addition, the Fund is 86.07% owned by Filipinos and 13.93% by Non-Filipinos. Retail and Institutional investors owned 2.50% and 97.50%, respectively. Shown below are the top twenty (20) shareholders, including the number of shares and percentage of ownership held by each as of the same date.

No.	Client No.	No. of Shares	Percentage of Ownership*
1	COL FINANCIAL GROUP, INC.	3,773,949	30.70%
2	FIRST METRO SECURITIES BROKERAGE CORP.	3,607,903	29.35%
3	BDO SECURITIES CORPORATION	1,062,795	8.65%
4	AB CAPITAL SECURITIES, INC.	1,020,225	8.30%
5	BPI SECURITIES CORPORATION	948,446	7.72%
6	RCBC TRUST CORPORATION	288,310	2.35%
7	PHILSTOCKS FINANCIAL INC	275,230	2.24%
8	CHINA BANK SECURITIES CORPORATION	175,300	1.43%
9	ABACUS SECURITIES CORPORATION	59,431	0.48%
10	AAA SOUTHEAST EQUITIES, INCORPORATED	53,560	0.44%
11	CITIBANK N.A.	47,077	0.38%
12	DRAGONFI SECURITIES, INC.	44,333	0.36%
13	PNB SECURITIES, INC.	43,844	0.36%
14	BRODIE, MICHAEL ANDREW	39,940	0.32%
15	GESIERICH, ANDREAS ALEXANDER	39,920	0.32%
16	REGINA CAPITAL DEVELOPMENT CORPORATION	39,693	0.32%
17	WANG, LIN	39,655	0.32%
18	KUBOTA, DAIGORO	38,700	0.31%
19	SAKAI, YUUKI	38,530	0.31%
20	PANG, ZHIJIANG	38,409	0.31%

**Total number of shareholders is derived from Authorized Participants' records as well as PDTC's PCD Nominee report.*

The closing price of FMETF shares on the Philippine Stock Exchange as of May 25, 2026 (latest practicable trading date prior to filing) was **₱ 101.10 per share**. The Net Asset Value Per Share (NAVPS) as of March 31, 2026 was ₱99.5097.

C. Dividends

The Board of Directors of the Fund may decide to declare dividends from the unrestricted retained earnings of the Fund at a time and percentage as the same Board may deem proper and in accordance with law.

The Fund may declare or pay dividends but limit those dividends to come from the Fund’s accumulated undistributed net income, determined in accordance with PFRS and including profits or losses realized upon the sale of securities; or from the Fund’s earned surplus so determined for the current or preceding fiscal year.

As provided for in the Fund's By-Laws, the Board of Directors may make arrangements with its stockholders whereby the amount of unrestricted retained earnings not declared as cash dividends and/or other distributions may be reinvested in the Fund's basket of securities in lieu of cash dividends to be paid to the stockholders. The arrangement with shareholders shall be such that the aforementioned amount of unrestricted retained earnings dividends to be reinvested in the Fund’s basket of securities shall be declared as stock dividends in accordance with law and valued at the NAVPS of the Fund at the time said stock dividends are paid.

The Board of Directors of the Fund intends to declare, as cash dividends, a minimum of ten percent (10%) of the amount of the unrestricted retained earnings derived from the cash dividend income of the portfolio of the Fund based on the latest audited financial statements of the Fund; Provided, that the Board shall pass the appropriate Board resolution covering any dividend declaration, and such dividend declaration shall be disclosed to the SEC, the PSE and the Fund’s website.

The Company did not declare or distribute any cash dividends to its stockholders for the past two (2) fiscal years. There were no dividends declared for the period ended March 31, 2026.

Recent Sale of Unregistered Securities

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

Legal Proceedings

The Fund has no material pending legal proceedings to which it is a party. Refer to Item 5 of Part I.

PART IV - MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION (March 31, 2026 vs. December 31, 2025) AND RESULTS OF OPERATIONS (January 1 – March 31, 2026 vs. January 1 – March 31, 2025)

INTERIM STATEMENTS OF FINANCIAL POSITION

	As at			
	March 31, 2026 (Unaudited)	**Dec 31, 2025 (Audited)**	**Change (₱)**	**% Change**
ASSETS				
Cash in banks	**11,731,247**	2,113,381	9,617,866	455.20%
Financial assets at FVTPL	**1,208,912,523**	1,307,803,858	(98,891,335)	(7.56%)
Receivables	**3,923,206**	584,934	3,338,272	570.70%
TOTAL ASSETS	**1,224,566,976**	1,310,502,173	(85,935,197)	(6.56%)
LIABILITIES AND EQUITY				
LIABILITIES				
Accounts payable and accrued expenses	**1,466,889**	2,230,742	(763,853)	(34.25%)
EQUITY				
Capital stock	**1,229,126,000**	1,308,126,000	(79,000,000)	(6.04%)
Additional paid-in capital	**35,740,196**	37,848,876	(2,108,680)	(5.57%)
Deficit	**(41,766,109)**	(37,703,445)	(4,062,664)	10.78%
	1,223,100,087	1,308,271,431	(85,171,344)	(6.51%)
TOTAL LIABILITIES AND EQUITY	**1,224,566,976**	1,310,502,173	(85,935,197)	(6.56%)

INTERIM STATEMENTS OF COMPREHENSIVE INCOME

	For the period ended			
	March 31, 2026 (Unaudited)	**March 31, 2025 (Unaudited)**	**Change (₱)**	**% Change**
INVESTMENT INCOME				
Net trading and securities gains (losses)	**(15,162,186)**	(71,928,860)	56,766,674	78.92%
Dividend income	**17,934,216**	16,553,174	1,381,042	8.34%
Interest income	**86**	–	86	100.00%
	2,772,116	(55,375,686)	58,147,802	104.98%
OPERATING EXPENSES				
Management and retainer fees	**1,816,489**	1,889,811	(73,322)	(3.88%)
Custodian and transfer agency fees	**439,962**	169,342	270,620	159.80%
Information technology expenses	**317,859**	325,285	(7,426)	(2.28%)
Regulatory and filing fees	**150,858**	150,858	–	0.00%
Brokers' commissions	**145,933**	172,009	(26,076)	(15.16%)
Professional fees	**122,447**	84,783	37,664	44.43%
Fund administration fees	**98,565**	101,240	(2,675)	(2.64%)
Directors' and officers' fees	**84,000**	95,738	(11,738)	(12.26%)
Rent	**28,373**	–	28,373	100.00%
Taxes and licenses	**16,070**	425,570	(409,500)	(96.22%)
Miscellaneous	**117,357**	37,225	80,132	215.27%
	3,337,913	3,451,861	(113,948)	(3.30%)
NET INVESTMENT LOSS BEFORE FINAL TAX	**(565,797)**	(58,827,547)	58,261,750	99.04%
FINAL TAX EXPENSE	**69,826**	409,603	(339,777)	(82.52%)
NET INVESTMENT LOSS / TOTAL COMPREHENSIVE LOSS*	**(635,623)**	(59,237,150)	58,601,527	98.93%
BASIC/DILUTED LOSS PER SHARE	**(0.0508)**	(4.3836)	4.3328	98.84%

**There are no other comprehensive income items for the period ended March 31, 2026 and 2025.*

FINANCIAL POSITION

As at March 31, 2026, the Fund's total assets stood at ₱1.22 billion, lower by ₱0.09 billion or 6.56% from ₱1.31 billion as at December 31, 2025. Total liabilities ended at ₱1.47 million from ₱2.23 million, lower by ₱0.76 million or 34.24% as at reporting date. The changes in total assets and liabilities are primarily due to the movements in the following accounts:

a. Cash in banks
This represents the Fund's savings and checking accounts in local banks. This account ended at ₱11.73 million, increased by ₱9.62 million or 455.09% from ₱2.11 million as at December 31, 2025 mainly due to higher cash dividends received during the period.

b. Financial assets at FVTPL
This consists of quoted equity securities held for trading. This account ended at ₱1.21 billion, decreased by ₱0.10 billion or 7.56% from ₱1.31 billion was mainly due to sale of investments during the period.

c. Receivables
This account consists of dividend receivable. The increase of ₱3.34 million or 570.71% from ₱0.58 million to ₱3.92 million was due to higher uncollected dividend receivable as at reporting date.

d. Accounts payable and accrued expenses
This account consists of accounts payable, payable to ATR FAMI, accrued expenses and withholding tax payable. The decrease of ₱0.76 million or 34.24% from ₱2.23 million to ₱1.47 million was mainly due to lower accrued expenses incurred as at reporting date.

e. Equity
The Fund's equity is comprised of its capital stock, additional paid-in capital and retained earnings. The decrease of ₱0.09 billion or 6.51% from ₱1.31 billion to ₱1.22 billion was due to net redemptions and results of operations during the period.

Capital stock ended at ₱1.23 billion, decreased by ₱0.08 billion or 6.04% from ₱1.31 billion due to net redemptions during the period. As at March 31, 2026 and December 31, 2025, the total number of holders of redeemable common shares are 3,238 and 3,329, respectively.

Additional paid-in capital decreased by ₱2.11 million or 5.57% from ₱37.85 million to ₱35.74 million this year due to net redemptions during the period.

Deficit increased by ₱4.07 million or 10.78% from ₱37.70 million to ₱41.77 million deficit as at March 31, 2026 due to net redemptions and results of operations during the period.

RESULTS OF OPERATIONS

For the period ended March 31, 2026, the Fund incurred a net loss of ₱0.64 million, a decrease of ₱58.60 million or 98.93% from the same period last year's net loss of ₱59.24 million. Detailed discussions of the changes in the statement of comprehensive income accounts are as follows:

a. Net trading and securities gains (losses)
This account represents realized losses from the sale and unrealized losses from changes in the fair value of equity securities held for trading during the period. The increase of ₱56.77 million or 78.92% from ₱71.93 million loss to ₱15.16 million loss was mainly due to the result of changes in the fair value and trading of equity securities during the period.

b. ***Dividend income***
This is recognized when the Fund's right to receive cash dividend is established. This account totaled ₱17.93 million, an increase of ₱1.38 million or 8.34% from same period last year's ₱16.55 million mainly due to higher cash dividends earned from shares held during the period.

c. ***Interest income***
This account pertains to interest earned from cash in bank of the Fund. This account totaled ₱86 and nil for the period ended March 31, 2026 and 2025, respectively.

d. ***Management and retainer fees***
This account decreased by ₱0.07 million from same period last year's ₱1.89 million to ₱1.82 million this year due to the lower management fees incurred relative to the decrease in the Fund's assets under management during the period.

e. ***Custodian and transfer fees***
This account pertains to charges incurred relative to the purchase and sale of securities. This account totaled ₱0.44 million and ₱0.17 million for the period ended March 31, 2026 and 2025, respectively, resulting to ₱0.27 million or 159.81% increase due to the higher volume of equity securities held during the period.

f. ***Information technology expenses***
This account pertains to prime portal services being used by the Fund and includes the license fee for the web hosting of the Fund's website and the calculation of its Indicative NAV during the trading day. This account totaled P0.32 million and P0.33 million for the period ended March 31, 2026 and 2025, respectively.

g. ***Regulatory and filing fees***
This account totaled ₱0.15 million for the period ended March 31, 2026 and 2025, which consists of Funds' listing and filing fees paid to regulatory bodies.

h. ***Broker's commission***
This pertains to fees paid to brokers for executing trade transactions. This account decreased by ₱0.02 million or 15.16% from same period last year's ₱0.17 million to ₱0.15 million this year due to lower volume of rebalancing trades during the period.

i. ***Professional fees***
This account totaled ₱0.12 million and ₱0.08 million for the period ended March 31, 2026 and 2025, respectively, and this represents audit and legal fees incurred by the Fund. The increase of ₱0.04 million or 44.42% was due to higher legal fees incurred during the period.

j. ***Fund administration fee***
This account totaled ₱0.10 million for the period ended March 31, 2026 and 2025, which pertains to payment of the fund admin fee during the period.

k. ***Directors' fees per diem***
This account pertains to per diem paid to the Fund's officers and directors during board meetings and annual stockholders' meeting. This account increased by ₱0.02 million or 12.26% from ₱0.10 million for the same period last year to ₱0.08 million this year due to lower attendees at meetings held during the period.

l. ***Rent expense***
This account pertains to the Fund's share in office rent with the Fund Manager effective June 2025. This totaled ₱0.03 million and nil for the period ended March 31, 2026 and 2025, respectively.

m. ***Taxes and licenses***

This account decreased by ₱0.41 million or 96.22% from the same period last year's ₱0.43 million to ₱0.02 million mainly due to the exemption from documentary stamp tax on subscriptions effective July 1, 2025.

n. ***Miscellaneous expenses***

This account includes membership fees and dues, bank charges and other miscellaneous expenses. The increase of ₱0.08 million or 215.26% from same period last year's ₱0.04 million to ₱0.12 million this year was mainly due to higher miscellaneous expenses paid during the period.

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

Statements of Financial Position

	As of December 31			Increase (Decrease) 2025 vs. 2024		2024 vs. 2023	
	2025	2024	2023	Amount	%	Amount	%
ASSETS							
Cash in banks	₱2,113,381	₱8,522,144	₱10,168,391	(₱6,408,763)	(75.20%)	(₱1,646,247)	(16.19%)
Financial assets at FVTPL	1,307,803,858	1,381,962,862	2,129,183,895	(74,159,004)	(5.37%)	(747,221,033)	(35.09%)
Receivables	584,934	612,664	2,070,195	(27,730)	(4.53%)	(1,457,531)	(70.41%)
	₱1,310,502,173	₱1,391,097,670	₱2,141,422,481	(₱80,595,497)	(5.79%)	(₱750,324,811)	(35.04%)
LIABILITIES AND EQUITY							
Liabilities							
Accounts payable and accrued expense	₱2,230,742	₱1,724,223	₱1,655,852	₱506,519	29.38%	₱68,371	4.13%
Equity							
Capital stock	1,308,126,000	1,320,126,000	2,099,126,000	(12,000,000)	(0.91%)	(779,000,000)	(37.11%)
Additional paid-in capital	37,848,876	40,310,996	63,494,703	(2,462,120)	(6.11%)	(23,183,707)	(36.51%)
Retained earnings (deficit)	(37,703,445)	28,936,451	(22,854,074)	(66,639,896)	(230.30%)	51,790,525	226.61%
	1,308,271,431	1,389,373,447	2,139,766,629	(81,102,016)	(5.84%)	(750,393,182)	(35.07%)
	₱1,310,502,173	₱1,391,097,670	₱2,141,422,481	(₱80,595,497)	(5.79%)	(₱750,324,811)	(35.04%)

Statements of Comprehensive Income

	Years Ended December 31			Increase (Decrease) 2025 vs 2024		2024 vs 2023	
	2025	2024	2023	Amount	%	Amount	%
INVESTMENT INCOME (LOSS)							
Trading and securities gains (losses)	(₱96,022,604)	₱53,316,154	(₱29,192,833)	(₱149,338,758)	(280.10%)	₱82,508,987	282.63%
Dividend income	46,434,280	53,539,518	72,553,429	(7,105,238)	(13.27%)	(19,013,911)	(26.21%)
Interest income	379	955	2,325	(576)	(60.31%)	(1,370)	(58.92%)
Miscellaneous income	–	–	120,474	–	–	(120,474)	(100.00%)
	(49,587,945)	106,856,627	43,483,395	(156,444,572)	(146.41%)	63,373,232	145.74%
EXPENSES							
Management fees	7,559,357	10,440,296	12,034,075	(2,880,939)	(27.59%)	(1,593,779)	(13.24%)
Custodian and transfer agency fees	1,095,738	889,608	719,115	206,130	23.17%	170,493	23.71%
Information technology expenses	1,014,612	989,842	1,025,535	24,770	2.50%	(35,693)	(3.48%)
Regulatory and filing fees	611,813	631,796	611,813	(19,983)	(3.16%)	19,983	3.27%
Taxes and licenses	533,145	398,211	775,737	134,934	33.89%	(377,526)	(48.67%)
Brokers' commissions	521,233	206,842	1,657,911	314,391	152.00%	(1,451,069)	(87.52%)
Professional fees	435,512	135,520	109,588	299,992	221.36%	25,932	23.66%
Fund Administration Fee	407,773	627,028	1,020,893	(219,255)	(34.97%)	(393,865)	(38.58%)
Directors' and officers' fees	272,500	328,500	299,500	(56,000)	(17.05%)	29,000	9.68%
Rent	64,068	–	–	64,068	100.00%	–	–
Miscellaneous	298,113	136,702	449,664	161,411	118.08%	(312,962)	(69.60%)
	12,813,864	14,784,345	18,703,831	(1,970,481)	(13.33%)	(3,919,486)	(20.96%)
NET INVESTMENT INCOME (LOSS) BEFORE FINAL TAX	(62,401,809)	92,072,282	24,779,564	(154,474,091)	(167.77%)	67,292,718	271.57%

PROVISION FOR FINAL TAX	621,708	171,518	645,664	450,190	262.47%	(474,146)	(73.44%)
NET INVESTMENT INCOME (LOSS) / TOTAL COMPREHENSIVE INCOME (LOSS)	(₱63,023,517)	₱91,900,764	₱24,133,900	(₱154,924,281)	(168.58%)	₱67,766,864	280.80%

2025

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

The total resources of the Fund decreased by ₱0.08 billion or 5.79% from ₱1.39 billion at the beginning of the year to ₱1.31 billion as of December 31, 2025. Liability increased by ₱0.51 million or 29.38% from last year's ₱1.72 million to ₱2.23 million as of December 31, 2025.

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

a) Cash in banks

Cash in banks went down by ₱6.41 million or 75.20% from ₱8.52 million as of December 31, 2024 to ₱2.11 million as of December 31, 2025 mainly due to net redemptions during the year. This account represents the Fund's savings and checking accounts in local banks and earns interest up to 0.0625% in 2025 and 2024.

b) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL consist of quoted equity securities held for investments amounting to ₱1.31 billion and ₱1.38 billion as of December 31, 2025 and 2024, respectively. This account went down by ₱0.07 billion or 5.37% due to sale of equity securities relative to net redemptions made during the year.

c) Receivables

Receivables consist of dividends and other receivables. This account went down by ₱0.03 million from last year's balance of ₱0.61 million to ₱0.58 million mainly due to the lower dividend declaration made by investee companies as of December 31, 2025.

d) Accounts payable and accrued expenses

This account is comprised of payable to ATRAM and ATR FAMI, custodian fee payable, accounts payable, accrued expenses and withholding taxes payable. The increase of ₱0.51 million or 29.38% from ₱1.72 million at the beginning of the year to ₱2.23 million as of December 31, 2025 pertains to higher accrued expenses as of reporting date.

e) Equity

Total stockholders' equity decreased by ₱0.08 billion or 5.84% from last year's ₱1.39 billion to ₱1.31 billion this year mainly due to the net redemptions and results of operations during the year.

Capital Stock

The Fund's authorized and issued capital stock are as follows:

	2025		2024	
	Shares	Amount	Shares	Amount
Authorized	30,000,000	₱3,000,000,000	30,000,000	₱3,000,000,000
Issued and outstanding:				
Balance at the beginning of the period	13,201,260	1,320,126,000	20,991,260	2,099,126,000
Subscriptions	780,000	78,000,000	320,000	32,000,000
Redemptions	(900,000)	(90,000,000)	(8,110,000)	(811,000,000)
Balance at the end of the period	13,081,260	₱1,308,126,000	13,201,260	₱1,320,126,000

As of December 31, 2025, the total number of shareholders owning at least one board lot (equivalent to 10 ETF shares) is 3,329.

Additional paid-in capital amounted to ₱37.85 million and ₱40.31 million in 2025 and 2024, respectively. The decrease of ₱2.46 million or 6.11% was due to the net redemptions during the year.

Retained earnings (deficit) decreased by ₱66.64 million or 230.30% from last year's ₱28.94 million earnings to ₱37.70 million deficit this year due to results of operations for the year.

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

For the year ended December 31, 2025, the Fund incurred a net loss of ₱63.02 million, a decrease of ₱154.92 million or 168.58% compared to ₱91.90 million net income in 2024.

The highlights of the results of operations for the year ended December 31, 2025 are as follows:

a) Trading and securities gains (losses)
This account totaled ₱96.02 million loss this year, which consists of realized gains (losses) from the sale and unrealized gain (loss) on marking-to-market of equity securities. The decrease of ₱149.34 million or 280.10% from ₱53.32 million gain in 2024 was mainly due to the change in fair market value of equity securities during the year.

b) Dividend income
This is recognized when the Fund's right to receive a cash dividend is established. This account decreased by ₱7.11 million or 13.27% from last year's ₱53.54 million to ₱46.43 million due to lower cash dividends received from equity securities during the year.

c) Interest income
The decrease of ₱576 or 60.31% from ₱955 in 2024 to ₱379 this year was primarily due to lower interest earned relative to the decrease in cash balances during the year.

d) Management fees
Management fees amounting to ₱7.56 million and ₱10.44 million in 2025 and 2024, respectively, consist of fees accrued and paid to the Fund Manager. The decrease of ₱2.88 million or 27.59% pertains to lower asset under management level in 2025.

e) Custodian and transfer agency fees
This account increased by ₱0.21 million or 23.17% from ₱0.89 million to ₱1.10 million this year mainly due to higher transfer agency fees incurred and paid during the year.

f) Information technology expenses
Information technology increased by ₱0.02 million from ₱0.99 million to ₱1.01 million this year. This account pertains to prime portal services being used by the Fund and includes the license fee for the web hosting of the Fund's website and the calculation of its Indicative NAV during the trading day.

g) Regulatory and filing fees
This account totaled ₱0.61 million and ₱0.63 million for the year 2025 and 2024, respectively. The decrease of ₱0.02 million was due to lower listing fees paid by the Fund during the year.

h) Taxes and licenses
This account rose by ₱0.13 million or 33.89% compared with last year's balance of ₱0.40 million to ₱0.53 million primarily due to higher documentary stamp tax paid during the year.

i) ***Brokers' commission***
Brokers' commission amounting to ₱0.52 million was incurred in 2025 relative to purchase and sale transactions of equity securities. This account is ₱0.31 million or 152.00% higher compared to last year's amount of ₱0.21 million due to the higher volume of rebalancing trades during the year.

j) ***Professional fees***
This account pertains to audit fees and other professional fees. The increase of ₱0.30 million or 221.36% from last year's ₱0.14 million to ₱0.44 million this year was due to higher audit and legal fees paid during the year.

k) ***Fund administration fee***
This account totaled ₱0.41 million in 2025 and pertains to the payment of the fund administration fee during the year. The decrease of ₱0.22 million or 34.97% from ₱0.63 million last year was due to lower fees paid relative to the decrease of the Fund's net asset value.

l) ***Directors' and officers' fees***
This account pertains to the allowances and per diem of directors and officers during the meetings convened. The decrease of ₱0.06 million or 17.05% from last year's ₱0.33 million to ₱0.27 million this year was due to lower attendees on meetings during the year.

m) ***Rent expense***
This account pertains to the Fund's share in office rent with the Fund Manager effective June 2025, which totaled ₱0.06 million during the year.

n) ***Miscellaneous expense***
Miscellaneous expense consists of various operational expenses incurred by the Fund. This account increased by ₱0.16 million or 118.08% from last year's ₱0.14 million to ₱0.30 million this year due to higher miscellaneous expenses during the year.

2024

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

The total resources of the Fund decreased by ₱0.75 billion or 35.04% from ₱2.14 billion at the beginning of the year to ₱1.39 billion as of December 31, 2024. Liability increased by ₱0.06 million from last year's ₱1.66 million to ₱1.72 million as of December 31, 2024.

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

a) ***Cash in banks***
Cash in banks went down by ₱1.65 million or 16.19% from ₱10.17 million as of December 31, 2023 to ₱8.52 million as of December 31, 2024 mainly due to net redemptions during the year. This account represents the Fund's savings and checking accounts in local banks and earns interest up to 0.0625% and 0.25% in 2024 and 2023, respectively.

b) ***Financial assets at fair value through profit or loss***
Financial assets at FVTPL consist of quoted equity securities held for investments amounting to ₱1.38 billion and ₱2.13 billion as of December 31, 2024 and 2023, respectively. This account went down by ₱0.75 billion or 35.09% due to sale of equity securities relative to net redemptions made during the year.

c) ***Receivables***
Receivables consist of dividends and other receivables. This account went down by ₱1.46 million or 70.41% from last year's balance of ₱2.07 million to ₱0.61 million mainly due to the lower dividend declaration made by Investee Companies as of December 31, 2024.

d) Accounts payable and accrued expenses

This account is comprised of payable to FAMI, custodian fee payable, accounts payable, accrued expenses and withholding taxes payable. The increase of ₱0.06 million from ₱1.66 million at the beginning of the year to ₱1.72 million as of December 31, 2024 pertains to higher accrued expenses as of reporting date.

e) Equity

Total stockholders' equity decreased by ₱0.75 billion or 35.07% from last year's ₱2.14 billion to ₱1.39 billion this year mainly due to the net redemptions during the year.

Capital Stock

The Fund's authorized and issued capital stock are as follows:

	2024		2023	
	Shares	Amount	Shares	Amount
Authorized	30,000,000	₱3,000,000,000	30,000,000	₱3,000,000,000
Issued and outstanding:				
Balance at the beginning of the period	20,991,260	2,099,126,000	21,801,260	2,180,126,000
Subscriptions	320,000	32,000,000	750,000	75,000,000
Redemptions	(8,110,000)	(811,000,000)	(1,560,000)	(156,000,000)
Balance at the end of the period	13,201,260	₱1,320,126,000	20,991,260	₱2,099,126,000

As of December 31, 2024, the total number of shareholders owning at least one board lot (equivalent to 10 ETF shares) is 3,211.

Additional paid-in capital amounted to ₱40.31 million and ₱63.49 million in 2024 and 2023, respectively. The decrease of ₱23.18 million or 36.51% was due to the net redemptions during the year.

Retained earnings (deficit) increased by ₱51.79 million or 226.61% from last year's ₱22.85 million deficit to ₱28.95 million earnings this year due to results of operations for the year.

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

For the year ended December 31, 2024, the Fund posted a net income of ₱91.90 million, an increase of ₱67.77 million or 280.80% compared to ₱24.13 million net income in 2023.

The highlights of the results of operations for the year ended December 31, 2024 are as follows:

a) Dividend income

This is recognized when the Fund's right to receive a cash dividend is established. This account decreased by ₱19.01 million or 26.21% from last year's ₱72.55 million to ₱53.54 million due to lower cash dividends received from equity securities during the year.

b) Trading and securities gains (losses)

This account totaled ₱53.32 million gain this year, which consists of realized gains from the sale and unrealized gain on marking-to-market of equity securities. The increase of ₱82.51 million or 282.63% from ₱29.19 million loss in 2023 was mainly due to the change in fair market value of equity securities during the year.

c) Interest income

The decrease of ₱0.001 million or 58.92% from ₱0.002 million in 2023 to ₱0.001 million this year was primarily due to lower interest earned during the year.

d) Miscellaneous income
Miscellaneous income totaled nil and ₱0.12 million for the year ended December 31, 2024 and 2023, respectively.

e) Management fees
Management fees amounting to ₱10.44 million and ₱12.03 million in 2024 and 2023, respectively, consist of fees accrued and paid to the Fund Manager. The decrease of ₱1.59 million or 13.24% pertains to lower asset under management level in 2024.

f) Information technology expenses
Information technology decreased by ₱0.04 million from ₱1.03 million to ₱0.99 million this year. This account pertains to prime portal services being used by the Fund and includes the license fee for the web hosting of the Fund's website and the calculation of its Indicative NAV during the trading day.

g) Custodian and transfer agency fees
This account increased by ₱0.17 million or 23.71% from ₱0.72 million to ₱0.89 million this year mainly due to higher transfer agency fees incurred and paid during the year.

h) Regulatory and filing fees
This account totaled ₱0.63 million and ₱0.61 million for the year 2024 and 2023, respectively. The decrease of ₱0.02 million was due to lower listing fees paid by the Fund during the year.

i) Fund administration fee
This account totaled ₱0.63 million in 2024 and pertains to the payment of the fund administration fee during the year. The decrease of ₱0.39 million or 38.58% from ₱1.02 million last year was due to lower fees paid relative to the decrease of the Fund's net asset value.

j) Taxes and licenses
This account went down by ₱0.38 million or 48.67% compared with last year's balance of ₱0.78 million to ₱0.40 million primarily due to lower documentary stamp tax paid during the year.

k) Directors' and officers' fees
This account pertains to the allowances and per diem of directors and officers during the meetings convened. The increase of ₱0.03 million or 9.68% from last year's ₱0.30 million to ₱0.33 million this year was due to higher attendees on meetings during the year.

l) Brokers' commission
Brokers' commission amounting to ₱0.21 million was incurred in 2024 relative to purchase and sale transactions of equity securities. This account is ₱1.45 million or 87.52% lower compared to last year's amount of ₱1.66 million due to the lower volume of rebalancing trades during the year.

m) Professional fees
This account pertains to audit fees and other professional fees. The increase of ₱0.03 million or 23.66% from last year's ₱0.11 million to ₱0.14 million this year was due to higher audit fees paid during the year.

n) Miscellaneous expense
Miscellaneous expense consists of various operational expenses incurred by the Fund. This account decreased by ₱0.31 million or 69.60% from last year's ₱0.45 million to ₱0.14 million this year due to lower miscellaneous expenses during the year.

2023

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

The total resources of the Fund decreased by ₱0.07 billion from ₱2.21 billion at the beginning of the year to ₱2.14 billion as of December 31, 2023. Liability decreased by ₱0.51 million or 23.64% from last year's ₱2.17 million to ₱1.66 million as of December 31, 2023.

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

a) Cash in banks

Cash in banks went up by ₱4.75 million or 87.55% from ₱5.42 million on December 31, 2022 to ₱10.17 million as of December 31, 2023 mainly due to sale of equity securities. This account represents the Fund's savings and checking accounts in local banks and earns interest up to 0.125% in 2023 and 2022.

b) Financial assets at fair value through profit or loss

Financial assets at FVTPL consist of quoted equity securities held for investments amounting to ₱2.13 billion and ₱2.20 billion as of December 31, 2023 and 2022, respectively. This account went down by ₱0.07 billion due to sale of equity securities relative to net redemptions made during the year.

c) Receivables

Receivables consist of dividends and other receivables. This account went up by ₱1.35 million or 189.24% from last year's balance of ₱0.72 million to ₱2.07 million mainly due to the higher dividend declaration made by Investee Companies as of December 31, 2023.

d) Other assets

This account ended nil and ₱0.27 million as of December 31, 2023 and 2022, respectively, and this pertains to other miscellaneous assets of the Fund.

e) Accounts payable and accrued expenses

This account is comprised of payable to FAMI, custodian fee payable, accounts payable, accrued expenses and withholding taxes payable. The decrease of ₱0.51 million or 23.64% from ₱2.17 million at the beginning of the year to ₱1.66 million as of December 31, 2023 pertains to lower accrued expenses as of reporting date.

f) Equity

Total stockholders' equity decreased by ₱0.06 billion from last year's ₱2.20 billion to ₱2.14 billion this year mainly due to the net redemptions during the year.

Capital Stock

The Fund's authorized and issued capital stock are as follows:

	2023		2022	
	Shares	Amount	Shares	Amount
Authorized	30,000,000	₱3,000,000,000	30,000,000	₱3,000,000,000
Issued and outstanding:				
Balance at the beginning of the period	21,801,260	2,180,126,000	20,201,260	2,020,126,000
Subscriptions	750,000	75,000,000	3,680,000	368,000,000
Redemptions	(1,560,000)	(156,000,000)	(2,080,000)	(208,000,000)
Balance at the end of the period	20,991,260	₱2,099,126,000	21,801,260	₱2,180,126,000

As of December 31, 2023, the total number of shareholders owning at least one board lot (equivalent to 10 ETF shares) is 3,288.

Additional paid-in capital amounted to ₱63.49 million and ₱70.24 million in 2023 and 2022, respectively. The decrease of ₱6.75 million or 9.60% was due to the net redemption during the year.

Deficit decreased by P22.99 million or 50.15% from last year's ₱45.84 million to ₱22.85 million this year mainly due to results of operations for the year.

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

For the year ended December 31, 2023, the Fund posted a net income of ₱24.13 million or an increase of ₱154.13 million or 118.56% compared to ₱130.00 million net loss in 2022.

The highlights of the results of operations for the year ended December 31, 2023 are as follows:

a) Trading and securities gains (losses)
This account totaled ₱29.19 million loss this year, which consists of realized loss from the sale and unrealized loss on marking-to-market of equity securities. The decrease of ₱122.98 million or 80.82% from ₱152.17 million in 2022 was mainly due to the change in fair market value of equity securities during the year.

b) Dividend income
This is recognized when the Fund's right to receive a cash dividend is established. This account increased by ₱28.17 million or 63.47% from last year's ₱44.38 million to ₱72.55 million due to higher cash dividends received from equity securities during the year.

c) Interest income
The decrease of ₱0.014 million or 85.83% from ₱0.016 million in 2022 to ₱0.002 million this year was primarily due to lower interest earned during the year.

d) Management fees
Management fees amounting to ₱12.03 million and ₱12.10 million in 2023 and 2022, respectively, consist of fees accrued and paid to the Fund Manager. The decrease of ₱0.07 million pertains to lower asset under management level in 2023.

e) Brokers' commission
Brokers' commission amounting to ₱1.66 million was incurred in 2023 relative to purchase and sale transactions of equity securities. This account is ₱0.45 million or 36.64% higher compared to last year's amount of ₱1.21 million due to the higher volume of rebalancing trades during the year.

f) Information technology expenses
Information technology increased by ₱0.38 million or 57.69% from ₱0.65 million to ₱1.03 million this year. This account pertains to prime portal services being used by the Fund and includes the license fee for the web hosting of the Fund's website and the calculation of its Indicative NAV during the trading day.

g) Fund administration fee
This account totaled ₱1.02 million in 2023 and pertains to the payment of the fund administration fee during the year. The increase of ₱0.18 million or 21.47% from ₱0.84 million last year was due to higher fees paid during the migration period of service provider made in 2023.

h) Taxes and licenses
This account went down by ₱2.94 million or 79.15% compared with last year's balance of ₱3.72 million to ₱0.78 million primarily due to lower documentary stamp tax paid during the year.

i) Custodian and transfer agency fees
This account increased by ₱0.09 million or 14.07% from ₱0.63 million to ₱0.72 million this year mainly due to higher transfer agency fees incurred and paid during the year.

j) Regulatory and filing fees
This account totaled ₱0.61 million for the years 2023 and 2022.

k) Directors' and officers' fees
This account pertains to the allowances and per diem of directors and officers during the meetings convened. The decrease of ₱0.01 million from last year's ₱0.31 million to ₱0.30 million this year was due to lower attendees on meetings during the year.

l) Professional fees
This account pertains to audit fees and other professional fees. The decrease of ₱0.17 million or 60.60% from ₱0.28 million to ₱0.11 million this year was due to lower audit fees paid during the year.

m) Miscellaneous expense
Miscellaneous expense consists of various operational expenses incurred by the Fund. This account increased by ₱0.18 million or 69.33% from ₱0.27 million to ₱0.45 million this year due to higher miscellaneous expenses during the year.

DISCUSSION OF KEY PERFORMANCE INDICATORS

The Fund has identified the following as its key performance indicators:

- *Net Asset Value Per Share* - Net Asset Value per share decreased by ₱0.5014 from ₱100.0111 as at December 31, 2025 to ₱99.5097 as at March 31, 2026. The Fund's net asset value decreased by ₱0.09 billion or 6.51% from ₱1.31 billion as at December 31, 2025 to ₱1.22 billion as at March 31, 2026.

- *Sales for the period ended* - The Fund had total sales of ₱8.41 million for the period ended March 31, 2026. This is ₱31.82 million or 79.08% lower than ₱40.23 million total sales for the same period last year.

- *Redemptions for the period ended* - The Fund had total redemptions of ₱92.95 million and nil for the period ended March 31, 2026 and 2025, respectively.

- *Net Income vs. Benchmark* - The Fund incurred a net loss of ₱0.64 million for the period ended March 31,2026, lower by ₱58.60 million or 98.93% compared to same period last year's ₱59.24 million net loss.

- *Market Share vs. Benchmark* - As at March 31, 2026, the Fund garnered 2.50% share in the Equity Funds category in terms of net assets. On the basis of account holders, the Fund has 3,238 account holders or 0.30% of the total accounts in the Equity Funds category.

- *NAVPS vs. Benchmark* - The Fund NAVPS is tracked using the PSEi. The Fund's tracking error will not exceed 5%. The highest and lowest tracking error during the period are 0.0419% and 0.0401%, respectively.

FINANCIAL SOUNDNESS INDICATORS

	As at		
Performance Indicators	**March 31, 2026 (Unaudited)**	March 31, 2025 (Unaudited)	December 31, 2025 (Audited)
Current ratio [1/]	83480.55%	104920.77%	58747.37%
Acid test ratio [2/]	83480.55%	104920.77%	58747.37%
Solvency ratio [3/]	0.12%	0.10%	0.17%
Debt-to-equity ratio [4/]	0.12%	0.10%	0.17%
Asset-to-equity ratio [5/]	100.12%	100.10%	100.17%
Profitability ratios:			
Return on assets [6/]	(0.20%)	(17.15%)	(4.67%)
Return on equity [7/]	(0.20%)	(17.17%)	(4.67%)

[1/] *Current Assets divided by Current Liabilities*
[2/] *Quick Assets (Cash and cash equivalents, financial assets at FVTPL securities and Current receivables) divided by Current Liabilities*

[3/] *Total Liabilities divided by Total Assets*
[4/] *Total Liabilities divided by Total Equity*
[5/] *Total Assets divided by Total Equity*
[6/] *Annualized Net Investment Income divided by Average Total Assets*
[7/] *Annualized Net Investment Income divided by Average Total Equity*

OTHER RELEVANT PERCENTAGES

	As at	
	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Liquid/Semi liquid assets to total assets	100.00%	100.00%
Total operating expenses to total net worth	0.26%	0.95%

[1/] *Liquid/Semi Liquid Assets (Cash and cash equivalents and Financial assets at FVPL securities Current receivables) divided by Total Assets*
[2/] *Total Operating Expenses divided by Average Equity*

OTHER QUANTITATIVE AND QUALITATIVE DISCLOSURES

Past and Future Financial Condition

The Fund maintained a strong financial position during the period, characterized by high liquidity and minimal leverage. The Fund's current and acid test ratios remain significantly elevated due to its structure as an investment company with minimal liabilities, while substantially all of its assets are held in liquid, marketable securities. The absence of borrowings and long-term debt obligations further supports its financial stability. Despite the decline in net assets and net asset value per share brought about by net redemptions and market-related valuation changes, the Fund continues to maintain sufficient liquidity to meet redemption requirements and operational needs.

Looking forward, the Fund's financial condition is expected to remain stable, supported by its highly liquid investment portfolio and absence of material financial obligations. However, the Fund's performance and financial position will continue to be influenced by movements in the Philippine equity market, particularly the performance of the underlying index, as well as by investor subscription and redemption activity. The Fund does not anticipate the need for additional financing or capital expenditures and expects to continue operating within its existing capital structure.

Known Trends, Events or Uncertainties

The Fund is exposed to market risks inherent in equity investments, including fluctuations in the prices of securities comprising the underlying index, which may result in volatility in the Fund's net asset value and operating results. Dividend income is likewise subject to variability depending on the dividend policies of the investee companies. In addition, investor behavior, particularly redemption activity, may affect the level of the Fund's assets under management.

Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

The Fund's liquidity position remains strong. As at March 31, 2026, the Fund's current and acid test ratios stood at 83,480.55%, reflecting its structure as an investment company with substantially all assets held in liquid, marketable equity securities and minimal liabilities. The Fund has no borrowings, long-term debt, or material payables, and maintains sufficient cash balances to meet operating expenses and redemption obligations. Management has not identified any known trends, events, or uncertainties that have had, or are reasonably expected to have, a material adverse impact on the Fund's liquidity. While net redemptions of ₱92.95 million during the period resulted in a decrease in total assets, the Fund continues to hold a highly liquid portfolio that can be converted to cash to meet any further redemption requests. No other events are expected to materially affect the Fund's liquidity position.

Notwithstanding these inherent risks, management has not identified any known trends, events or uncertainties that have had or are reasonably expected to have a material impact on the Fund's liquidity, financial condition, or results of operations. The Fund has no material off-balance sheet transactions, commitments, or contingent liabilities, and there are no known events that would trigger material financial obligations.

Any Known Trends, Events or Uncertainties (Material Impact on Sales)

Total sales (subscriptions) for the period ended March 31, 2026 amounted to ₱8.41 million, a decrease of ₱31.82 million or 79.08% from ₱40.23 million for the same period in 2025. The decline is primarily attributable to the general softening of investor interest in equity funds amid market volatility in the Philippine Stock Exchange during the first quarter of 2026, as well as the continued contraction in the Fund's total net asset value, which influences the scale of inflows. Redemptions for the period totaled ₱92.95 million, compared to nil in the same period last year, reflecting net outflows driven by investor decisions to exit their positions amid market conditions. Management does not foresee any specific new trends, events, or uncertainties beyond the foregoing market and investor behavior factors that would materially and adversely impact the Fund's future sales levels.

Any Significant Elements of Income or Loss (from continuing operations)

For the period ended March 31, 2026, the two most significant elements of the Fund's income and loss from continuing operations were: (a) Net trading and securities losses of ₱15.16 million, representing unrealized and realized losses on the Fund's equity portfolio arising from the decline in the market prices of PSEi component stocks during the period; and (b) Dividend income of ₱17.93 million, representing cash dividends declared and received from investee companies during the period. These two items together resulted in a net investment income of ₱2.77 million before operating expenses. After deducting operating expenses of ₱3.34 million and final tax expense of ₱0.07 million, the Fund reported a net investment loss of ₱0.64 million for the period. All significant income and loss elements arose from the Fund's continuing operations as an index-tracking equity exchange-traded fund. There were no extraordinary, unusual, or non-recurring items outside the Fund's normal operations.

Causes for Material Changes from Period to Period

The decrease in total assets, equity, and net asset value per share during the period is primarily attributable to net redemptions of shares and the decline in the fair value of the Fund's investment portfolio. The increase in cash balances and receivables is mainly due to the timing of dividend collections and the accrual of dividend income at period end. The decrease in liabilities is largely due to lower accrued expenses.

The significant improvement in the Fund's results of operations compared to the same period in the previous year is primarily due to the reduction in realized and unrealized losses from the Fund's equity investments, coupled with an increase in dividend income. Variations in operating expenses are due to changes in transaction-related costs, such as custodian and transfer fees, as well as regulatory developments, including the exemption from documentary stamp tax on share subscriptions effective July 1, 2025.

Seasonal Aspects

The Fund's operations are not subject to seasonal fluctuations, as its income and performance are primarily driven by market movements and dividend declarations, which do not exhibit a predictable seasonal pattern.

Consistent with management's assessment, there were no seasonal factors that had a material effect on the Fund's financial condition or results of operations during the reporting period.

COMMITMENTS, MATERIAL EVENTS AND UNCERTAINTIES

1. To date, the Fund has no plans of entering into any material commitments for capital expenditures in the future.
2. To the knowledge and information of the Fund, there are no events or uncertainties that will have a material impact on the Fund's liquidity.
3. There are no known events that will trigger direct or contingent financial obligation that is material to the Fund, including any default or acceleration of an obligation.
4. Also, there were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Fund with unconsolidated entities or other persons created during the reporting period.
5. Likewise, there are no known trends, events or uncertainties that have had or that are reasonably expected to cause a material favorable or unfavorable impact on income from continuing operations.
6. Lastly, there were no seasonal aspects that had any material effect on the financial condition or results of operations of the Fund.

OTHER INFORMATION

- **Seasonality or Cyclicality of Interim Operations**
  The Fund's operations is driven mainly by prevailing market and economic conditions, as well as, by the demands and or needs of the investors and borrowers and is not influenced by seasonal or cyclical pulls.

- **No Unusual Items**
  There are no items affecting assets, liabilities, equity, net income or cash flows, which may be considered unusual by virtue of their nature, size or incidence.

- **Dividends**
  There were no dividends declared for the period ended March 31, 2026.

- **Material Events**
  There is no material disclosure that have not been reported under SEC Form 17-C during the period covered by this report.

- **Commitments and Contingent Accounts**
  There were no commitments and contingent accounts for the period ended March 31, 2026.

Plan of Action

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

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

Subsequent Events

The Sub-Fund Management Agreement entered into by the Fund and ATR FAMI, which appointed ATRAM to perform certain day-to-day investment, research, and statistical functions in accordance with the Fund's prospectus and investment guidelines, was terminated in February 2026, effective March 31, 2026. Accordingly, ATRAM ceased providing these services to the Fund..

There were no material subsequent events that took place after the period ended March 31, 2026.

Other Matters

The Fund Manager is not aware of any event and/or uncertainties that:

- will have a material impact on liquidity
- will trigger direct or contingent obligation that is material to the Fund including any default or acceleration of obligation
- will have an impact on all material off-balance sheet transactions, arrangement, obligations and other relationships of the Fund
- is a significant element of income or loss that did not arise from the Fund’s continuing operations
- there are no material commitments for capital expenditures during the past year and in the subsequent year.

Holders

Please refer to Item B of Part III of SEC Form Definitive Information Statement.

Item 7. Financial Statements

1. Statement of Management’s Responsibility for Financial Statements
2. Audited Financial Statements
3. Unaudited Interim Financial Statements

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in Makati City on May 26, 2026.

FIRST METRO PHILIPPINE EQUITY EXCHANGE TRADED FUND, INC.

By:

MARIA AVALEN A. DIANCO
TREASURER