

# SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 12-1 REGISTRATION STATEMENT UNDER THE SECURITIES REGULATION CODE

1. **SEC Identification Number CS201840752**
2. **MBG ASIA FRONTIER FEEDER UMF, INC.**  
Exact name of registrant as specified in its charter
3. **Metro Manila, Philippines**  
Province, country or other jurisdiction of incorporation or organization
4. **010-186-214-000**  
BIR Tax Identification Number
5. **Open-end Investment Company**  
General character of business of registrant: Invest primarily in other undertakings for collective investment of the open-ended type of business.
6. **Industry Classification Code:** **(SEC Use Only)**
7. **G/F 110 Legazpi Street, Legaspi Village, Makati City, 1229, Philippines Telephone Number: +63 2 8838 7822; Fax Number: +63 2 7956 7065**  
Address, including postal code, telephone number, FAX number including area code, of registrant's principal offices.
8. **Not Applicable**  
If the registrant is not a resident in the Philippines, or its principal business is outside the Philippines, state name and address including postal code, telephone number and FAX number, including area code, and email address of resident agent in the Philippines.
9. **December 31**  
Fiscal Year Ending Date (Month and Day)

### Computation of Registration Fee

Title of each class of securities to be registered	Amount to be registered	Proposed offering price per unit	Proposed aggregate offering price	Amount of registration fee
Units of Participation	50,000,000,000	PHP1.00 Per unit	PHP 50,000,000,000.00	PHP 10,000.00
			Add: Legal research fee	100.00
			Total	PHP 10,100.00

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## **FINAL PROSPECTUS**

### **MBG ASIA FRONTIER FEEDER UMF, INC.**

*(Open-end Investment Company (Feeder Fund), Unitized Mutual Fund)*

The Fund (only) offers units of participation. The Participation Units consist of Fifty Billion (50,000,000,000) units, to be offered at the current Net Asset Value per Unit of Php 1.9180 as of December 26, 2025 through over-the-counter market.

#### **MBG INVESTMENT MANAGEMENT, INC.**

Investment Manager, Principal Distributor and Administrator  
G/F 110 Legazpi Street, Legaspi Village, Makati City, 1229, Philippines  
Telephone Number: +63 2 8838 7822  
Website: [mbgfunds.com](http://mbgfunds.com)

#### **NOVEL SECURITIES, INC.**

Sub-distributor  
8<sup>th</sup> Floor One World Place 32<sup>nd</sup> St. BGC Taguig  
Telephone Number: +63 2 8887 1010  
Website: [www.novelcap.com.ph](http://www.novelcap.com.ph)

**The date of this Prospectus is 26 December 2025.**

## Prospectus Summary

### **MBG ASIA FRONTIER FEEDER UMF, INC.** *(A corporation organized under Philippine laws)*

#### **Description of the Fund**

The Fund is a Philippine corporation registered as an open-end investment company on October 24, 2018 under SEC Registration No. CS201840752. The Fund is categorized as aggressive and is classified as a Feeder Fund, whereby at least ninety (90%) of the net assets of the mutual fund company are invested in a single collective investment scheme (Target Fund). The objective of the Fund, which is considered to be high risk, is to achieve long-term capital growth by investing in a single actively managed Collective Investment Scheme (Target Fund) that invests in frontier and emerging markets. The Fund shall select a CIS that provides adequate diversification and is primarily invested in, but not limited to, listed equities.

The underlying securities of such CIS shall consist of large, mid, and small capitalization equities of companies located in countries that exhibit favorable demographics, rising incomes and high GDP growth rates. The Investment Manager will target a CIS that it believes is best positioned to create value by capitalizing on the growth of consumer discretionary spending, infrastructure investments, and the opportunities arising from structural reforms in the economy (i.e. liberalization of industries, privatization of government assets, financial market reforms, etc.). The Investment Manager will select a CIS that employs either a top-down country allocation or bottom-up stock selection approach and that adheres to disciplined risk management. The Investment Manager expects to hold positions over a medium-to-long-term horizon.

The Investment Manager shall perform thorough due diligence of the CIS (Target Fund). This will involve interviews and background checks with the investment management team of the CIS to ensure that their experience is sufficient, and that the investment philosophy of the CIS is in line with the objectives of the Fund. The Fund's investment universe shall include a CIS invested in countries such as, but not limited to, Vietnam, Cambodia, Laos, Myanmar, Bangladesh, Pakistan, and Sri Lanka. The Fund may also invest in other assets as allowed by the Implementing Rules and Regulations (IRR) of the Investment Company Act.

The underlying investments of the Target Fund will principally be in foreign securities, in multiple currencies, including equities listed in foreign stock markets. The Target Fund may trade in futures and derivative instruments for the purpose of enhancing returns or hedging risk exposures.

The Target Fund is Seahedge Asia Frontier Fund SP (SAFF), an Asian frontier-focused equity fund that invests mainly in Vietnam and other frontier markets. SAFF complies with the qualifications of a Target Fund of a Feeder fund as prescribed in ICA Rule 7.4 (b) (i) to (iv): (i) It is not a feeder fund or a co-managed fund; (ii) It is a CIS managed by MBG Capital Pte. Ltd. based in Singapore; (iii) It provides ample protection to the investors of the feeder fund based on IOSCO principles relevant to collective investment schemes, as the Target Fund is regulated by the Cayman Islands Monetary Authority (CIMA), which is an ordinary member of the IOSCO. Moreover, the Target Fund is also managed by MBG Capital Pte. Ltd., which is licensed by the Monetary Authority of Singapore (MAS), which is also an ordinary member of the IOSCO; and (iv) It publishes annual reports and daily NAV reports. Its investment objective is to achieve for its shareholders long-term capital appreciation primarily through an actively managed portfolio of listed

equities in frontier markets in Asia. SAFF accepts USD as the currency for investment. A fact sheet relating to Seahedge Asia Frontier Fund SP is made available on the website of the Investment Manager for informational purposes. The Investment Manager undertakes that such fact sheet shall be updated on a monthly basis, based on information provided by the Target Fund. For more information about the MBG Asia Frontier Feeder UMF, Inc., its Target Fund, and its Investment Manager, please visit [mbgfunds.com](http://mbgfunds.com) or [mbgcapital.com](http://mbgcapital.com).

Open-end mutual fund companies in the Philippines are organized as stock corporations and are allowed to issue shares and/or units. Apart from the common shares already issued to seed investors, the Fund shall not offer additional *common shares* to investors, only *units* of participation. Common shares and units of participation shall have a uniform net asset price per share and unit. The functional currency of the Fund is the Philippine Peso (PHP).

### **Description and Amount of Securities Offered**

This Prospectus relates to the offer of 50,000,000,000 units of MBG Asia Frontier Feeder UMF, Inc., (“MBG AFFI” or the “Fund”) to be sold at the current Net Asset Value Per Unit (“NAVPU”). The Fund currently has a total authorized capital stock of one billion four hundred twenty-three million twenty-two thousand four hundred pesos (PHP 1,423,022,400.00) divided into one billion four hundred twenty-three million twenty-two thousand four hundred (1,423,022,400) shares with a par value of one peso (PHP 1.00). Its subscribed capital at incorporation is three hundred fifty-five million seven hundred fifty-five thousand six hundred (355,755,600) at the subscription price of one peso (PHP 1.00) per share.

The estimated gross proceeds to be raised by the Fund is PHP 95,900,000,000.00, computed by multiplying 50,000,000,000 Offer Units by the latest available NAVPU on December 26, 2025, at PHP 1.9180/unit offer price). This NAVPU is computed as the difference between total assets of the Fund and its total liabilities divided by the total number of shares and units outstanding as of the said date.

The net proceeds from the sale of securities will be used to invest according to the investment objective of the Fund. Full details are given in the section on “Use of Proceeds” on page 30.

The net proceeds from the sale of securities will be used to mainly invest in a single open-ended collective investment scheme (Target Fund). However, the Fund may also invest in transferable securities, money market instruments, and other financial instruments eligible to the Fund in accordance with the Implementing Rules and Regulations of the Investment Company Act of the Philippines.

The Target Fund is Seahedge Asia Frontier Fund SP, incorporated in Cayman Islands, which is an Asian frontier-focused equity fund that invests mainly in Vietnam and other frontier markets. It is managed by MBG Capital Pte. Ltd. based in Singapore and its investment objective is to achieve for its shareholders long-term capital appreciation primarily through an actively managed portfolio of listed equities in frontier markets in Asia. For more information about the Target Fund, please visit [mbgfunds.com](http://mbgfunds.com) or [mbgcapital.com](http://mbgcapital.com).

## Financial Highlights

MBG Asia Frontier Feeder UMF, Inc.  
(An Open-End Mutual Fund Company)  
Summary of Financial Information  
In PHP

	As of June 30, 2025 (Audited)	As of December 31, 2024 (Audited)	As of December 31, 2023 (Audited)	As of December 31, 2022 (Audited)	As of December 31, 2021 (Audited)
Total Assets	705,934,455	811,094,937	563,283,809	490,996,236	611,332,628
Total Liabilities	85,558,761	1,223,458	1,669,916	50,715,598	94,431,913
Net Assets	620,375,694	809,871,479	561,613,893	440,280,638	516,900,715
Capital Stock (P1.00 Par Value)	357,008,966	458,542,234	411,826,823	367,061,155	382,198,882
Authorized Capital Stock	1,423,022,400	1,423,022,400	1,423,022,400	1,423,022,400	1,423,022,400
APIC	-	39,864,282	14,149,254	-	1,340,580
Retained Earnings (Deficit)	263,366,728	311,464,963	135,637,816	73,219,483	133,361,253
Net Assets	620,375,694	809,871,479	561,613,893	440,280,638	516,900,715
Net Asset Value per Share/Unit	1.7274	1.7608	1.3614	1.1800	1.3481
Income (Loss)	2,096,684	186,017,840	73,968,583	(57,496,263)	239,727,336
Expenses	16,791,868	10,190,693	11,550,250	2,645,507	94,108,717
Net Income (Loss)	14,695,184	175,827,147	62,418,333	(60,141,770)	145,618,619

### Risks of Investing

Prospective investors must carefully review risks before making any investment decisions with regard to the Offer Units. The following risks may have unfavorable effects on the Fund.

These risks include:

- Non-Guarantee
- Market Risk
- Currency Risk

- Concentration Risk
- Global Markets Risk
- Foreign Investment Risk
- Investment Manager Risk
- Liquidity Risk
- Inflation Risk
- Operational Risk
- Underlying Fund Risk
- Regulatory Risk
- Taxation Risk
- Digital Security Risk

The aforementioned risks may adversely affect the redemption value of the securities for unitholders, which may result in losses should unitholders redeem units when the NAVPU of the Fund is below their acquisition cost, among others. A more comprehensive discussion of the risks in connection with an investment in the Fund's units, listed down in order of importance, can be found in "Risk Factors" on page 25-28.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to sell or a solicitation of an *offer* to buy any securities in any jurisdiction or to any person to whom it is unlawful to make such an *offer* or solicitation in such jurisdiction. MBG AFFI and its Fund Manager accept full responsibility for the accuracy of the information given herein and confirm that there are no omissions of fact that would make any statement in this Prospectus misleading.

MBG Investment Management, Inc. ("MBG IMI") is the investment manager, principal distributor, and administrator of the Fund. MBG IMI is a corporation wholly owned by MBG Capital, Inc., a corporation domiciled in the Philippines. The fees payable to MBG IMI as investment manager and principal distributor are a service fee of one percent (1.00%) per annum of the Net Asset Value ("NAV") of the Fund. MBG IMI shall likewise be paid an administration fee equivalent to  $\frac{25}{100}$  percent (0.25%) per annum based on the NAVPU of the Fund. Fees are exclusive of VAT and shall be computed and are deemed to accrue on a daily basis. Distribution via digital online/channels forms part of the Fund's future plans. As of the date of this Prospectus, the Fund has not yet engaged any digital/online channels for distribution. The Fund shall report to the SEC future engagements with any digital/online channels via a current report and submit a copy of the agreements.

In addition, MBG IMI, as the Principal Distributor may charge a sales load or processing fee, which is an additional 1% of the subscription amount or five hundred pesos (PHP 500.00) whichever is higher plus VAT.

Full details of the Sales Load are provided in the section on "Plan of Distribution" on page 33. MBG IMI shall appoint SEC Certified Investment Solicitors to distribute the units of the Fund.

The Fund shall pay or reimburse MBG IMI for all costs and expenses associated with the Fund's operations as well as its establishment, organizational and offering expenses.

Finally, "Redemption Fees" to be charged to investors, based on prevailing market value NAVPU, are as follows:

Holding Period	Redemption Fee
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Up to one (1) year	5%
Beyond one (1) year	Nil

All of the offered units will have identical rights and privileges, and may be owned by any person or entity, regardless of nationality. The unitholders are not entitled to any dividends but are entitled to be notified of any material changes to the Registration Statement and the subscription agreement. The Fund may allow non-guaranteed unit-paying and/or income-paying feature/s if so declared and approved by the Board of Directors of the Fund, and accordingly permitted by the Securities and Exchange Commission.

The Fund shall not participate in any underwriting or selling group in connection with the public distribution of securities, except for its own offer units.

No dealer, selling agent or any other person has been authorized to give any information or make any representation not contained in this Prospectus. This Prospectus does not constitute an offer to buy/sell or a solicitation of an offer to buy/sell any securities in any jurisdiction or to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The delivery of this Prospectus at any time does not imply that the information herein contained is correct as of any time subsequent to this date. Unless otherwise stated, the information contained in this Prospectus has been supplied by MBG AFFI, which accepts full responsibility for the accuracy of the information given herein and confirms that there are no omissions of fact that would make any statement in this Prospectus misleading.

**ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED HEREIN ARE TRUE AND CURRENT**

[Redacted]  
**Evelyn R. Singson**  
 Chairman

SUBSCRIBED AND SWORN TO BEFORE ME this **FEB 16 2026** day of \_\_\_\_\_, 20\_\_ in **MAKATI CITY**, affiant exhibiting to me his/her Passport No. [Redacted] issued by [Redacted] on [Redacted].

Doc No. 234 ;  
 Page No. 4B ;  
 Book No. J ;

Series of 2026.



[Redacted]  
**LEW EARVIN H. MANARIN**  
 Appointment No. M-424  
 Notary Public for Makati City  
 Until December 31, 2026  
 Unit 1002, One Corporate Plaza  
 845 A. Amalaz Ave., Legaspi Village,  
 Makati City 1229  
 [Redacted]

**SUMMARY OF FEES, COMMISSIONS AND OTHER CHARGES TO BE PAID BY THE FUND**

Type of Fee	Percentage Rate	Others
Service Fee	1.00% p.a.	plus 12% VAT based on the NAV of the Fund. Fees shall be computed and deemed to accrue on a daily basis
Administration Fee	0.25% p.a.	plus 12% VAT based on the NAV of the Fund. Fees shall be computed and deemed to accrue on a daily basis.
Custodian Fee (*)	Safekeeping Fees Transaction Fees Other Fees	Subject to a minimum monthly fee of USD 1,000
Legal counsel fee (*)		PHP 10,000 plus 12% VAT retainer per month
External Auditor's Fee (*)		PHP 120,000 plus 12% VAT (based on latest audit)
Independent NAV Accountant (*)		<p>PHP 25,000 plus 12% VAT per month</p> <p>Extraordinary Expenses – Quoted Separately</p> <p>Out-of-pocket Costs – Including but not limited to:</p> <ul style="list-style-type: none"> <li>● Telephone toll-free lines, call transfers, etc.</li> <li>● Mailing, sorting, and postage</li> <li>● Stationery, envelopes</li> <li>● Programming, special reports</li> <li>● All other out-of-pocket expenses</li> </ul> <p>All fees billed monthly plus out-of-pocket expenses</p>
Regulatory Fee (SEC) for the Maintenance of the Issuance of Units		Annual fee of 1 bps based on the average net asset value of the unitized funds
Director's Fee (*)		PHP 30,000 per director per meeting
Currency Exchange Fees		Subject to prevailing exchange rates associated when buying/selling USD
Digital Channel Fees		Forms part of the Fund's future plans

and will be dependent on agreements with Digital Channel providers. May include platform & other fees that channel may charge

(\*) Fees paid to third party service providers and Directors are subject to periodic evaluation and may be changed from time to time.

**Custody Services (Deutsche Bank AG, Manila Branch)**

<b>Custody Fees</b>	
<b>1. Safekeeping Fees</b>	
Safekeeping Fees p.a. (USD)	2.5 bps
<b>2. Transaction Fees</b>	
Flat Fees	USD 5
Monthly minimum fee of USD 1,000	
<b>3. Other Fees</b>	
Instruction to Cancel/Amend/Repair	USD 10 per instruction sent

**SUMMARY OF FEES, COMMISSIONS AND OTHER CHARGES TO BE PAID BY THE INVESTOR**

Type of Fee	Percentage Rate	Others
Sales Load	1% or five hundred pesos (Php 500.00) whichever is higher plus VAT	
Redemption fee	5% + VAT nil	<ul style="list-style-type: none"> <li>● If holding period of one year</li> <li>● If holding period of more than one year</li> </ul>
Digital Channel Fees		Forms part of the Fund's future plans and will be dependent on agreements with Digital Channel providers. May include processing, convenience fees, etc.

Any gain from the redemption of units by the shareholders shall be excluded from income tax of the shareholders.

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## **PRINCIPAL PARTIES TO THE OFFER**

### **REGISTRANT**

#### **MBG Asia Frontier Feeder UMF, Inc.**

Ground Floor, 110 Legazpi Street, Legaspi Village, Makati City

E-mail: [info@mbgfunds.com](mailto:info@mbgfunds.com)

Website: [mbgfunds.com](http://mbgfunds.com)

Telephone number: +632 8838 7822

Fax number: +632 7956 7065

### **INVESTMENT COMPANY ADVISER, ADMINISTRATOR, AND DISTRIBUTOR**

#### **MBG Investment Management, Inc.**

Ground Floor, 110 Legazpi Street, Legaspi Village, Makati City

E-mail: [info@mbgfunds.com](mailto:info@mbgfunds.com)

Website: [mbgfunds.com](http://mbgfunds.com)

Telephone number: +632 8838 7822

Fax number: +632 7956 7065

### **CUSTODIAN BANK**

#### **Deutsche Bank AG, Manila Branch**

19F Four/Neo Building 4<sup>th</sup> Avenue, BGC, Taguig City

Telephone No.: +63 2 88946979

### **STOCK TRANSFER AGENT**

#### **MBG Investment Management, Inc.**

Ground Floor, 110 Legazpi Street, Legaspi Village, Makati City

E-mail: [info@mbgfunds.com](mailto:info@mbgfunds.com)

Website: [mbgfunds.com](http://mbgfunds.com)

Telephone number: +632 8838 7822

Fax number: +632 7956 7065

### **LEGAL COUNSEL**

#### **Mata-Perez, Tamayo & Francisco Attorneys-at-Law**

Unit 15A ACT Tower, 135 H.V. Dela Costa St., Salcedo Village, Makati City

Telephone No.: +63 2 8808 5375

### **EXTERNAL AUDITOR**

#### **SyCip Gorres Velayo & Co.**

6760 Ayala Avenue, Makati City, 1226

Telephone No.: +63 2 8891 0307

### **INDEPENDENT NAV ACCOUNTANT**

#### **IDEIN Services and Consulting, Inc.**

Unit 1003, One Corporate Plaza, 845 A S Arnaiz Avenue Makati City, Metro Manila

Telephone No.: +63 2 8816 2998

**INDEPENDENT OVERSIGHT ENTITY (IOE)**

**Audit Committee of MBG Asia Frontier Feeder UMF, Inc.**

Ground Floor, 110 Legazpi Street, Legaspi Village, Makati City

E-mail: [info@mbgfunds.com](mailto:info@mbgfunds.com)

Website: [mbgfunds.com](http://mbgfunds.com)

Telephone number: +632 8838 7822

Fax number: +632 7956 7065

## GLOSSARY

The following words or expressions used in this Prospectus, unless the context otherwise requires, shall have the following corresponding meanings:

<b><i>MBG IMI or Investment Manager or Principal Distributor or Administrator</i></b>	MBG Investment Management, Inc.
<b><i>MBG AFFI or the Issuer or the Fund or the Registrant</i></b>	MBG Asia Frontier Feeder UMF, Inc.
<b><i>AUM</i></b>	Assets Under Management
<b><i>ACS</i></b>	Authorized Capital Stock
<b><i>BSP</i></b>	Bangko Sentral ng Pilipinas
<b><i>Business Day</i></b>	A day wherein Philippine banks are open for business
<b><i>Collective Investment Schemes</i></b>	An arrangement that enables a number of investors to pool their assets with a view to the investors sharing in the profits or income from the purchase, holding, management, or disposal of the assets or sums paid out of such profits or income
<b><i>Commodities</i></b>	Goods, wares, and any merchandise of any kind; articles of trade or commerce; or articles of merchandise movable in trade
<b><i>Custodian Bank</i></b>	Deutsche Bank AG, Manila Branch
<b><i>Digital Channel</i></b>	Applications or platforms (i.e. websites, mobile phone applications) whom the Principal Distributor has a partnership with, which allows investors to inquire about their balance, and to make subscriptions/redemptions to and from the Fund.
<b><i>FATCA</i></b>	Foreign Account Tax Compliance Act
<b><i>Feeder Fund</i></b>	Fund structure where at least ninety (90%) of the net assets of the mutual fund company are invested in a single collective investment scheme, which is not a Feeder Fund
<b><i>Independent NAV Accountant</i></b>	IDEIN Services and Consulting, Inc.
<b><i>Investment Application Form</i></b>	The form is to be used by the Principal Distributor and its sub-distributors for investors to purchase units of the Fund in accordance with the terms and conditions of the Fund as described in this Prospectus
<b><i>Investment Company</i></b>	A company that is an issuer of securities and which company is or holds itself out as being engaged primarily or proposes to engage primarily in the business of investing, reinvesting, or trading in securities

<b>Investor</b>	Any person, association, or corporation with the intention of investing in the units of the Fund
<b>IRR</b>	Implementing Rules and Regulations of the Investment Company Act
<b>NAV</b>	Net Asset Value
<b>NAVPU</b>	Net Asset Value per Unit
<b>Open-end Investment Company</b>	An investment company, which is offering for sale or has outstanding any redeemable security of which it is the issuer
<b>PHP or Pesos</b>	Philippine Pesos, lawful currency of the Philippines; the Functional Currency of the Fund
<b>USD or United States Dollar</b>	United States Dollar, lawful currency of the United States of America
<b>R.A. 2629</b>	Republic Act No. 2629 or the Investment Company Act of 1960
<b>Redemption Fee</b>	The fee, computed on investment cost, is charged to unitholders for having their investments redeemed within specified retention periods
<b>Sales Load</b>	The fee, computed on investment cost, is charged to unitholders for the purchase of the Fund's units
<b>SEC</b>	Securities and Exchange Commission
<b>Service Fee</b>	Fee charged to investors for providing the service of investing in the Target Fund
<b>Unitholder</b>	Any natural or juridical person who has subscribed to the units of the Fund
<b>Target Fund</b>	Refers to either a local or foreign Collective Investment Scheme in which a Feeder Fund invests
<b>Unitized Mutual Fund</b>	Refers to a mutual fund company that issues units of participation, representing an undivided interest in the pool of investment assets
<b>Units of Participation</b>	Represents an undivided interest in the pool of investment in the Unitized Mutual Fund
<b>VAT</b>	Value Added Tax

**TERMS OF THE OFFER**

Issuer	MBG Asia Frontier Feeder UMF, Inc.
Type of Issue	Open-end Investment Company
Distributor	MBG Investment Management, Inc.
Units offered	Fifty Billion (50,000,000,000)
Base Currency	Philippine Peso (PHP)
Notification Rights	Unitholders are entitled to be notified of any material change to the Registration Statement and the Subscription agreement. Unitholders shall be notified of such change/s to the Registration Statement and/or the Subscription Agreement at least thirty (30) days prior to its effective date. Where the change cannot be determined in advance, the investors shall be informed as soon as practicable.
Voting Rights	Unitholders do not have voting rights.
Eligible Investors	<p>The units of the Fund may be purchased and held by any person of legal age or duly organized and existing corporations, partnerships, or corporate entities regardless of nationality. The Investor shall declare and warrant that there are no legal restrictions prohibiting the purchase of the units applied for and that the Investor is otherwise eligible throughout the duration of the period that the Investor remains a unitholder of the Fund.</p> <p>Purchase of the units of the Fund may be restricted by law in certain jurisdictions. Foreign investors interested in subscribing to the units should get information on the applicable legal requirements under the laws and regulations of the countries of their nationality, residence, or domicile and as to any relevant tax or foreign exchange control laws and regulations affecting them personally.</p>
Minimum Investment	The minimum initial investment amount is One Peso (PHP 1.00). Subsequent investments shall be for a minimum of One Peso (PHP 1.00).
Offer Price	The daily subscription price shall be based on the NAVPU as of the close of the business day, if payment is made within the daily cut-off time.
Subscription Procedure	<p>Subscriptions may be made in person at the Principal Distributor's offices and branches ("In-person Subscriptions") or online through its authorized "Digital Channels" ("Online Subscriptions"), with whom the Principal Distributor has a KYC reliance relationship. Online Subscriptions form part of the Fund's future plans.</p> <p>For In-person Subscriptions, an Investment Application Form and signature cards must be submitted together with the appropriate payment. Once submitted, the Investment Application may not be cancelled in full or in part. The Principal Distributor may charge a sales load or processing fee, which is an additional 1% of the subscription amount or five hundred pesos (Php 500.00) whichever is higher plus VAT.</p> <p>For Online Subscriptions, investors shall complete the respective Digital Channel's</p>

	<p>enrolment process and submit the required Know Your Customer (“KYC”) identification information. Investors shall complete the necessary subscription forms online and signify their agreement to the Fund’s terms and conditions, including satisfaction of its anti-money laundering policy. Payments for Online Subscriptions may be made electronically through the Fund’s accredited banks, Digital Channels or accredited third-party payment platforms, and any processing fees charged by such intermediaries (i.e. convenience fees, etc.) shall be for the account of the investor.</p> <p>Once accepted, subscriptions shall constitute an agreement between the Investor and the Fund, in the manner and subject to the conditions set forth in this Prospectus, the Investment Application Form and/or the Digital Channel.</p> <p>For completed subscriptions before the business day cut-off time of 12:00 noon, the price at which the Fund’s securities subscribed shall be the NAVPU computed at the end of the business day when such subscription is received. Should the completed subscription instruction be received after the said business day cut-off time, it shall be deemed to have been received on the next business day, and the applicable NAVPU to be used as basis for subscription shall be that which shall be computed at the end of the next business day when such subscription is deemed to have been received.</p> <p>Subscriptions made in USD within the cut-off period shall still be computed at the NAVPU computed at the end of the business day at the applicable exchange rate. The Fund Manager is ultimately responsible for establishing and maintaining the appropriate systems, policies, and procedures to ensure compliance with regulatory requirements for client assessment, including KYC information. For online subscriptions through digital channels, the Fund’s authorized and licensed CIS is tasked with and responsible for ensuring that the online form for KYC complies with regulatory requirements and adequately assesses the client’s suitability for the investment product being offered. The CIS will help establish and maintain appropriate systems and procedures to ensure that information collected through the online form is accurate, complete, up-to-date, and compliance with relevant laws and regulations.</p>
<p>Requirements for Corporate Applicants</p>	<p>Investors other than individuals shall follow In-person Subscription procedures. The following documents, in addition to the Investment Application Form and the signature cards, must be accomplished and shall be considered Integral parts thereof:</p> <ol style="list-style-type: none"> <li>1. Copy of the Investor’s SEC Certificate of Registration, Articles of Incorporation and By-Laws;</li> <li>2. Notarized corporate secretary’s certificate setting forth the resolutions of the Investor’s Board of Directors or equivalent body: <ol style="list-style-type: none"> <li>a. Authorizing the purchase of a specified Peso amount worth of units of the Fund; and</li> <li>b. Designating the signatories for the purpose.</li> </ol> </li> </ol>
<p>Acceptance of Investment Applications</p>	<p>Applications for the number of units and the applicable NAVPU are subject to acceptance and approval by the Principal Distributor. The Principal Distributor reserves the right to reject, scale-down and reallocate any application for the units for whatever reason. Applications for which check payments are dishonored upon</p>

	<p>first presentment, as well as those which do not comply with the requirements set in this Prospectus, the Investment Application Form and/or the Digital Channel, shall be rejected.</p> <p>The Principal Distributor shall inform the Investor of such reduction or rejection within three (3) business days after submission of the investment application.</p> <p>All investment applications shall be covered by the rules and regulations of the Anti-Money Laundering Act. The MBG AFFI likewise commits to comply with the same Act.</p> <p>To avoid any adverse effect to existing investors of large redemptions in the Fund, a subscription may be changed or rejected if it makes the investor a holder of 10% or more of the Fund's net assets on subscription date.</p>
<p>Payment Terms</p>	<p>Units of the Fund are sold on a cash basis only and installment sales are expressly prohibited.</p> <p>Subscriptions shall be paid in full upon submission of a duly accomplished and executed Investment Application Form or completion of the Digital Channel's enrollment process. Payments must be made in Philippine Pesos or in US Dollars in the form of cash, cheques, direct deposit, or wire transfer. Other ecommerce payment methods including bank transfers, credit cards, mobile payments, E-wallets, among others from authorized providers will only be allowed for Online Subscriptions.</p> <p>Remittance charges, convenience fees, and other processing charges incidental to any investment shall be shouldered by the investor.</p> <p>In the case of payments for In-Person Subscriptions made by direct deposit to the Fund's bank account, a copy of the deposit slip together with the Investment Application Form shall be delivered to the Principal Distributor's office, initially by fax or email on the day of deposit, and eventually in hard and original copies. The duly validated bank deposit slip and the original of the New Investment Form will serve as the Investor's temporary record of payment. Upon acceptance of the Investment Application by the Principal Distributor, a Confirmation Receipt will be issued to confirm the purchase of the units of the Fund and serve as the Investor's Official Receipt.</p> <p>Payments for Online Subscriptions shall be confirmed by the Digital Channel via email, SMS or other forms of digital communication and shall indicate the corresponding units purchased by the Investor, which shall serve as the Investor's Confirmation Receipt and Official Receipt.</p>
<p>Refunds</p>	<p>Refunds of payments for any rejected or scaled-down applications shall be made without interest by the Principal Distributor not later than seven (7) business days after submission. The respective Investor may either pick up the refund or have the same credited to his bank account, upon written instruction, with the same account name as his investment in MBG AFFI and provided that all credit and/or remittance charges shall be borne by the said Investor.</p>
<p>Sales Load</p>	<p>The fee and applicable VAT computed on investment cost that may be charged to</p>

	<p>investors for the purchase of the Fund's units. All Sales Load and VAT on the Sales Load shall be based on and charged on top of investment amounts unless otherwise specified by MBG IMI and provided that the minimum initial investment is met.</p> <p>The Principal Distributor may charge a sales load or processing fee, which is an additional 1% of the subscription amount or five hundred pesos (Php 500.00) whichever is higher plus VAT.</p>
Minimum Redemption Amount	<p>The minimum redemption amount is One Peso (PHP 1.00).</p> <p>If a redemption shall cause the value of the remaining units of the investor to fall below the minimum investment amount (PHP 1.00) after such redemption, MBG IMI may, without notice, redeem all remaining units and pay the proceeds to the investor. The Fund reserves the right to change the minimum maintaining balance from time to time as it deems necessary, subject to the approval of the SEC.</p>
Redemption Price	<p>The redemption price shall be based on the NAVPU, adjusted in accordance with the Fund's accounting policies. The redemption price of securities surrendered for redemption within the daily cut-off time shall be computed at the end of the business day, while those surrendered after the daily cut-off time shall be deemed to have been received on the next business day and will be processed accordingly. Payment shall be made no later than seven (7) business days from receipt of redemption request.</p>
Redemption Process	<p>The holder of any units of the Fund, upon presenting a redemption request to the Fund in its principal office, or to any of its duly authorized representatives, or through its Digital Channels, is entitled to receive by way of redemption approximately his proportionate unit of the Fund's current net assets or the cash equivalent thereof, i.e. the redemption NAVPU, subject to the existing laws and By-laws of the Fund.</p> <p>A valid I.D. must be presented to claim the check proceeds of the redemption. Proceeds of redemption requests may either be picked up by the investor at the main office of the Fund or be credited to his bank account, upon written instruction, with the same account name as his investment in the Fund. The cost of remittance charges, if any, incurred in the process of paying redemption proceeds shall be for the account of the Investor and shall be deducted from the said proceeds.</p> <p>For redemption requests surrendered before the business day cut-off time of 12:00 noon, the price at which the Fund's securities may be redeemed shall be the redemption NAVPU computed at the end of the business day when such request for redemption is received. Should the request for redemption be received after the said business day cut-off time, it shall be deemed to have been received on the next business day, and the applicable redemption NAVPU to be used as basis for redemption shall be that which shall be computed at the end of the next business day when such request for redemption is deemed to have been received. A redemption request, once made, will be irrevocable and may not be withdrawn without the consent of the Investment Manager.</p> <p>The Fund shall compute and post its NAVPU on a daily basis in its online channels</p>

	<p>and shall publish such daily prices in at least two (2) newspapers of general circulation in the Philippines and post them daily in a conspicuous place at the Fund's principal office as well as in all its branches or correspondent offices that are designated as redemption centers.</p> <p>Redemptions processed online through Digital Channels shall be subject to the Fund's cut-off times for processing such requests. Proceeds of online redemptions shall be credited to the investor's designated settlement bank account, e-wallet or other authorized electronic platforms. The cost of remittance charges, if any, incurred in the process of paying redemption proceeds shall be for the account of the Investor and shall be deducted from the said proceeds. Investors may also arrange to pick up redemption proceeds at the main office of the Fund or at any designated branches, correspondent offices or authorized third party redemption channels, subject to the investor's written instruction and presentation of a valid I.D.</p> <p>Payments for redeemed units shall be made within seven (7) banking days from receipt of the request for redemption.</p> <p>However, the Commission motu proprio or, upon request of a Fund Manager, may suspend the redemption of securities of Investment Company if: 1) The exchange, where eighty percent (80%) of the securities in the Investment Company's portfolio, is suspended; 2) Eighty percent (80%) of the securities in the Investment Company's portfolio are not able to be liquidated or traded; or Whenever necessary or appropriate in the public interest or for the protection of investors.</p> <p>The Commission shall provide the period of suspension of redemption which shall not be more than twenty-one (21) business days unless an extension is approved by the Commission En Banc. The fund manager must report to the Commission when dealing in units of the investment company is resumed</p>						
<p>Holding Period/ Redemption Fee</p>	<p>The holding period is used to determine the applicable redemption fee and is measured from the day of investment to the day of redemption of the units by the Fund. As per company policy, redemption fees shall apply to units redeemed by the Fund for holding periods of up to one (1) year.</p> <p>The redemption fee, plus applicable VAT, is computed on prevailing market value and is deducted from the redemption proceeds. The redemption fee is based on the following schedule:</p> <table border="1" data-bbox="635 1570 1251 1765"> <thead> <tr> <th>Holding Period</th> <th>Redemption Fee</th> </tr> </thead> <tbody> <tr> <td>Up to one (1) year</td> <td>5%</td> </tr> <tr> <td>Beyond one (1) year</td> <td>Nil</td> </tr> </tbody> </table>	Holding Period	Redemption Fee	Up to one (1) year	5%	Beyond one (1) year	Nil
Holding Period	Redemption Fee						
Up to one (1) year	5%						
Beyond one (1) year	Nil						
<p>Distribution via Digital Channels</p>	<p>As part of the Fund's future plans, the Principal Distributor may engage and utilize Digital Channels for the online distribution of the units of the Fund. These Digital Channels will facilitate the investor's online subscription, KYC, payment, and redemption. Transactions will be processed online, and confirmations will be made digitally available through the platform.</p>						

	<p>Investors should follow the policies and guidelines of the respective Digital Channel. For Online Subscriptions, these may include completing the selected channel's enrolment process and submitting certain Know Your Customer ("KYC") documents (in addition to the Fund's subscription forms). For online payments, investors may transfer electronically to the Fund through the Digital Channel or accredited third-party payment platforms. Any processing fees (i.e. convenience fees, etc.) charged by the selected channel shall be for the account of the investor.</p> <p>The Fund will adhere to all the policies of Digital Channels. These may include, but are not limited to, the payment of certain fees to the digital platforms where their units are distributed.</p>
Cut-Off Time	Subscriptions and redemptions made after 12:00 noon on any business day will be processed at the NAVPU calculated for the next business day.
Restriction on Issue, Transfer and Ownership of Units	MBG IMI and its nominees shall not be allowed to purchase any securities other than the offer units of the Fund.
Pre-Emptive Right	By law, investors in mutual funds waive their pre-emptive rights to unit offerings because mutual funds are offered on a continuing basis.
Issuance of Certificate of Participation	<p>Certificates of Participation may be issued if requested in writing by the unit holder. A fee of PHP 1,000.00 per certificate will be charged to replace lost certificates.</p> <p>Official receipts and confirmation slips will be provided to the unit holders upon subscription. Units are recorded on a register by MBG IMI, and unit holders who do not elect to receive certificates have the same rights as if certificates had been issued to them.</p>

## RISK DISCLOSURE STATEMENT

### GENERAL RISK WARNING

- The prices of securities fluctuate and any individual security may experience upward or downward movement, and may even become valueless. There is an inherent risk that losses may be incurred rather than profit as a result of buying and selling instruments and securities.
- Past performance is not a guide or guarantee for similar future performance
- There is an extra risk of losing money when instruments and securities are bought from smaller issuers with limited resources. There may be a big difference between the buying price and the selling price of these instruments and securities
- An investor deals in a range of investments each of which may carry a different level of risk.

### **PRUDENCE REQUIRED**

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

### **PROFESSIONAL ADVICE**

An investor should seek professional advice if he or she is uncertain of or has not understood any aspect of the securities to invest in or the nature of risks involved in trading of securities especially those high-risk securities.

### **RISK FACTORS**

The Fund and Target Fund are exposed to a variety of risks. Risk management shall be the responsibility of both the managers of the Fund and Target Fund. Although these risks are being managed by the managers of the Fund and Target Fund, its investors will ultimately bear the risks associated with the investment of the Fund.

**Non-Guarantee Risk.** An investment in the Fund is neither insured nor guaranteed by the PDIC. Investors carry the risk of losing the value of their investment, without any guaranty in the form of insurance. Moreover, as with any investment, it is important to note that the past performance of the Fund does not guarantee its future success.

**Market Risk.** The price of securities that the Target Fund invests in may fluctuate on a daily basis. These fluctuations can be a result of a wide variety of reasons such as but not limited to changes in: 1) earnings prospects; 2) interest rates; 3) currencies; 4) senior management; 5) production processes; and 6) capitalization, market reach and coverage of the companies that the Fund invests in. All these price fluctuations of underlying securities will be reflected in the net asset value per unit (NAVPU) of the Fund. Past performance is not a guide to future performance.

To manage the risks to the Fund's investments arising from fluctuations in market value, the Target Fund relies on the Investment Manager, particularly on the latter's internal pool of seasoned fund management professionals, as well as on the risk-reducing portfolio strategy of diversification of investments. Active monitoring and analysis of the factors influencing the prices of underlying securities is also important to managing the said investment risks.

**Currency Risk.** Volatility in exchange rates may increase the risk of the Fund. If economic or political confidence in a country deteriorates, a depreciation in the currency of that country may have a significant effect in the weakening of that country's stock market prices. To manage this risk, the Investment Manager of the Target Fund needs to regularly monitor global economic conditions, including political events, international trade and capital flows. This information will help the Investment Manager with its investment decisions about the said risk. Given the Target Fund accepts USD and PHP and invests in securities denominated in foreign currencies (i.e. Vietnamese Dong), the Fund, and consequently its investors will bear the currency risk.

**Concentration Risk.** Concentration risk is the possibility of the Target Fund to have large exposure to a few investments or several correlated investments, such that the Fund will experience a big loss if these investments move together in an unfavorable direction. While it is the Fund's strategy to invest in a concentrated portfolio of

businesses, it can manage this risk by making sure the investment's sectors are well diversified enough to minimize any impact of concentration risk.

**Global Markets Risk.** The Target Fund intends to invest across a diverse range of global markets. As a result, the Fund is subject to risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the base currency of the Fund and the various other currencies in which the Target Fund's investments may be denominated, and costs associated with the conversion of investment principal and income from one currency into another and (ii) the possible imposition of withholding taxes on income received from the issuer of, or gains with respect to, such securities.

In addition, investing in certain capital markets involves specific factors not typically associated with investing in established securities markets, including risks relating to (i) differences between markets, including potential price volatility in and relative illiquidity of some securities markets, (ii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, and less governmental supervision and regulation and (iii) certain economic and political risks, including potential exchange control regulations and potential restrictions on investment and repatriation of capital.

To manage this risk, the Investment Manager of the Target Fund will assess each country's political risk (the stability of politics and attitude towards foreign investment), the country's current economic condition and future development, looking at variables such as the country's GDP, unemployment rate, purchasing power and inflation. Preference will be given to those markets that the Investment Manager perceives to be more advanced or are rapidly developing. In addition, the Investment Manager will adequately diversify the Target Fund's holdings across securities and across markets.

**Foreign Investment Risk:** The Fund will primarily have exposure to securities issued by corporations in, or governments of, countries other than the Philippines. Investing in foreign securities can be beneficial in expanding investment opportunities and portfolio diversification, but there are risks associated with foreign investments, including:

- companies outside of the Philippines may be subject to different regulations, standards, reporting practices and disclosure requirements than those that apply in the Philippines;
- the legal systems of some foreign countries may not adequately protect investor rights;
- political, social or economic instability may affect the value of foreign securities;
- foreign governments may make significant changes to tax policies, which could affect the value of foreign securities; and
- foreign governments may impose currency exchange controls that prevent a Fund from taking money out of the country

To manage this risk, the Target Fund will only invest in securities that are domiciled in countries that are regulated by credible regulatory authorities.

**Investment Manager Risk.** The performance of the Fund is dependent on the Investment Manager's skills of both the Fund and the Target Fund. Investment decisions are made by the Investment Manager, who may make mistakes and cause the Fund and Target Fund to underperform against the market and other funds or to fail to meet its investment objectives. To manage this risk, the Fund will appoint MBG IMI as its Investment Manager, an

experienced portfolio manager with a consistent track record. Moreover, the Target Fund is managed by MBG Capital Pte. Ltd., which is licensed by the Monetary Authority of Singapore and has an excellent track record.

**Liquidity Risk.** This is the risk of potential absence of liquid funds with which to service redemptions. To manage this risk and as required by the Securities and Exchange Commission (SEC), the Fund will maintain at least five percent (5%) of its net assets in liquid securities such as but not limited to time deposits and government securities. The Fund has submitted a liquidity contingency plan to the SEC to implement a decreased investment of less than 10% in liquid/ semi-liquid assets.

The Fund's liquidity contingency plan follows SEC Memo Circular No. 12, Series of 2013, which requires for liquidity purposes at least five percent (5%) of an open-end company fund be invested in liquid (cash) and/ semi-liquid assets (government securities). Should the portfolio manager see a potential liquidity crisis, the manager will begin to increase the cash position of the portfolio based on the assessment of the situation. Moreover, the Fund has proactively established a dedicated Liquidity Crisis Team equipped with administrative procedures. The team is tasked with responding to and managing any emergent liquidity challenges, to ensure that the Fund remains robust and resilient in the face of market fluctuations and unforeseen circumstances.

**Inflation Risk.** Inflation is the average increase in the price level of goods and services. Due to rising inflation, there is a possibility that the increase in overall prices is higher than the returns of the Fund. To manage this risk, the Investment Manager needs to aim for a return on an inflation-adjusted basis.

**Operational Risk.** The Fund has a risk of loss, either monetary or reputational, due to failed or inadequate internal controls, process, personnel, and systems. Moreover, the Fund will enter into partnerships with well-established third-party digital platforms, which may expose the Fund to operational risks beyond its direct control, such as system outages or disruptions. Technical glitches or operational errors in digital transactions may disrupt normal operations. Mitigation measures include technology risk assessments, maintaining backup systems, creating incident responses, contingency plans, staff training, developing Service-Level Agreements with partners, and performance monitoring.

To manage this risk, the Fund will ensure that its service providers have sufficient experience and that its internal controls and practices are consistent with firm-wide policies which support the management of this operational risk.

**Underlying Fund Risk.** A Fund may pursue its investment objectives through investing in units of other mutual funds, including Exchange-Traded-Funds to gain exposure to the strategies employed by those underlying funds. However, there is no guarantee that usage of a master-feeder fund structure will result in gains for the Fund. If an underlying fund that is exchange traded suspends redemptions, a Fund may be unable to redeem its interests or be unable to value a part of its portfolio. The following are risks that do not apply to conventional mutual funds:

- an exchange-traded fund's units may trade on an exchange at a premium/discount to the net asset value of such units;
- an active trading market for a particular exchange-traded fund may not be developed or maintained, and
- there is no assurance that the exchange-traded fund can continue to meet an exchange's listing requirements.

To manage this risk, the Fund will only invest in a Target Fund that is domiciled in countries that are regulated by credible regulatory authorities.

**Regulatory Risk.** The Fund's operations are subject to regulations affecting a range of areas from the valuation of the Fund's in particular to income taxation in general. These regulations change and, when they do, can potentially produce a negative impact on the Fund's earnings and valuation. To manage this risk, the Fund and the Investment Manager have tasked their respective Compliance Officers to closely monitor changes in regulations and to report to their respective Boards of Directors the impact of such changes and to recommend the necessary action plans.

**Taxation Risk.** Gains realized by investors upon redemption of units in a mutual fund are not subject to personal income tax. However, the amount and nature of taxes imposed by regulators may change over time. To manage this risk, investors are advised to consult their own professional advisers regarding tax implications of subscribing and redeeming units of participation of the Fund.

**Digital Security Risk.** Cybersecurity threats encompass a range of risks, including data breaches, hacking, and phishing attempts. These can result in unauthorized access to sensitive investor information and transaction security. To effectively manage the risks associated with digital channels and online transactions, the Fund will only partner with well-established and reputable third-party digital channels that meet stringent security and compliance standards, educate investors about online security practices, and implement incident response plans.

The above risk factors are by no means exhaustive. New and/or unidentified risks may arise given the fast-changing financial markets and economic environment.

#### **Risk Monitoring and Management**

The Fund is in the business of accepting risks for an appropriate return that will meet its investment objectives. To achieve this, the Investment Manager is responsible for ensuring that all significant risks are appropriately identified, assessed, managed, reported, and monitored. Risk must be understood, quantified, and managed before investment decisions are undertaken.

As the Fund's Investment Manager, MBG IMI has a risk management manual that discusses how it manages the risks that may impact its business operations (i.e. strategic, reputational, compliance and legal, operational and business disruption risks) and the investment performance of all funds under its management (i.e. market, liquidity, credit risks). The manual includes policies and procedures that aim to: (1) identify and anticipate risks; (2) measure, monitor, and analyze and report risks on a regular basis; (3) selectively accept, control, reduce, mitigate, counteract, or avoid risks; and (4) review risk policies and strategies and audit the actual management of risks.

MBG IMI's risk strategies and policies are ultimately defined and reviewed by its Board of Directors (BOD) and are further elaborated by its Audit Committee (AuditCom) into key risk indicators (KRIs), tolerance ranges or thresholds for each KRI, and executable guidelines and recommended procedures. The Senior Management also takes an active role in shaping MBG IMI's risk strategies and policies and in evaluating the actual management of risks along with the Compliance unit. The Compliance Officer (CO) is primarily tasked with executing the risk management guidelines and procedures, and with ensuring that the risk management system operates smoothly and on a continuous basis. The CO shall be responsible for monitoring all KRIs relevant to the company. The CO shall report to the AuditCom and Risk Management Committee (RMC) and is also expected to work in conjunction with the President and Investment Committee (InvestCom) and all other relevant units.

MBG IMI is committed to a stringent risk management framework (RMF) where risk management is integral to the investment decision making process. Its RMF sets out the principles under which the risk management initiatives and processes are being carried out. The principles are as follows:

- As the main custodian of good corporate governance, the BOD has a pivotal role in ensuring a sound risk culture and environment in the company. Its duty is the mandate to “identify key risk areas and key performance indicators (KPIs) and monitor such factors with due diligence.” In terms of its investment management activities, the risk areas and KPIs will be based on the size, complexity and relevant risks of the fund under management. For example, a bigger fund may require more KPIs, while a fixed income fund may take into account other risk factors such as credit risk, which is not as relevant for an equity fund.
- To carry out its risk management mandate, the BOD created the AuditCom to assist it in the management and control of risks inherent in MBG IMI’s businesses. Among the duties of the AuditCom are the provision of “oversight in managing credit, market, liquidity, operational, legal and other risks,” and the institution of “the appropriate framework to identify, manage, monitor and control risks associated with the activities of the company.”
- The Risk Management Committee (RMC) will be established as a dedicated platform for management to monitor and deliberate risk matters and it acts as a forum to enable to raise pertinent risk strategies and concerns to Management for deliberation and resolution where necessary. It is also responsible for developing, implementing, and communicating across the company all risk management policies, procedures and practices that translate the BOD’s goals, objectives and risk tolerances into operating standards.
- The basic foundations of the RMF are (a) compliance with governmental regulations; (b) adherence to the company’s core values of integrity, responsibility, optimism, openness, and continuing formation; and (c) adoption of best industry practices.
- Risk policies and procedures will be developed by the RMC and, after approval by the AuditCom, implemented across the company.
- In consultation with the various operating entities, the RMC will identify the key risk areas in each business and, based upon policies and procedures formulated to manage those risk areas, develop, and monitor key risk indicators (KRIs) taking into account risk tolerances as defined by the BOD.
- KRIs will be monitored regularly and reported to the Heads of each Department and the RMC. Risk policies and procedures will be subject to constant review and where appropriate, will be revised in order to ensure that those are fit for purpose given developments in business activities.

#### **Policy on Conflict of Interest**

MBG IMI and its employees are prohibited from engaging in fraudulent, deceptive, or manipulative conduct. The interests of the Fund are the paramount concern of the Fund Manager and of its employees. It must not conflict with or appear to have a conflict with those of the Fund and its stakeholders. Where such a situation may arise, MBG IMI and its employees will ensure that all stakeholders are treated fairly, and that their actions will be done in the best interest of each stakeholder. Reasonable steps will be taken in order to identify and disclose existing as well as potential material conflicts of interest. MBG IMI must respond to such conflicts by avoiding or otherwise controlling the conflict and disclose such conflict to the Fund.

The Employee is expected to recognize and avoid conflicts of interest at all times. To prevent conflicts of interest with Clients, the Employee should:

- Never put himself in a position in which personal interests, financial or otherwise, might influence or give the appearance of influencing any actions taken, judgment made or advice given on behalf of MBG Group;
- Ensure that the Clients' interests are given priority when assessing the appropriateness of giving advice to that Client, or understanding a transaction on his or her behalf;
- Ensure that all actions are geared towards the best interest of a Client.

MBG Group seeks to avoid conflict of interest arising from its activities. However, where conflicts do arise, MBG tries to manage those conflicts to ensure fair treatment to all its Clients. This can be done by:

- Disclosing the conflict to the Commission in the form and manner prescribed under the ICA-IRR and such other applicable issuances by the SEC
- Following the guidelines on confidentiality of information
- Declining to act, or
- Taking some other action appropriate to the circumstances.

#### **CLASSIFICATION OF THE FUND INTO HIGH, MODERATE OR LOW RISK INVESTMENT; PROSPECTIVE INVESTORS**

The Fund's investment objective is to achieve long-term capital growth through investment in an actively managed collective investment scheme (Target Fund) primarily invested in frontier and emerging markets in Asia. The Fund is designed for investors with a high-risk tolerance seeking aggressive returns through a professionally managed investment vehicle and is thus classified as a high-risk investment.

#### **CONFLICT OF INTEREST POLICY**

The Investment Manager and its employees are expressly prohibited from engaging in any professional conduct involving fraud, deceptive or manipulative behavior that adversely reflects on their professional integrity. The interests of the Fund and its employees should not conflict with or appear to conflict with those of the Fund and its stakeholders. Should such a situation arise, the Investment Manager will ensure that all stakeholders are treated fairly, and that the Fund's employees act in the shareholder's best interests.

The Investment Manager and employees are required to take sensible steps to identify and disclose material conflicts of interest as well as material conflicts of interest that would be expected to arise between the Investment Manager and the Fund. The Investment Manager must respond to such conflicts by avoiding or otherwise controlling the conflict, and by disclosing such conflicts to the Fund.

#### **USE OF PROCEEDS**

Proceeds from the sale of the Offer Units, net of any sales load, pre-operating expenses and taxes, shall be used for investment purposes in accordance with the policies set forth in "Investment Objectives" and "Investment Restrictions" on page 45. The Fund is considered a Feeder Fund where at least ninety percent (90%) of the net assets of the fund shall be invested in a Target Fund. The Target Fund is Seahedge Asia Frontier Fund SP, incorporated in

Cayman Islands, an Asian frontier-focused equity fund that invests mainly in Vietnam and other frontier markets. It is managed by MBG Capital Pte. Ltd. based in Singapore and its investment objective is to achieve for its shareholders long-term capital appreciation primarily through an actively managed portfolio of listed equities in frontier markets in Asia. For liquidity purposes and as may be called for by investment strategies from time to time, the Fund may invest in short-term fixed income instruments, time deposits and other money market instruments, Treasury Bills and other government securities, or hold cash. No other funds are necessary to accomplish the specified purpose for which the offering is made.

The proceeds derived by the Fund from the sale of its units, including the payments for original subscriptions during incorporation shall be deposited and held by the Fund's Custodian Bank, Deutsche Bank Ag, Manila, as required by the Implementing Rules and Regulations of the Investment Company Act.

There is no material amount of the proceeds that will be used to discharge debt. There is likewise no part of the proceeds to be used to reimburse any officer, director, employee or unitholder/shareholder of the Fund for services rendered, assets previously transferred, money loaned or advanced or otherwise. Moreover, no material amount of the proceeds shall be used to acquire other assets or finance the acquisition of other businesses.

Expenses charged to the Fund include, but are not limited to, remuneration of Board members who are not officers and/or employees of MBG IMI, transfer, management and annual fees, based on the average net asset value of the unitized fund.

The Investment Manager shall shoulder the expenses incurred in the registration and offering of units.

The Investment Manager may, without need of prior approval of or notification to the Fund, purchase and sell securities and otherwise make or dispose of investments for the account of the Fund, within the limits of the investment policies or guidelines which the Board of the Fund may from time to time prescribe and subject to the provision of the ICA and registration statements of the Fund.

#### **DETERMINATION OF OFFERING PRICE**

The units of the Fund will be offered on a continuous basis at a subscription price based on the NAVPU as of the close of the business day, adjusted in accordance with the Fund's accounting policies as described herein. The NAVPU shall be computed as the difference between total assets of the Fund and its total liabilities divided by the total number of units outstanding.

The business day cut-off time for the reckoning of the date of submission of the subscription application shall be 12:00 noon. If the application is received on or before the said cut-off time, the units shall be valued based on the subscription price computed at the end of the same business day. For applications received after the cut-off time, they shall be deemed to have been received on the next business day. In both instances, an applicable sales load and VAT on the sales load shall be charged on top of the investment amount.

The assets of the Fund shall include (i) the aggregate market value of the portfolio securities and other assets; (ii) the cash on hand; (iii) any dividends on stock trading ex-dividend; and (iv) any accrued interest on portfolio securities.

The liabilities of the Fund shall include (i) taxes and other charges against the fund not previously deducted, (ii) liabilities, (iii) accrued expenses and fees; and (iv) cash held for distribution to investors of the fund on a prior date.

## **DILUTION**

There are no common equity securities being registered where there is any disparity between the public offering price and the effective cash cost to officers, directors, promoters, and affiliated persons of the said common equity securities acquired by them in transactions during the last five (5) years, or which they have the right to acquire. The Fund is also not exempt from the reporting requirements of Section 17 of the Securities Regulation Code.

## **SELLING SECURITY HOLDER**

Regulations do not allow incorporators in an investment company to sell their investments within one year from the date of the SEC's approval of the Fund's secondary license.

## **PRICE DETERMINATION OF THE ASSET/ VALUATION METHOD**

The assets value shall be based on the following:

- a. If quoted in an organized market, based on official closing price or last known transacted price;
- b. If unquoted or quoted investments where the transacted prices are not represented or not available to the market, based on fair value; Provided further that in determining the fair value of investments, the Fund Manager shall, with due care and good faith:
  - Have reference to the price that the Investment Company would reasonably expect to receive upon the sale of the investment at the time the fair value is determined;
  - Document the basis and approach for determining the fair value.

The Fund shall apply the mark-to-market method pursuant to IFRS 9 in valuing its security holdings. Mark-to-market valuation requires that investment portfolios are valued at their theoretical liquidation values based on the latest available market prices. The fund administrator shall calculate the Fund's net asset value (NAV) on a daily basis. The Fund is valued as at the close of business of the last to close of the financial markets in which the Fund invests, or at such time chosen by the fund administrator (Valuation Point) on each Valuation Day, being (unless otherwise determined by the fund administrator).

## **NET ASSET VALUE (NAV) CALCULATION**

Unless the Commission shall prescribe otherwise, the net asset value shall be calculated by adding:

- a) The aggregate market value of the portfolio securities and other assets;
- b) The cash on hand;
- c) Any dividends on stock trading ex-dividend; and
- d) Any accrued interest on portfolio securities.

And subtracting:

- a) Taxes and other charges against the fund not previously deducted;

- b) Liabilities
- c) Accrued expenses and fees; and
- d) Cash held for distribution to investors of the fund on a prior date.

### **PUBLICATION OF THE NET ASSET VALUE PER UNIT (NAVPU)**

The Independent NAV Accountant shall compute the NAVPU daily, and the Investment Manager shall post its NAVPU on a daily basis and shall publish such daily prices in at least two (2) newspapers of general circulation in the Philippines, upload in its industry association website, and post them daily in a conspicuous place or ensure they may be accessed online at the Fund's principal office as well as in all its branches or correspondent offices that are designated as redemption centers.

### **PLAN OF DISTRIBUTION**

The Fund does not employ and does not have obligations to any kind of underwriter in the distribution of its units. As such, the Fund offers no compensation for any underwriter. The Fund also does not have representatives of underwriters sitting on its Board of Directors. Moreover, there are no arrangements whereby any underwriter of the MBG AFFI is given the right to designate or nominate a member or members of the Board of Directors of the Fund. There are no units designated to be sold to specified persons and there are no sales of unregistered or exempt securities. MBG IMI does not intend to delegate fund management and custody of assets to other parties.

### **PRINCIPAL DISTRIBUTOR**

The Fund shall distribute its units through its Principal Distributor (MBG IMI), eligible sales agents and employees who are Certified Investment Solicitors, select Mutual Fund Sub-Distributors licensed by the SEC that have entered into distribution agreements to sell units with the Fund or Principal Distributor, and online through the authorized Digital Channels/platforms it enters into future arrangements with. At present, MBG IMI has a sub-distribution agreement with Novel Securities, Inc. Novel Securities, Inc. received its Certificate of Registration from the SEC to distribute securities to the public on 31 October 2019. The Certificate of Registration reflects MBG IMI as additional funds to be distributed as a mutual fund distributor. MBG IMI pays 20% of fees received from the Fund to the sub-distributors as commission. There are no discounts to be paid to MBG IMI and the sub-distributors.

Under Section 5.2.2 of the Implementing Rules and Regulations of the Investment Company Act, the Principal Distributor (MBG IMI) may no longer be required to secure a separate license as a Mutual Fund Distributor since it only intends to distribute the units of the funds it is managing.

In the process of distributing the units of the Fund, the Principal Distributor may charge a sales load or processing fee, which is an additional 1% of the subscription amount or five hundred pesos (Php 500.00) whichever is higher plus VAT.

The revenues earned by the Principal Distributor shall be used to cover the costs such as, but not limited to, commission and other fees payable to dealers and other selling personnel, costs of establishment and maintenance of sales office, transportation, and communication charges. Compensation received by the Principal Distributor does not include redemption fees which may be charged directly to the investor.

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

MBG IMI, as the Fund’s Principal Distributor will be in-charge of monitoring the Fund’s distribution in all its accredited channels and sub-distributors. The monitoring process maintains a record of all transactions related to the distribution of units, including purchases, redemptions, exchanges, and transfers. MBG IMI also generates reports on fund distribution activities and monitors their compliance with the Investment Company Act and its implementing rules and regulations.

The Fund stands ready to redeem the unit holdings of any investor at the applicable redemption NAVPU.

The Fund does not expect to hire employees within the next 12 months as all its operations are performed by MBG IMI (and other service providers).

Apart from the Fund appointing MBG IMI as its investment company adviser, principal distributor, fund administrator, and transfer agent, MBG AFFI has no other transactions with and/or dependence on related parties. Being an open-end investment company, units of the Fund may be bought and requested for redemption through MBG IMI.

The Fund requires the approval of the SEC for the offer of its units. There are no environmental laws that the Fund needs to directly or indirectly comply with.

There are no arrangements whereby any underwriter of the MBG AFFI is given the right to designate or nominate a member or members of the Board of Directors of the Fund.

#### **CUSTODIAN OF PORTFOLIO SECURITIES**

Deutsche Bank AG, Manila Branch, with principal address at 19F Four/Neo Building 4<sup>th</sup> Avenue, BGC, Taguig City is the Custodian Bank of the Fund. The Custodian Bank Agreement establishes the partnership between the Fund, the MBG IMI and the Custodian Bank. It covers the Custodian Bank’s duties on receipt of investments, redemption procedures to be used, reports and records to be accomplished by the custodian bank, procedures governing the transfer of MBG AFFI’s units and accounts of investors, custody of certificates representing investments made by the fund manager for the Fund and fees of the Custodian Bank.

#### **Custody Services (Deutsche Bank AG, Manila Branch)**

<b>Custody Fees</b>	
<b>4. Safekeeping Fees</b>	
Safekeeping Fees p.a. (USD)	2.5 bps

<b>5. Transaction Fees</b>	
Flat Fees	USD 5
Monthly minimum fee of USD 1,000	
<b>6. Other Fees</b>	
Instruction to Cancel/Amend/Repair	USD 10 per instruction sent

\*Billing invoices shall be sent to the client every 15<sup>th</sup> of each month

The Fund has no sub-custodian.

#### **Independent NAV Accountant**

MBG IMI appoints Idein Services and Consulting, Inc. (IDEIN) as its Independent Fund Accounting Services Agent and Independent NAV Calculator to perform daily functions in connection with the Fund and calculation of its NAV. IDEIN shall provide accounting services necessary for the operation of the Funds Managed by MBG IMI. In consideration of the services performed by the Independent NAV Accountant, a monthly fee of Php25,000 exclusive of VAT shall be charged to the Fund.

Established in 2015, Idein Services and Consulting is a leading and respected consulting, business solutions and services provider in the Philippines. Their services include outsourcing services (payroll services, accounting, bookkeeping, tax consulting services), financial assistance (financial systems set-up and systems implementation support) and management consulting (general management consulting in the form of HR, marketing, and finance).

#### **Independent Oversight Entity**

The Investment Company's Audit Committee functions as the Independent Oversight Committee (IOE) of the Fund Manager. It serves as an impartial committee tasked with monitoring the transactions and functions carried out by the Fund Manager. The Audit Committee is composed of three (3) non-executive directors, two of which are Independent, including the Chairperson. The members of the Audit Committee do not hold interlocking directorships in entities involved in the operation of the Investment Company, such as the Fund Manager, Fund Distributor, Fund Advisor, Transfer Agent, and Custodian. The IOE shall perform its functions in accordance with Rule 5.9 of the ICA-IRR, as amended by MC No. 33, series of 2020.

#### **Investment Company Adviser**

MBG IMI, with principal address at G/F 110 Legazpi Street, Legaspi Village, Makati City is the Fund's Investment Company Adviser. It was granted authority to act as an Investment Company Advisor on August 17, 2017 under SEC Certificate of Registration No. CS201728440. Its primary purpose is to manage, provide, and render management, and technical advice, administrative services in the ordinary conduct of the fund's activities and other services (including transfer agency and distribution services) for investment companies, corporations, natural persons, and other entities, and in pursuant thereof, as far as may be permitted by law, to purchase, subscribe for, or otherwise acquire, mortgage, sell or otherwise dispose of and deal in any securities of every kind and description, including but not limited to stocks, bonds, notes, commercial papers, and to promote, manage, and transfer the same to the extent allowed by law; provided, that it may not engage in the stock brokerage business.

MBG IMI's authorized capital stock is Two Hundred Million Pesos (PHP200,000,000.00), Philippine currency, and said capital stock is divided into Two Hundred Million (200,000,000) shares with the par value of One Peso (PHP1.00) per share. Its subscribed and total paid-in capital is Fifty Million Pesos (PHP50,000,000). MBG Capital, Inc. (MBG Capital) is the parent company of MBG IMI, holding Forty-Nine Million Nine Hundred Ninety-Nine Thousand Nine Hundred Ninety-One (49,999,991) shares.

The guidelines for the management of the resources and operations of the Fund by MBG IMI are set in the Management, Distribution and Administration Agreement Between the parties executed on September 25, 2023.

The following are the members of the Board of Directors and officers of MBG IMI:

**Michael Jack B. Garcia** is the President of MBG IMI. Mr. Garcia is the founder and CEO of MBG Capital Pte. Ltd. which he established in 2011. Prior to that, Michael was the Head and Chief Investment Officer of the Trust & Investments Services Group of Union Bank of the Philippines from 2006 to 2011 and Trust Centre Head of the International Exchange Bank from 2002 until its acquisition by Union Bank in 2006. Before embarking on a career in asset management, Michael worked from 1997 to 2002 at General Motors Europe in its London and Brussels offices where he performed various corporate finance and treasury functions, including interest rate and foreign exchange hedging using a variety of derivative instruments. He also worked from 1992 to 1994 as a credit risk manager at Citytrust Banking Corporation, the affiliate of Citibank NA in Manila. Michael is a Chartered Financial Analyst charter holder. He holds an MBA degree from IESE Business School in Barcelona, Spain and an undergraduate degree in AB Management Economics from the Ateneo de Manila University in the Philippines. Mr. Garcia is 55 years old.

**John Russell P. Virata** has been the Chairman of MBG IMI since 2024. John Russell Virata is a Portfolio Manager at MBG Investment Management, Inc. Prior to joining MBG Investment Management, Inc. in 2018, Russell worked for three years as a private equity analyst in Seawood Resources, a Philippines-based private equity fund focused in the consumer, technology, infrastructure and energy industries. At Seawood, Russell oversaw several of its portfolio companies and evaluated potential new investments for the fund. Mr. Virata is a Chartered Financial Analyst charter holder. He holds a Master's degree in Applied Mathematics Major in Mathematical Finance and an undergraduate degree in BS Applied Mathematics Major in Mathematical Finance (Summa Cum Laude) from the Ateneo de Manila University in the Philippines. He is 32 years old.

**Jose Ramon R. Garcia** is a director of MBG IMI. He is also director for K Line Logistics, Inc. (2017 – Present), Sun Logistics Technology, Inc. (1996 – Present), Asia Trans International, Inc. (1988 – Present), and Nova Leisure Corporation (1993 – Present). He is President of Rayomar Management, Inc. (1986-Present), Rayomarine (1997 – Present), Transmar Holdings, Inc. (1984 – Present), and Ventis Maritime Corporation (2007 – Present). He earned a degree in Bachelor of Arts in Philosophy and Letters and Bachelor of Science in Commerce from the De La Salle University. He earned a master's degree in International Business from St. Mary's College, California, USA. He is 68 years old.

**Edson Byron K. Sy** is an Independent Director of MBG IMI. He is one of the Founding Partners of Kua Sy & Yeung Law Offices (2019 – Present). He was previously a Senior Associate at Angara, Abello Concepcion Regala & Cruz Law Offices (ACCRALAW) (2014 – 2018) working in the Corporate and Special Projects Department where he assisted in the formation, and incorporation of various businesses, preparation and review of contracts and

agreements, and provided legal due diligence work and compliance with government agencies. Mr. Sy holds an undergraduate degree in Bachelor of Science in Management, Legal Management from the Ateneo de Manila University, and a Juris Doctor degree from the Ateneo de Manila University School of Law. He is 37 years old.

**Godofredo Abdullah R. Aquino** has been an independent director of MBG IMI since 2018. He is concurrently the Director of Corporate Development and Strategy at Philippine Equity Partners Inc. (2018 – Present), a Research and Trading Partner of Bank of America Merrill Lynch. Prior to joining Philippine Equity Partners, he was the Executive Vice President of Domestic Institutional Sales of Maybank ATR Kim Eng Securities, Inc. (1993 – 2017) also holding the title of Board of Director. He was previously the Assistant Vice President of Domestic Institutional Sales of Sun Hung Kai Securities, Philippines, Inc. (1990- 1993). He graduated from the Ateneo de Manila University with a Bachelor of Science degree in Management. He is 59 years old.

**Joven N. Balderama** is the Compliance Officer of MBG IMI. Prior to joining the company, he worked as an Internal Auditor at Metro Pacific Tollways Corporation (MPTC) Group (2018-2021). Prior to his work internal audit, he worked for over three (3) years as an external auditor, serving as the Senior Associate under the Audit and Business Assurance Services of Diaz Murillo Dalupan and Company (DMD) (2015- 2018). He obtained his Bachelor’s Degree in Accountancy (BSA) at CvSU in 2015. Mr. Balderama is a Certified Public Accountant and is 32 years old.

**Gerardo Maximo V. Francisco** has been the Corporate Secretary of the Fund since inception. He is concurrently the Corporate Secretary of MBG Investment Management, Inc. and Partner at Mata-Perez & Francisco. He was previously Partner and Senior Associate at Salvador & Associates (2006-2013). He was Partner at Batuhan Blando Concepcion & Francisco (2002-2005), and Associate at SyCip Salazar Hernandez & Gatmaitan (1996-2002). He graduated with a Bachelor of Science degree in Legal Management from the Ateneo de Manila University. He also graduated from the Ateneo de Manila School of Law and earned a Master of Laws degree from the Columbia University School of Law. He is 56 years old.

The current officers and directors of MBG IMI, are the following:

<b>Name</b>	<b>Position</b>	<b>Citizenship</b>
John Russell P. Virata	Chairman of the Board	Filipino
Michael Jack B. Garcia	President	Filipino
Jose Ramon R. Garcia	Treasurer	Filipino
Godofredo Abdullah R. Aquino	Independent Director	Filipino
Edson Byron Kuo Sy	Independent Director	Filipino
Joven N. Balderama	Compliance Officer	Filipino
Gerardo Maximo V. Francisco	Corporate Secretary	Filipino

#### **Transfer Agent**

MBG Investment Management, Inc. (MBG IMI) serves as the Fund’s Transfer Agent. It received its Transfer Agent license on January 27, 2023 with CR number 01-2017-00284. Transfer Agency services include maintenance of registry books of the fund, preparation of reports and disclosures pertaining to the Fund’s units, preparation of list of unitholders.

In consideration of the services rendered by the Transfer Agent, the fund pays a monthly retainer fee of Php 10,000 for the first 5,000 Share/Unitholders and Php 2.00 in excess of 5,000 share/unitholders. The Fund will also pay the Transfer Agent for any stock certificates issued, and for the performance of any special non-recurring functions. Established in 2017, MBG IMI is a corporation domiciled in the Philippines providing management, distribution and administration services to its funds.

#### **External Auditor**

SyCip Gorres Velayo & Company is the Fund's external auditor. Audit services include audit of financial statements submitted to the SEC and BIR. There is no monthly retainer fee, just an annual fee, which for the calendar year 2025 is estimated to be at PHP332,640. Annual audit fee to be determined is based on business volume of the year under examination.

SyCip Gorres Velayo & Company is a Philippine multidisciplinary professional services firm in 1946. It is the leading and largest professional services firm in the Philippines that provides assurance, consulting, tax, strategy, and transactions services.

#### **Legal Counsel**

Mata-Perez Tamayo and Francisco Attorneys at Law serve as the Fund's legal counsel. There is no expert or independent counsel hired on a contingent basis. The retainer fee is Ten Thousand Pesos (PHP10,000.00) per month plus applicable VAT.

Mata-Perez Tamayo and Francisco (MTF Counsel) is a full-service Philippine law firm established in 2013. The firm is composed of seasoned legal counsel in the fields of corporate, transaction, international and domestic tax, trade and customs, labor, immigration and litigation law, advising a whole range of multinational and domestic companies, as well as high net-worth individuals.

#### **Rights of the Shareholders/Unitholders in case of Dissolution of the Investment Company and the Dissolution Plan**

The Fund may be dissolved by a majority vote of the Board of Directors, and by a resolution duly adopted by the affirmative vote of the investors owning at least two-thirds ( $\frac{2}{3}$ ) of the outstanding capital stock of the Fund. The Fund Manager shall carry out the liquidation of assets on behalf of the Investment Company. The Investment Company, or the Fund Manager, shall inform the Commission of the status of the redemption of securities every 30<sup>th</sup> of January until all the shares have been fully redeemed. The fund manager will liquidate the assets within a maximum period of six (6) months from the receipt of the investment company of the Order revoking the Registration Statement and its Certificate, during which time the Fund will no longer accept any subscriptions and will only accept redemptions based on the prevailing NAVPS.

The stockholders/unitholders shall have the following rights provided for in the event of dissolution:

- 1) Inspect the corporate books and financial records.
- 2) Share in the remaining assets after all the Fund's creditors are duly paid.

#### **Procedure:**

1. **Notification of the Investors.** All investors of the Fund will be notified of the decision to dissolve the fund and the reasons for the same.
2. **Liquidation of Assets:** The Fund Manager will be responsible for the orderly sale of all assets of the fund.

3. **Distribution of Proceeds:** The proceeds from the liquidation of assets will be distributed to the investors in proportion to their respective units in the fund.
4. **Termination of the Fund:** After the distribution of proceeds to the investors, the fund will be terminated and its registration with the Securities and Exchange Commission will be canceled.
5. **Filing of Required Reports:** All reportorial requirements will be filed with the Securities and Exchange Commission and other regulatory agencies.

In the event of liquidation of the assets of the investment company due to its failure to hire a new fund manager, or concurrent dissolution of the fund manager with the investment company, the following will be complied with:

- (E) The fund manager will appoint a liquidator that will assume its obligation to liquidate assets on behalf of the investment company, within a maximum period of six (6) months from the receipt of the investment company of the Order revoking the Registration Statement and its Certificate, if the fund manager cannot liquidate the assets of the investment company prior to the fund manager's dissolution.

In such case, an Affidavit and Undertaking of the liquidator will be submitted to the Commission;

(ii) The unclaimed assets of the investment company from the date of dissolution of the fund manager shall be placed by the liquidator in an escrow account for ten (10) years or such period until all investors have claimed their investments, whichever is sooner, after which the funds shall be escheated in favor of the government in accordance with the procedure prescribed by existing laws and rules. A copy of the Escrow Agreement will be submitted within ten (10) days from execution; and

(iii) The fund manager will appoint a director, officer, majority stockholder or liquidator to assume its obligation in relation to the reportorial requirements under Rule 13.1.8 for the redemption of securities of the Investment Company. In such case, an Affidavit and Undertaking of the director, officer, majority stockholder or liquidator will be submitted to the Commission.

## INVESTOR COMPLAINT HANDLING

In case of complaints, investors may contact:

MBG Investment Management, Inc. (MBG IMI)  
Ground Floor  
110 Legazpi street, Legaspi Village, Makati City  
E-mail: [info@mbgfunds.com](mailto:info@mbgfunds.com)  
Website: [mbgfunds.com](http://mbgfunds.com)  
Telephone No.: 8838-7822

For any inquiries and complaints relating to our services and products, the Investor may call MBG IMI's Client Care Center at 8838-7822. Client Care Center business hours are from 10:00 AM to 5:00 PM, Mondays to Fridays.

Investors may also send an email at [info@mbgfunds.com](mailto:info@mbgfunds.com) or write a letter addressed to MBG Investment Management, Inc. (MBG IMI) – Ground Floor, 110 Legazpi Street, Legaspi Village, Makati City. Complaints are logged into our system for monitoring purposes. A company representative will reply to the complaint sent by e-mail within 24-48 hours upon receipt. MBG IMI will also endeavor to resolve the complaints at the soonest possible time, and within thirty (30) calendar days from the initial submission of the complaint.

A Code of Business Conduct in dealing with sensitive information covers MBG IMI employees. All investor information and details about any complaint remain private and confidential.

Alternatively, investors will also be directed to reach out to the designated email address of the Securities and Exchange Commission (SEC) for complaints at [cgfd\\_ld@sec.gov.ph](mailto:cgfd_ld@sec.gov.ph). MBG IMI is regulated by the SEC.

## DESCRIPTION OF SECURITIES TO BE REGISTERED

At incorporation, the Fund had an ACS of PHP 1,423,022,400 divided into 1,423,022,400 common shares with a par value of PHP 1.00 per share.

This Prospectus relates to the offer of Fifty Billion (50,000,000,000) units of MBG AFFI pursuant to R.A. No. 2629 and its implementing rules and regulations.

MBG AFFI was organized as a stock corporation on October 24, 2018 under SEC Registration No. CS201840752. It is a diversified, open-end investment company. The Fund is offering for sale Fifty Billion (50,000,000,000) of units, pursuant to R.A. No. 2629 and its implementing rules and regulations. Unless otherwise modified by the Fund, Unitholders have the following rights,

### **(1) Notification Rights**

Unitholders are entitled to be notified of any material change to the Registration Statement and the Subscription Agreement. Unitholders shall be notified of any material change/s to the Registration Statement and/or the Subscription Agreement at least thirty (30) days prior to its effective date. Where the change cannot be determined in advance, the investors shall be informed as soon as practicable.

### **(2) Right of Redemption**

The holder of any units of the Fund, upon presentation to the Fund or to any of the Fund's duly authorized representatives, of the confirmation receipt or certificate of participation, and upon the filing of the duly accomplished redemption form, have the right to receive by way of redemption approximately his proportionate units in the Fund's prevailing net assets or the cash equivalent thereof at the time of filing of the redemption request (i.e., the net current asset value per unit, subject to existing laws and the By-Laws of the Fund). The Fund shall establish a network of redemption centers acceptable to the Commission, starting with the Fund's office at the G/F 110 Legazpi Street, Legaspi Village, Makati City 1229. However, in accordance with the Investment Company Act Implementing Rules and Regulations Rule 10.4, the SEC may, whenever necessary or appropriate in the public interest or for the protection of investors, suspend the redemption of units of the Fund. The Commission shall provide the period of suspension of redemption which shall not be more than twenty-one (21) business days, unless an extension is approved by the Commission En Banc. The fund manager must report to the Commission when dealing in units/shares of the investment company.

### **(3) Right of Accumulation**

The investments of each unitholder shall be totaled in determining the appropriate sales load and redemption fee to be applied to his subsequent investment and redemption, respectively. For this purpose, in-trust-for accounts shall be considered as part of the total investments in the Fund of an investor/trustor.

### **(4) Distribution of Dividends**

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

**(5) Dissolution rights**

Upon dissolution of the Fund, the Fund shall pay out the applicable redemption price to its Unitholders under a distribution process to be determined by the Board of Directors of the Fund. The Fund shall submit a Redemption Plan to the Commission prior to its dissolution.

**(6) Restrictions on Transfer**

No transfer of the Fund's units, which would reduce the stock ownership or equity interest of Filipino citizens to less than the percentage required by applicable laws or regulations, shall be caused or allowed to be recorded in the books of the Fund. The shareholders who provided the initial capital of the Fund shall not be allowed to sell, transfer, convey, encumber, or otherwise dispose of their units within twelve (12) months from the approval of the secondary registration of the Fund's units.

**(7) Modification of Rights of Unitholders**

The rights of Unitholders of the Fund shall not be modified except by amendment of the Fund's Registration Statement or Subscription/Redemption Agreement. Moreover, there are no provisions in the Fund's Articles of Incorporation or By-Laws that would delay, defer, or prevent a change in control of the Fund.

The Fund is in compliance with ICA IRR Rule 7.9 whereby:

- (a) There is no cross-holding between the feeder fund and the target funds where cross-holding refers to the holding of securities in another by two (2) or more funds because the Fund only invests in the Target Fund;
- (b) All initial charges on the target fund are waived; and
- (c) The management fee is only charged once, at the level of the target fund.

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

The target investors are high-net-worth individuals, institutional investors, as well as retail investors around the Philippines. The Fund aims to increase the number of its retail investors by making the Fund available through specific online channels/applications where it has an existing KYC reliance agreement. Before any solicitation is consummated, MBG IMI shall ensure that each prospective investor is given a copy of the MBG AFFI's prospectus in either electronic form or hard copy, that material parts of the prospects are explained clearly, and that each prospective investor goes through a suitability test to see if the said prospective investor's investment objectives and risk-taking level are aligned with those of the MBG AFFI.

## **INTERESTS OF NAMED EXPERTS AND INDEPENDENT COUNSEL**

### **LEGAL COUNSEL**

Mata-Perez Tamayo and Francisco Attorneys at Law serve as the Fund's legal counsel. There is no expert or independent counsel hired on a contingent basis. The retainer fee is Ten Thousand Pesos (PHP10,000.00) per month plus applicable VAT.

## INDEPENDENT AUDITORS

SGV & Co. is the Fund's external auditor. There has been no disagreement with the external auditor of the Fund on any accounting and financial disclosures.

There is no monthly retainer fee, just an annual fee, which for the calendar year 2025 is estimated to be at PHP332,640. Annual audit fee to be determined is based on business volume of the year under examination.

The external auditor was chosen based on the following criteria followed by the Audit Committee:

- capacity to provide the following:
  - audit services
    - audit of financial statements submitted to the SEC and BIR
    - statutory audit
    - tax or information technology control assistance for audit services
  - audit-related services
    - employee benefit plan audits
    - due diligence assistance
    - accounting research on proposed transactions
  - tax services
    - tax compliance
    - tax planning and advice
  - other services
    - special investigations to assist the Audit Committee
    - assistance with regulatory activities
- not providing any service that would result in the external auditor
  - functioning in the role of management;
  - auditing its own work; and
  - serving in an advocacy role
- none of the following is hired or to be hired by the Fund to fill a financial reporting oversight role
  - lead partner for the audit
  - concurring partner for the audit
  - any other member of the audit engagement team that provides audit, review or attest services for the Fund
- willingness to rotate the lead and concurring partners as often as required by the SEC

There are neither named Experts nor Independent Counsels who have direct or indirect interest in the MBG AFFI exceeding the amount of Five Hundred Thousand Pesos (PHP500,000.00).

## INFORMATION WITH RESPECT TO THE REGISTRANT

### DESCRIPTION OF BUSINESS

#### THE FUND

The Fund is a Philippine corporation registered as an open-end investment company on October 24, 2018 under SEC Registration No. CS201840752. The Fund's investment objective is to achieve long-term capital growth by investing more than 90% of its net assets in a single actively managed Collective Investment Scheme (CIS) invested in frontier markets in Asia. The Fund is currently undergoing secondary licensing to sell mutual fund investments in the form of units of participation.

The Fund is considered a Feeder Fund where at least ninety percent (90%) of the net assets of the fund shall be invested in a Target Fund. The investment objective of the Target Fund shall be similar to that of the Fund.

The Fund has a subscribed and paid-in capital of Three Hundred Fifty-Five Million Seven Hundred Fifty-Five Thousand and Six Hundred Pesos (PHP 355,755,600.00) at incorporation. Pursuant to section 3.4 of the Implementing Rules and Regulations of the Investment Company Act, the original proponents of a newly formed Investment Company, which is not related to an existing fund or Fund Manager with a track record of at least five (5) years, shall not be allowed to sell, transfer, convey, encumber or otherwise dispose of their securities within twelve (12) months from the registration of the Investment Company. Being an open-end investment company, the Fund stands ready to buy back its units from the investing public subject to the provisions of this Prospectus. The units of the Fund are not traded on any public trading market or exchange.

The Fund shall endeavor to give investors the opportunity to enjoy capital appreciation by giving them access to buoyant frontier markets. In this regard, the Fund, through MBG IMI, shall distribute its units through Certified Investment Solicitors and through the Investment Manager's online investor portal.

The Fund does not have any patents, trademarks, copyright, franchise, concession, or royalty agreement.

The Fund is not under any bankruptcy, receivership, or similar proceedings.

There are no material reclassifications, mergers, consolidations, or purchases or sales of a significant amount of the assets of the Fund (not in the ordinary course of business).

The Fund's operations are subject to regulations affecting a range of areas from the valuation of the Fund's in particular to income taxation in general. These regulations change and, when they do, can potentially produce a negative impact on the Fund's earnings and valuation.

The Fund does not hire and does not expect to hire employees within the next 12 months as all its operations are performed by MBG IMI.

#### Distribution

For a detailed discussion of the Fund’s distribution methods, please refer to the section on “Plan of Distribution” on page 33.

**Major Customers**

The Fund has one (1) customer that accounts for at least 20% ownership in the Fund. The loss of which could result in a material adverse effect on the Fund. There are no major existing sales contracts.

**Summary Of Principal Agreements and Certain Relationships and Related Party Transactions**

The Fund has the following principal agreements related to its business: Management, Distribution and Administration Agreement, Custody Agreement, Fund Accounting Services Agreement, Transfer Agent Agreement, External Auditor Agreement, and Legal Counsel Agreement. The details of these agreements can be found on page 74.

**Competition**

The Philippine mutual fund industry is a fast-growing industry, which as of December 2024 had seventy (70) active funds subdivided into Stock/Equity Funds, Balanced Funds, Bond Funds (Peso and Foreign Denominated) and Money Market Funds. The industry has a combined asset under management of approximately PHP214 billion based on information disclosed by the Philippine Investment Funds Association. In 1991, there were only two (2) mutual funds and approximately PHP 108 million in combined net assets.

Competition is present throughout the Philippines and is dominated by subsidiaries of banks and life insurance companies. As of December 2024, the combined size of the MBG AFFI’s direct competition of equity mutual funds is estimated at PHP 54 billion.

The principal methods for competition are investment performance followed by risk exposure. The Fund will differentiate itself from competitors by investing in frontier markets, with the aim of identifying businesses that have the potential of delivering above-average earnings growth over the long-term. The Investment Manager will construct a diversified portfolio of securities that meet the Fund’s investment criteria. MBG AFFI aims to provide investors with effective diversification, competitive returns, and excellent service.

Company	Net AUM (in millions)		Attribution of YTD Changes			
	2024	2023	Difference (In PHP Millions)	% Change	% Change Due to subscriptions/ (redemptions)	% Gain/(Loss) during the year
BPI Investment Management, Inc. & Philam Asset Management, Inc.	121,146	128,891	7,744	-6%	-11%	5%
Sun Life Asset Management Company, Inc.	55,217	62,230	7,013	-11%	-16%	5%

Philequity Management, Inc.	16,099	16,541	441	-3%	-8%	6%
First Metro Asset Management, Inc.	10,432	13,232	(2,799)	-21%	-24%	3%
ATR Asset Management, Inc. & Soldivo Funds	8,806	7,819	(548)	-6%	-9%	3%
Cocoilife Asset Management Company, Inc.	1,450	1,652	(112)	-7%	-7%	0%
Climbs Share Capital Equity Investment Fund Corp	408	341	57	16%	9%	7%
MBG Investment Management, Inc.	120	127	(7)	-6%	12%	-18%
NCM MF	327	318	9	79%	75%	4%
CMI	607	339	268	3%	-1%	4%
Total	214,616	232,950	(18,333)	-8%		

The table shows all members of the Philippine Investment Funds Association (PIFA) who are in the mutual funds industry. The top two leading competitors of the fund are: Bank of the Philippine Islands (BPI), and Sun Life Asset Management Company, Inc. (SLAMCI), possessing a market share of 82% of the Assets under Management (AUM) of the mutual fund industry ending December 2024.

**Transactions with and/or Dependence on Related Parties**

MBG IMI is an affiliate of the Fund. It is also the Fund’s Principal Distributor and Investment Company Adviser. For a fuller discussion, please see “Summary of Principal Agreements” and “Certain Relationships and Related Transactions.”

The Fund’s application for a Secondary License will allow the Fund to operate as an investment company and offer its investment products, subject to regulatory requirements. Upon approval of the ICA license, the Fund will be able to offer its products to investors in the Philippines which can help diversify their investment portfolios and provide access to new investment opportunities. The Fund does not have any patents, trademarks, copyrights, licenses, franchises, concessions, or royalty agreements. The Fund’s operations are not dependent on any of these rights.

**Investment Objectives**

The objective of the Fund, which is considered to be high risk, is to achieve long-term capital growth by investing in a single actively managed Collective Investment Scheme (Target Fund) that invests in frontier and emerging markets. The Fund is suitable for retail and corporate investors with a high-risk tolerance seeking aggressive returns through a professionally managed investment vehicle (i.e. Aggressive Investment Category).

The Investment Manager anticipates that, where it is successful in identifying such an opportunity, positive industry fundamentals and sustainable earnings growth will eventually be reflected in the company's underlying share price.

While the Fund will typically be fully invested, with cash forming less than 10% of the portfolio, the Investment Manager will have discretion to raise cash to significantly higher levels when it is the Investment Manager's opinion that market conditions make such caution desirable.

### Target Investors

The target investors are high-net-worth individuals, institutional investors, and retail investors around the Philippines. The Fund aims to increase the number of its retail investors by making the Fund available through specific online channels/applications where it has an existing KYC reliance agreement. Before any solicitation is consummated, MBG IMI shall ensure that each prospective investor is given a copy of the MBG AFFI's prospectus in either electronic form or hard copy, that material parts of the prospectus are explained clearly, and that each prospective investor goes through a suitability test to see if the said prospective investor's investment objectives and risk-taking level are aligned with those of the MBG AFFI.

### Investment Restrictions

The Fund is governed by the following investment policies:

1. As a Feeder Fund, the Fund shall be subject to the following:
  - a. Feeder funds are required to invest at least ninety percent (90%) of their net assets in a single collective investment scheme, and thus:
    - i. The single entity limit of fifteen percent (15%) shall not be applicable;
    - ii. The target fund:
      1. Shall not be a feeder fund or a co-managed fund;
      2. Is a CIS established by another Fund Manager, asset management company or fund operator;
      3. Shall provide ample protection to the investors of the feeder fund. If the target fund is a foreign fund, the securities regulator approving the said fund shall have been assessed to have broadly implemented IOSCO Principles relevant to the collective investment scheme.
      4. Publishes Quarterly or Semi-Annual and Annual Reports, or such other periodic reports;
      5. Provide the co-managed fund information or reports on the investments it has made in a more frequent manner.
      6. The investment objective of the Target Fund is aligned with that of the Feeder Funds.
      7. The Feeder fund is compliant with Rule 6.10 of the Implementing Rules and Regulations of the Investment Company Act.
      8. The Target Fund is supervised by a regulatory authority as follows:
        - a. A local target Fund shall either be registered with the SEC or approved by the BSP;

- b. A Target Fund constituted in another economy shall be registered or authorized, in its home jurisdiction by a regulatory authority that is an ordinary or associate member of the IOSCO.
  - 9. Investments in Target Funds shall be held for safekeeping by an institution registered or authorized by a relevant regulatory authority to act as a third party "custodian"
  - 10. The Fund Manager can invest the funds of the feeder fund to a target fund that is administered by the Fund Manager or its related party/company provided that:
    - a. There shall be no cross-holding between the feeder fund and the target funds where cross-holding refers to the holding of securities in another by two (2) or more funds;
    - b. All initial charges on the target fund are waived; and
    - c. The management fee shall be charged only once, either at the level of the feeder fund or at the level of the target fund, whichever is lesser.
- 2. In accordance with Rule 6.10(b) of the 2018 ICA IRR, the Fund implements a decreased investment of at least five percent (5%) of its NAV in liquid/semi liquid assets such as:
  - a. Treasury notes or bills, BSP Certificates of Indebtedness, which are short-term in tenor and other evidences of short-term indebtedness or obligations, the servicing of and repayment of which are fully guaranteed by the Republic of the Philippines; or
  - b. Savings or time deposits with government-owned banks or commercial banks, provided that in no case shall any such savings or time deposit accounts be accepted or allowed under a "bearer", a "numbered" account, or other similar arrangement.
  - c. Other collective schemes wholly invested in liquid/semi-liquid assets.
  - d. Money market instruments issued by regulated, qualified buyers or those issued by an investment grade issuing body;
- 3. Until the SEC shall provide otherwise, the Fund shall not sell securities short or invest in any of the following:
  - a. Margin purchase of securities (investments in partially paid shares excluded)
  - b. Commodity futures contracts;
  - c. Precious metals; and
  - d. Unlimited liability investments.
- 4. The Fund may borrow, on a temporary basis, for the purpose of meeting redemptions and bridging requirements provided that:
  - a. The borrowing period should not exceed one month; and
  - b. The aggregate borrowings shall not exceed ten percent (10%) of the net assets of the Fund

The Fund shall not incur any further debt or borrowing unless at the time of its incurrence or immediately thereafter, there is an asset coverage of at least three hundred percent (300%) for all borrowings of the Fund. Provided, however, that in the event that such asset coverage shall at any time fall below three hundred percent (300%), the Fund shall within three (3) days thereafter, reduce the amount of its borrowings to an extent that the asset coverage of such borrowings shall be at least three hundred

percent (300%);

5. The Fund shall not participate in an underwriting or selling group in connection with the public distribution of securities, except for its own capital stock;
6. The Fund shall not invest in real estate properties and developments;
7. The Fund shall not invest in any company for the purpose of exercising control or management;
8. The Fund shall not purchase from or sell to any of its officers or directors or the officers or directors of its investment adviser/s, manager or distributor/s or firm/s of which any of them are members, any security other than the capital stock of the Fund;
9. The total operational expenses of the Fund shall not exceed ten percent (10%) of its average investment fund or net worth as shown in the previous year's audited financial statements;
10. The Fund will generally maintain a diversified portfolio. Geographic and asset allocations may vary at any time depending on the investment manager's overall view;
11. The Fund anticipates a gradual turnover in portfolio with the aim of the appreciation of capital;
12. The Fund shall not issue senior securities;
13. The Fund may not change its investment objective without prior approval of a majority of its stockholders. The unitholders shall be notified of such change at least thirty (30) days before the change will be implemented. Such change in the investment objectives must also have the Commission's approval;
14. The Fund may use various techniques to manage investment risks;

15. Investments in Derivatives

In investing in financial derivatives instruments for the Fund, the Fund manager shall see to it that employs a risk-management process which captures the risks associated with the use of financial derivatives and satisfies all the following criteria.

- a. Total exposure to financial derivatives, including counterparty transactions shall not exceed ten percent (10%) of the net assets of the Fund, or five percent (5%) of the net assets if the derivatives are not investment grade, unless the derivatives counterparty is used for efficient portfolio management which the investment aggregate shall not exceed more than twenty percent (20%).
- b. The Fund shall invest five percent (5%) of its net assets to liquid assets to meet all its payment and delivery obligations
- c. The Fund Manager shall not act as a counterparty to any OTC derivatives invested into by the Fund.;

16. Other Investment Restrictions

Unless otherwise approved by the Commission, the investments of the Fund in the following shall not exceed five percent (5%) of the net assets of the Fund (i) deposits placed with a non-investment grade or unrated deposit taking institution (ii) debt securities or money market instruments not dealt in an organized market or issued by an unrated or non-investment grade issuing body (iii) over-the-counter financial derivatives with non-investment grade or unrated party, unless the derivatives are used for efficient portfolio management which the investment aggregate shall not exceed more than twenty percent (20%) of the assets of the Fund (iv) and unlisted shares issued by a related party.

The aggregate investments of (i), (ii), (iii), and (iv) shall not exceed ten percent (10%)

17. SEC Memorandum Circular No. 10, series of 2006 requires that investment in bonds and evidence of indebtedness be registered and traded on an organized market in a foreign country whose issue and issuer borrower are rated at least BBB.
18. Investments in foreign securities shall be in accordance with SEC Memorandum Circular No. 7, series of 2005, as amended entitled, "Guidelines on the Evaluation of Foreign Investments by Mutual Fund Companies."

#### **Limitation of Liabilities**

To the extent allowed by law, the Fund and/or the Fund Manager's liability is limited to instances of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of its office. The Fund Manager shall not be liable for act or omission where such action or inaction, in good faith, and judgement of the Fund Manager, was then necessary, reasonable, or appropriate for the proper and advantageous administration and management of the Fund.

The investment risks, including but not limited to credit risk, market risk, taxation risk, regulatory, risks, interest risk, and liquidity associated with the Fund are to be borne solely by the investor. The liability of the investors is limited to their investment in the Fund.

#### **Annual Shareholders' Meeting**

The annual shareholders' meeting of the Fund shall be held at the Fund's principal office every second Tuesday of May of each year or on such other date as the board of directors may determine, unless such day is a legal holiday, in which case it shall be held on the next business day following.

#### **Prevention of Money-Laundering and Terrorist Financing**

As part of the Fund's responsibility for the prevention of money-laundering under the Anti-Money Laundering Act of 2001 (R. A. 9160), as amended, the Terrorism Financing Prevention and Suppression Act of 2012 (R.A. 10168) and other relevant rules and regulations, the Fund or an entity acting on its behalf may require evidence verifying the identity of a prospective purchaser of units and the source of the relevant funds. Whether or not such evidence will be required and, if so, the nature and extent of such evidence will depend on the circumstances. The Fund and any entity acting on its behalf reserve the right to request such information as considered necessary to verify the identity of a proposed purchaser of units in each case, and the Fund has absolute discretion to refuse to accept a subscription

for units in the event of delay or failure in the provision of any such information required. The Fund and /or relevant government agencies shall immediately preserve the subject property or funds upon receipt of the notice of a freeze order, in accordance with the order of the court of competent jurisdiction or the AMLC. The owner or holder of the property or funds shall be given a copy of the notice of the freeze order.

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

The investor acknowledges that the Company, its employees, duly authorized representatives, related companies, third party service providers and vendors, shall process and share his/her information with any person or organization to (i) service this account, (ii) process transactions and enforce this contract, and (iii) pursue its legitimate and lawful rights and interests and other purposes allowed under privacy laws and regulations.

The personal data of the investor shall be retained throughout the existence of his/her account(s) and/or until expiration of the retention limit set by laws and regulations from account closure and the period set for destruction or disposal of records. The investor certifies that he/she has read, understood and agree with the declarations and authorizations above, including MBG IMI's privacy policy.

The Fund ensures compliance with the Data Privacy Act by appointing a Data Protection Officer (DPO) who oversees the implementation of data protection policies and procedures. The DPO is responsible for ensuring that personal data is collected, processed, and stored in accordance with the provisions of the Data Privacy Act, including obtaining consent from data subjects, implementing security measures to protect personal information and regularly monitoring new regulations with respect to data privacy and handling customer information.

#### **Compliance with Foreign Account Tax Compliance Act**

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

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

#### **Compliance with the Investment Company Act**

In compliance with the requirements of the R.A. No. 2629, otherwise known as the Investment Company Act of 1960 or ICA, and the Rules Governing the Act, the Fund is organized as a stock corporation with a minimum subscribed

and total paid-in capital of One Billion Four Hundred Twenty-Three Million Twenty-Two Thousand Four Hundred (PHP1,423,022,400).

All the Members of the Board of Directors of the Fund are Filipino citizens, and all shares of its capital stock are common and voting shares. The Articles of Incorporation of the Fund provide for the waiver of pre-emptive rights of stock/unitholders.

The Fund complies with the requirements of the Investment Company Act (ICA) and its implementing rules and regulations (IRR) by appointing a compliance officer who is tasked with monitoring regulatory developments and ensuring that the Fund's operations adhere to the provisions of the ICA and its IRR. The compliance officer works closely with relevant stakeholders to implement policies and procedures that mitigate compliance risks and ensure adherence to regulatory requirements. Additionally, the Fund conducts regular reviews and audits to assess compliance with the ICA and its IRR and takes appropriate corrective actions as needed.

#### **Major Risks Involved in the Business of the Fund**

For a detailed discussion on the major risks involved in the business of the Fund, including procedures undertaken to identify, assess and manage such risks, please see "Risk Factors" on page 25.

#### **Employees**

The Fund does not hire employees as all its operations are performed by MBG IMI.

#### **Target Fund**

The Target Fund is Seahedge Asia Frontier Fund SP, incorporated in Cayman Islands, which is an Asian frontier-focused equity fund that invests mainly in Vietnam and other frontier markets. It is managed by MBG Capital Pte. Ltd. based in Singapore and its investment objective is to achieve for its shareholders long-term capital appreciation primarily through an actively managed portfolio of listed equities in frontier markets in Asia. For more information, please visit [www.mbgcapital.com](http://www.mbgcapital.com).

The following are the directors of the Target Fund:

**Natisha Nicole Ramroop** is an independent director at DMS Governance Ltd. (DMS) where she oversees fund governance for a portfolio of hedge fund clients, provides management oversight to a team of senior associates and associates, and specializes in client services management. Ms. Ramroop has also served as a Director with DMS in the Luxembourg office. Previously, Ms. Ramroop was an Auditor at Ernst & Young in the alternative investments group, working in both the Cayman Islands and New York offices, where she oversaw the execution of all areas of hedge fund audits and gained extensive experience working with investment managers, administrators and directors on all matters related to alternative investments. Ms. Ramroop holds a Bachelor of Science degree in Computer Information Science and Systems from Morgan State University, Maryland. She also earned a Master of Science degree in Accountancy from the University of Notre Dame, Indiana. She is a Registered Director with the Cayman Islands Monetary Authority and a member of the Cayman Islands Directors Association. Ms. Ramroop is 46 years old.

**Kevin Andre Phillip** is an Executive Director of DMS Offshore Investment Services (DMS) and serves as an independent director on the boards of a variety of hedge fund and related structures. He leads a team of professionals at DMS, supervising the fund governance of hedge funds and providing guidance on accounting, regulatory, legal and financial issues. He also serves as Business Unit Leader of the DMS International Tax Compliance Group, a specialist group of attorneys, accountants, and compliance experts that deliver customized solutions to meet international tax compliance obligations. He also plays a lead role with DMS Outsourcing Ltd., directing its team of specialists that offer governance and business process outsourcing services for a portfolio of investment management clients. Mr. Phillip gained experience working as an auditor with Ernst & Young in New York and the Cayman Islands, focusing on large international financial institutions, domestic and offshore hedge funds and mutual funds. His hedge fund client base had assets in excess of US\$12 billion under management. He qualified as a Certified Public Accountant in New York and holds a Master of Science degree in Accountancy from the University of Notre Dame, as well as a Bachelor of Business Administration degree in Accounting and a Bachelor of Business Administration degree in Finance, Summa Cum Laude, from North Carolina Central University. He is a member of the American Institute of Certified Public Accountants and is an approved principal of entities registered with the National Futures Association. Mr. Phillip is registered as a Professional Director by the Cayman Islands Monetary Authority and is an Accredited Director by the Chartered Secretaries of Canada. Mr. Phillip is 46 years old.

**Anthony D'Silva** is currently an independent and non-executive director for several investment funds and investment management companies. He has been involved in the financial services, asset management and alternative investment industry since 2000. Anthony is the founder of Incu Global Ltd, a global multifamily office and fund incubation platform. Prior to Incu Global Ltd, he was a partner of Apex Fund Services Holdings and Managing Director at Apex Investment Consulting & Apex Fund Services. Anthony has also held a number of senior positions including as a director at SHK Fund Management. Anthony was also a Vice President and Head of Global Institutional Funds and Hedge Fund Services (Prime Brokerage) for the Refco group. He was previously the Head of Business Development for EurekaHedge. Anthony has completed his Postgraduate Diploma in International Law with Griffith University Australia and an MBA Essentials Certification Course from The London School of Economics and Political Science. Mr. D'Silva is 47 years old.

**Michael Jack Bermont Garcia** is the founder and CEO of MBG Capital Pte. Ltd. (the "Investment Manager"), an affiliate of MBG Capital, Inc. (the "Market Advisor") which he established in 2011. Prior to that, Michael was the Head and Chief Investment Officer of the Trust & Investments Services Group of Union Bank of the Philippines from 2006 to 2011 and Trust Centre Head of the International Exchange Bank from 2002 until its acquisition by Union Bank in 2006. As Head of Union Bank Trust, Michael oversaw US\$1 billion of assets under management, consisting of portfolios of high-net-worth clients, institutional mandates and retail common investment schemes with holdings in various asset classes. He launched and managed from March 2005 to July 2011 the Union Bank Large Capitalization Philippine Equity Portfolio (Bloomberg: IFDLCPE PM Equity), the top performing equity fund in the Philippines. He also launched and managed from January 2004 to July 2011 the Union Bank Philippine Peso Bond Portfolio (Bloomberg: IFDPPBP PM Equity), which garnered a Lipper Award in 2010 under the category Best Medium Term Philippine Peso Bond Fund. Before embarking on a career in asset management, Michael worked from 1997 to 2002 at General Motors Europe in its London and Brussels offices where he performed various corporate finance and treasury functions, including interest rate and foreign exchange hedging using a variety of derivative instruments. He also worked from 1992 to 1994 as a credit risk manager at Citytrust Banking Corporation, the affiliate of Citibank NA in Manila. Michael is a Chartered Financial Analyst charter holder. He holds an MBA degree from IESE Business School in Barcelona, Spain and an undergraduate degree in AB Management Economics from the Ateneo de Manila University in the Philippines. Mr. Garcia is 54 years old.

## DESCRIPTION OF PROPERTY

The Fund has financial assets in the form of cash, equities, and fixed income securities. It does not own any real property. As prescribed by SEC rules, all the Fund's assets must be held by the custodian bank as disclosed on the inside back cover of this Prospectus.

## LEGAL PROCEEDINGS

There is no material pending legal proceeding to which the Fund or any of its subsidiaries or affiliates is a party or of which any of their property is the subject. There are no bankruptcy petitions filed by or against any business of which such person was a general partner or executive officer whether at the time of the bankruptcy or within two (2) years prior to that time. There is no conviction by final judgment, in a criminal proceeding, domestic or foreign, or the Fund being subject to a pending criminal proceeding, domestic or foreign. The MBG AFFI is not 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 its involvement in any type of business, securities, commodities or banking activities. The MBG AFFI has not been found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the said judgment has not been reversed, suspended or vacated.

## MARKET PRICE FOR REGISTRANT'S COMMON EQUITY/UNITS AND RELATED STOCKHOLDER/ UNITHOLDER MATTERS

### Market Information

The units of the Fund are traded over the counter, hence, there is no public trading for the registrant's units.

### Holdings

As of June 30, 2025, the Fund has 38 shareholders, and no unit holders.

### Top 20 Shareholders

	Shareholder Name	Shares Held	Percentage Ratio
1	[REDACTED]	99,889,280	27.92%
2	[REDACTED]	49,715,680	13.90%
3	[REDACTED]	45,076,684	12.60%
4	[REDACTED]	30,000,000	8.39%
5	[REDACTED]	20,000,000	5.59%

6		20,000,000	5.59%
7		18,211,123	5.09%
8		10,876,360	3.04%
9		10,221,546	2.86%
10		10,000,000	2.80%
11		5,000,000	1.40%
12		5,000,000	1.40%
13		4,953,307	1.38%
14		4,376,124	1.22%
15		4,073,176	1.14%
16		3,236,990	0.90%
17		2,172,130	0.61%
18		1,586,971	0.44%
19		1,500,000	0.42%
20		1,451,829	0.41%

457,168,897

**Recent Issuance of Securities**

Year	Shareholders	Shares	Capital Stock	APIC
2018	20	357,120,440	Php357,120,440	Php890,476
2019	33	373,928,785	Php373,492,714	Php923,362
2020	33	380,629,640	Php378,966,282	Php1,073,180
2021	33	383,442,345	Php382,198,882	Php1,340,580
2022	37	373,116,320	Php367,061,155	-
2023	44	412,533,503	Php411,826,823	Php14,149,254
2024	46	459,955,575	Php458,542,234	Php39,864,282
2025	43	359,128,969	Php357,008,966	-

Source: Company Audited AFS

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Summary of Financial Information

	As of June 30, 2025 (Audited)	As of December 31, 2024 (Audited)	As of December 31, 2023 (Audited)	As of December 31, 2022 (Audited)	As of December 31, 2021 (Audited)
Total Assets	705,934,455	811,094,937	563,283,809	490,996,236	611,332,628
Total Liabilities	85,558,761	1,223,458	1,669,916	50,715,598	94,431,913
Net Assets	620,375,694	809,871,479	561,613,893	440,280,638	516,900,715
Capital Stock (P1.00 Par Value)	357,008,966	458,542,234	411,826,823	367,061,155	382,198,882
Authorized Capital Stock	1,423,022,400	1,423,022,400	1,423,022,400	1,423,022,400	1,423,022,400
APIC	-	39,864,282	14,149,254	-	1,340,580
Retained Earnings (Deficit)	263,366,728	311,464,963	135,637,816	73,219,483	133,361,253
Net Assets	620,375,694	809,871,479	561,613,893	440,280,638	516,900,715
Net Asset Value per Share/Unit	1.7274	1.7608	1.3614	1.1800	1.3481

### Major Changes in Nominal Accounts:

Current Ratio

= Current Asset / Current Liabilities

June 2025	Dec 2024	Dec 2023	Dec 2022	Dec 2021
8.2	657.4	870.9	9.8	22.9

The Fund's current ratio decreased from 657.4x in December 2024 to 8.2x in June 2025. This was due to a combination of a decrease in the amount of cash and cash equivalents and market value of investment holdings and the increase in liabilities as the Fund has a redemption payable pending to be paid as of June 2025.

Debt to Equity Ratio

= Total Liabilities/Total Equity

June 2025	Dec 2024	Dec 2023	Dec 2022	Dec 2021

0.1	0.0	0.0	0.1	0.2
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The Fund's debt-to-equity ratio slightly increased from 0.0x in December 2024 to 0.1x in June 2025. This was primarily due to an increase in liabilities.

#### Interest Coverage Ratio

= Earnings before Interest & Taxes/Interest Expense

June 2025	Dec 2024	Dec 2023	Dec 2022	Dec 2021
n.a.	n.a.	n.a.	n.a.	n.a.

The Fund does not have any outstanding debt and as a result does not pay any interest.

#### Net Profit Margin

= Net Income/ Net Revenue x 100%

June 2025	Dec 2024	Dec 2023	Dec 2022	Dec 2021
-667%	95%	85%	93%	61%

The Fund's financial performance decreased in 2025 due to unfavorable market conditions in its investment/s.

### **Performance Summary**

#### **2025 Performance Review**

In January, the Fund gained 4.1% to ₱1.83, outperforming the MSCI Vietnam TR (+1.5%) in Peso terms. Since inception, the Fund has gained 81.9%, outperforming the benchmark (+0.8%). Despite Vietnam's robust 7.1% GDP growth in 2024, the VNI took a bumpy ride—dropping 3.0% in early January amid investor caution ahead of U.S. President Trump's January 20 inauguration, then gradually recovered before the Tet holiday to end nearly flat at 1,265 (-0.1% MoM). Looking ahead, 2025 promises multiple catalysts as the government targets annual GDP growth of 8–10%. Corporate 2024 results are starting to roll in, and we're pleased with how most of our portfolio companies have performed.

In February, the Fund declined 5.9% to ₱1.72, underperforming the MSCI Vietnam TR (+1.5%) in Peso terms. Since inception, the Fund has gained 71.1%, outperforming the benchmark (+2.4%). The VNI came back to life in a meaningful way this month. Delayed tariff plans from the Trump administration and a government decision to push the 2025 GDP growth target higher—from 6.5–7.0% to a robust 8%—both gave investors a renewed sense of optimism. We've just gotten back from Vietnam's largest investment conference, and one major takeaway from the conference was the government's bold vision for growth: at least 8% GDP by 2025, and 10% annually from 2026 to 2030. FDI continues to pour in as global companies diversify their supply chains, a trend that looks poised to last. In our view, Vietnam's fundamental advantages—its strategic location, competitive labor costs, expanding free trade agreements, and improving infrastructure—provide a solid foundation for long-term success.

In March, the Fund declined 3.1% to ₱1.66, underperforming the MSCI Vietnam TR (+0.9%) in Peso terms. Vietnam just released some positive macro indicators, with Q1 GDP growth reaching 7% (vs. 5.7% in Q1 2024) and the Purchasing Manager's Index (PMI) increasing from 49.2 in Feb to 50.5 in Mar, indicating an improvement in the manufacturing sector. However, the good news was overshadowed by Trump's tariff announcement last April 2, with Vietnam being slapped by one of the highest reciprocal tariffs at 46% effective April 9. Fortunately, Vietnam has been very proactive in negotiating with the US over the past weeks. The great news is that on April 9, Trump announced a 90-day delay in the implementation of reciprocal tariffs for all countries where only a uniform 10% blanket tariff remains, with the exception of China, whose tariff rate was increased to 125% from 54%. We think this is good for Vietnam as it levels the playing field, allowing Vietnamese exports to remain competitive relative to other countries, and even gain market share from China.

In April, the Fund declined 6.0% to ₱1.56, outperforming the MSCI Vietnam TR (-7.7%) in Peso terms. Since inception, the Fund has gained 55.8%, outperforming the benchmark (-4.7%). VNI experienced a sharp sell-off in the first few days before rebounding after the U.S. issued a 90-day pause on the tariffs. Investors remain cautious for the time being, and on a YTD basis, the index is down 3.2%. Despite some uncertainty, Vietnam continues to report solid economic performance. Additionally, exports and imports grew significantly, increasing by 13.0% and 18.6% YoY respectively, leading to a trade surplus of USD 3.8bln YTD. Companies have now reported their first-quarter earnings, and we are pleased with the strong performance of our holdings.

In May, the Fund gained 7.5% to ₱1.68, underperforming the MSCI Vietnam TR (+11.1%) in Peso terms. Since inception, the Fund has gained 67.5%, outperforming the benchmark (+5.9%). After stumbling 6.2% in April, the VN Index got back on its feet in May—rising 8.7%—its strongest monthly gain in nearly a year. Several factors played in the market's favor: renewed investor interest in Vingroup companies following fresh business developments, improving macro data, and easing geopolitical tensions, including a second round of US-Vietnam trade talks that ended on a constructive note. Vietnam's economic engine continues to hum. Industrial production grew 8.8% in the first five months, led by manufacturing at +10.8%. Domestic consumption remains robust, with retail sales up nearly 10% and tourism arrivals surging 21%. Trade flows are expanding: exports rose 14%, imports 17.5%, and the country maintained a healthy USD 4.7bln surplus. Public investment disbursement jumped 39% to USD 7.7bln, while FDI registrations surged 51% to USD 18.4bln—strong numbers that reflect growing global confidence in Vietnam's future.

In June, the Fund gained 4.0% to ₱1.75, underperforming the MSCI Vietnam TR (+4.8%) in Peso terms. Since inception, the Fund has gained 74.2%, outperforming the benchmark (+11.0%). The VNI continued its impressive run in June, rising 3.3% MoM—the highest level since April 2022. That brings the index's YTD return to 8.6%, well ahead of regional peers. Market sentiment was lifted by a confluence of positive news: (1) a trade deal between the U.S. and China; (2) the closing of a U.S.-Vietnam trade framework agreement; and (3) a landmark legislative session in Hanoi. The 15th National Assembly wrapped up its 9th session by passing 34 new laws and several resolutions, many of which lay the groundwork for Vietnam's next stage of development. On the trade front, Vietnam scored a diplomatic and economic win. After three rounds of talks, it became just the third country to close a trade framework agreement with the U.S.

In July, the Fund gained 7.6% to ₱1.88, underperforming the MSCI Vietnam TR (+19.4%) in Peso terms. Since inception, the Fund has gained 87.4%, outperforming the benchmark (+32.5%). The VNI's delivered its strongest monthly gain in two years with a +9.2% surge. Several factors contributed to the rally, including (1) Trump's

announcement of a 20% reciprocal tariff with Vietnam, much lower compared to the initial 46% mentioned last April 2, (2) better-than-expected Q2 GDP growth of 8%, and (3) expectations for a FTSE upgrade to Emerging Market status. Vietnam economic results continued to exceed expectations, posting 8% GDP growth in Q2 or 7.5% in H1 2025, the highest H1 growth since 2011. Looking ahead, Vietnam's outlook brightens after the announcement of amended reciprocal tariffs. This can help Vietnam maintain its cost advantage and appeal as a global manufacturing hub.

In August, the Fund gained 0.3% to ₱1.89, underperforming the MSCI Vietnam TR (+10.2%) in Peso terms. Since inception, the Fund has gained 88.0%, outperforming the benchmark (+46.0%). The VNI just notched its best month in over five years, climbing 12.3% in August to close at 1,688. Investors are looking ahead to a possible FTSE market upgrade in October, digesting a strong set of Q2 earnings, and crowding into bank and securities names that stand to benefit. That said, there are still a few tailwinds that could keep September on solid footing: the macro picture remains resilient (August's Manufacturing PMI came in at 50.4, marking the second straight month of improvement), a potential Fed rate cut could ease pressure on the currency, and the long-awaited FTSE upgrade to Emerging Market status remains on the horizon. On that last point, we're quietly optimistic.

In September, the Fund declined 0.7% to ₱1.87, underperforming the MSCI Vietnam TR (+2.1%) in Peso terms. Since inception, the Fund has gained 86.7%, outperforming the benchmark (+49.0%). The index pushed higher early in the month, but once it approached the 1,700 mark, some investors decided it was time to take profit. By month's end, the market had slipped about 1.2%. Even so, the year's record remains impressive: VNI is up 31.2%, well ahead of its neighbors. In Q3, the economy grew 8.2%, its fastest pace for that period since 2011, bringing YTD growth to 7.9%. For a developing economy operating in a complicated global environment, that's an extraordinary achievement. Domestic demand remains strong. Retail sales are up nearly 10%, with tourism (up more than 20%) playing a big role. New FDI commitments reached USD 29 billion, up 15% from last year, while actual disbursements also rose. The government has been equally active, pushing public investment spending 43% higher to keep infrastructure and productivity growth on track.

#### **2024 Performance Review**

For the month of January, the Fund gained 2.8% to ₱1.40, outperforming the MSCI Vietnam TR (+0.6%) in Peso terms. Since inception, the Fund has gained 39.7%, outperforming the benchmark (+2.0%). The VNI demonstrated a positive trend at the start of 2024, marking its third consecutive month of gains by closing at 1,129, up by 3.0% MoM. This performance was driven by several key factors, including a robust increase in credit growth of 13.7% in Dec 2023, with a target of 15% for 2024. Additionally, the government's enactment of amended laws poised to benefit corporations and the US stock market reaching new highs in Jan contributed to the positive momentum. Average daily value traded experienced a slight uptick to USD 768mln, a 1.6% increase from the previous month. Moreover, for the first time since March 2023, foreign investors shifted back to net buying, contributing USD 48 million to the market.

In February, the Fund gained 12.3% to ₱1.58, outperforming the MSCI Vietnam TR (+5.8%) in Peso terms. Since inception, the Fund has gained 56.9%, outperforming the benchmark (7.9%). The VNI continued its rally and extended its winning streak to four consecutive months as it closed the month at 1,252.7 (+7.6% MoM). This positive market sentiment was driven by robust performances in global stock markets, strong economic data in the first two months of the year, and the government's announcement on Feb 28 that underscored its commitment to elevate the stock market to Emerging Market status by 2025. Year-to-date, the VNI is up 10.9%. Average daily trading value surged to USD 945mln (+24.2% MoM); however, foreign investors were net sellers, offloading USD 59mln during the month.

In March, the Fund gained 4.6% to ₱1.65, outperforming the MSCI Vietnam TR (+2.9%) in Peso terms. Since inception, the Fund has gained 64.1%, outperforming the benchmark (11.0%). Vietnam had an eventful month with a mix of bad and good news. Notable setbacks included the resignation of the President after a year in office due to violations in party rules, and a one-week suspension of a top retail securities broker, VN-Direct, following a cyber-attack. Despite these setbacks, the country witnessed some positive developments in the financial sector. The ongoing rallies in global stock markets, together with the State Securities Commission's draft regulation that seeks to remove the prefunding requirement—a step towards upgrading Vietnam to emerging market status—have helped to buoy VNI's uptrend, closing at 1284 or +2.5% MoM. On a YTD basis, VNI has now increased 13.6%. Average daily trading value jumped 28% YoY to USD 1.2bln, the highest level since March 2022, while foreign investors remained as net sellers for USD 452mln.

In April, the Fund gained 2.0% to ₱1.68, outperforming the MSCI Vietnam TR (-8.0%) in Peso terms. Since inception, the Fund has gained 67.3%, outperforming the benchmark (2.1%). The VNI index saw a correction for most of the month due to several factors, including profit-taking, rumors of changes in high-ranking officials, persistent foreign outflows, and weakness in global stock markets. The index rebounded slightly in the last week of April, closing at 1,210, which was down 5.8% MoM — the worst monthly performance in six months. Despite this, the VNI is up 7.0% YTD, outperforming its regional peers in local currency terms, including the PSEI (+3.9%), Indonesia's JCI (-0.5%), and Thailand's SET (-3.4%). Average daily trading value decreased 18% MoM to USD 969mln. Foreign investors remained net sellers for the third consecutive month, with outflows totaling USD 211mln.

For May, the Fund gained 5.8% to ₱1.78, outperforming the MSCI Vietnam TR (+5.3%) in Peso terms. Since inception, the Fund has gained 76.9%, outperforming the benchmark (+7.5%). Despite significant foreign selling and the government dismissing several high-ranking officers, the VNI index rebounded by 4.3% in May. This rebound was supported by a strong US stock market and Petro Vietnam's announcement of new oil discoveries. YTD, the VNI has risen by 11.7%, outperforming its regional peers. The average daily trading value rose slightly by 2.6% MoM to USD 984mln, despite foreign investors recording a net sell-off of USD 747mln, the highest ever foreign outflow recorded in Vietnam.

For the month of June, the Fund gained 3.7% to ₱1.84, outperforming the MSCI Vietnam TR (-2.8%) in Peso terms. Since inception, the Fund has gained 83.5%, outperforming the benchmark (+4.4%). In June, the VNI retreated 1.3% MoM, closing at 1,245.3. The decline was influenced by several factors including profit-taking, substantial foreign selling, a depreciation in the Vietnamese Dong, and a decision by the central bank to increase T-bill rates by 25bps. Despite these challenges, the VNI recorded a 10.2% increase in 1H 2024, surpassing its regional peers in local currency terms: PSEI -0.6%, Indonesia's JCI -2.9%, and Thailand's SET -8.1%. The average daily trading turnover also saw growth, reaching USD 1.0bln, up 5.2% MoM. Foreign investors were net sellers for the fifth consecutive month, selling USD 658mln, which brought YTD net outflows to USD 2.1bln.

In July, the Fund declined 1.1% to ₱1.82, underperforming the MSCI Vietnam TR (-1.0%) in Peso terms. Since inception, the Fund has gained 81.5%, outperforming the benchmark (+3.4%). The VNI moved sideways in July due to a mix of positive and negative factors. The index was initially supported by the upbeat economic data for 1H24, but subsequently retreated following the death of Vietnam's General Secretary and weakness in global equity markets. The VNI closed the month at 1,252 (+0.5% MoM) and has increased 10.8% YTD, outperforming its regional peers (all in local currency terms): PSEI (+2.6%), Indonesia's JCI (-0.2%) and Thailand's SET (-6.7%). Trading activity saw a significant decline, with the average daily trading value falling by 26.5% MoM to USD 763mln.

Foreign investors continued their net selling for the sixth consecutive month with a net outflow of USD 326mln, bringing YTD net outflow to USD 2.4bln.

For August, the Fund declined 0.8% to ₱1.81, underperforming the MSCI Vietnam TR (-0.3%) in Peso terms. Since inception, the Fund has gained 80.1%, outperforming the benchmark (+3.1%). The VNI dropped sharply in early August, along with global stock markets, largely due to the Bank of Japan's decision to raise interest rates, leading to the unwinding of the yen carry trade and causing widespread selling pressure globally. However, towards the end of August, robust US jobs data and strong consumer spending reports led to a global market recovery. Additionally, the market reacted positively to progress in the removal of pre-funding requirements, a key issue that, once resolved, could see Vietnam upgraded to Emerging Market status by FTSE. In VND terms, the index closed the month +2.6% MoM and has now increased 13.6% YTD. Foreign investors continued to be net sellers for the seventh straight, bringing YTD net outflow to USD 2.6bln.

For September, the Fund declined 1.0% to ₱1.79, underperforming the MSCI Vietnam TR (+1.4%) in Peso terms. Since inception, the Fund has gained 78.3%, outperforming the benchmark (+4.5%). In the first half of the month, the VNI declined by 3.5%, driven by global stock market selling pressure and negative sentiment following a strong typhoon in Vietnam. However, the index rebounded due to several positive developments, including a 50bps rate cut by the US Fed and the Vietnamese government's official approval of the removal of the pre-funding requirement for stock market trades. By month's end, the VNI had posted a 0.3% MoM gain and had risen 14.0% YTD, outperforming regional peers in local currency terms: Philippines +12.8%, Indonesia +3.5%, and Thailand +2.3%. Average daily trading value continued to decline for the third consecutive month, reaching USD 720mln, while foreign investors remained net sellers for the eighth consecutive month, with a net outflow of USD 89mln in September and USD 2.7bln YTD.

In October, the Fund declined 1.8% to ₱1.76, outperforming the MSCI Vietnam TR (-1.9%) in Peso terms. Since inception, the Fund has gained 75.0%, outperforming the benchmark (+2.6%). After three straight months of gains, the VNI succumbed to profit taking as the index approached the 1,300 level. The VNI closed the month down 1.8% MoM but is still up 11.9% YTD, outperforming regional peers. Average daily trading value was flat MoM at USD 711mln, while foreign investors remained net sellers (for the 9th consecutive month) for USD 441mln, bringing YTD net foreign outflows to USD 3.1bln.

In November, the Fund declined 0.8% to ₱1.74, outperforming the MSCI Vietnam TR (-1.2%) in Peso terms. Since inception, the Fund has gained 73.6%, outperforming the benchmark (+1.3%). The VNI declined for the second consecutive month, falling 1.1% MoM, as foreign selling pressures outweighed positive factors such as robust macroeconomic performance and a rally in US equities following the Fed's rate cut. Since the beginning of the year, the VNI has gained 10.7% YTD, outperforming regional peers in local currency terms: PSEI (+2.5%), Thailand's SET (+0.8%) and Indonesia's JCI (-2.2%). Average daily trading value dropped 10.3% MoM to USD 682mln, while foreign investors remained net sellers (-USD 519mln) for the tenth straight month, bringing YTD net outflows to USD 3.6bln.

Our Fund had an outstanding year in 2024. After a 0.6% gain in December, we finished the year with a total return of 28.6%, bringing our NAV to ₱1.75—far outpacing the MSCI Vietnam TR, which declined by 2.1%. Since inception, the Fund has delivered a total gain of 74.6%, handily beating the benchmark, which posted a decline of 0.7% over the same period. These results reaffirm the strength of our strategy and our ability to identify winners, even in challenging market conditions. Meanwhile, trading activity in the Vietnam Stock Exchange was robust, with average daily trading value increasing by 20% YoY to USD 826 million. However, foreign investors remained net

sellers for the 11th straight month, with total net outflows of USD 3.7 billion for 2024—up sharply from USD 892 million in 2023.

### **2023 Performance Review**

For the month of January, the Fund gained 4.6% to ₱1.11, underperforming the MSCI Vietnam TR (+7.7%) in Peso terms. Since inception, the Fund has gained 10.4%, outperforming the benchmark (+4.2%). After one of its steepest declines in history (-33% in 2022), the VNI started the new year strong, surpassing the 1,100-resistance level before the Tet Holiday and closed the month at 1,111 or +10.3% MoM in VND terms. VNI is off to a great start in January, outperforming the PSEi (+3.5%), Thailand's SET (+0.2%) and Indonesia's JCI (-0.2%), and we are hopeful that the momentum carries on throughout the year.

For the month of February, the Fund declined 11.1% to ₱0.98, underperforming the MSCI Vietnam TR (-10.1%) in Peso terms. Since inception, the Fund has declined 1.9%, outperforming the benchmark (-6.3%). After surpassing the 1,100 resistance level in January, the VNI retreated 7.8% in February due to strong profit taking pressure, the news of the potential default of Novaland, one of the bigger real estate developer in Vietnam, and the likely more hawkish stance of the Fed to combat high inflation in the US. This brought VNI's YTD gain down to +1.8%, slightly beating its regional peers (Indonesia's JCI -0.1%, PSEi -0.2%, Thailand's SET -2.8%). The negative sentiment caused trading turnover to contract 7% MoM (USD 493mln) and foreign investors to become net sellers of USD 11mln.

For the month of March, the Fund declined 3.1% to ₱0.95, underperforming the MSCI Vietnam TR (+4.8%) in Peso terms. Since inception, the Fund has declined 4.9%, underperforming the benchmark (-1.8%). It has been a very volatile month for global financial markets with three US banks (Silicon Valley Bank, Signature Bank and Silvergate Bank) being shut down in the first half of the month, and the news about the Credit Suisse crisis following not long after. Nevertheless, the VNI closed the month +3.9% MoM thanks to the SBV lowering its policy rates by 50 to 100 bps and UBS announcing it would take over Credit Suisse. As of Q1, VNI is now up 5.8% YTD, outperforming its regional peers (Indonesia's JCI -0.7%, PSEi -1.0%, Thailand's SET -3.6%). Our underperformance was due to a correction in our consumer discretionary names. Weak consumption demand is expected to persist in the short run as global economic uncertainty prompts households to hold back on certain consumption. However, we continue to be bullish in the consumer sector as retail sales remain stable and recovering (+13.9% in Q1).

In April, the Fund gained 0.8% to ₱0.96, outperforming the MSCI Vietnam TR (-0.4%) in Peso terms. Since inception, the Fund has declined 4.2%, underperforming the benchmark (-2.2%). The VNI extended its momentum in the first few days of the month before declining over the rest of April due to profit-taking, closing -1.5% MoM in VND terms. On a YTD basis, the index is up 4.2%, outperforming regional peers such as Indonesia's JCI (+1.0%), PSEi (+0.9%), and Thailand's SET (-8.4%). Some of our companies have announced 1Q23 earnings results, revealing noticeable weakness in the retail sector. Our ICT and grocery retailer reported a 26% and 99% drop in revenue and net income, mainly due to inventory clearance activities and weak demand for consumer electronics goods. Households have temporarily reduced discretionary spending. However, its grocery chain registered 6% YoY growth in revenue, with net margin also improving to -5.5% (vs. -10.9% in 2022).

For May, the Fund gained 2.6% to ₱0.99, outperforming the MSCI Vietnam TR (+1.4%) in Peso terms. Since inception, the Fund has declined 1.7%, underperforming the benchmark (-0.8%). The VNI made a comeback this month, following another policy rate cut of 50bps by the SBV, closing at 1,075 (+2.5% MoM). Year to date, the VNI has now surged by 6.8%, outperforming regional peers such as Indonesia's JCI (-3.2%), PSEi (-1.4%), and Thailand's SET (-

8.1%). The VNI is currently trading at 14.6x P/E, which is relatively fair compared to the 14.5x, 13.8x and 20.8x of JCI, PSEi and SET, respectively.

For June, the Fund gained 7.7% to ₱1.06, outperforming the MSCI Vietnam TR (+3.9%) in Peso terms. Since inception, the Fund has gained 5.9%, outperforming the benchmark (+3.1%). The VNI continued its rally for the second consecutive month, increasing by 4.2% MoM, backed by monetary easing. Our air cargo terminal was impacted by lower trade volumes, seeing a decline in international cargo volume by 35% YoY. This led to a decrease in H1 profit before tax by 24% YoY. However, we anticipate trade will begin to improve from H2 onwards, and several positive catalysts are in sight. Firstly, a major airline is projected to relocate to its larger facilities from its competitor TCS. Additionally, the company has shown interest in expanding to Long Thanh International Airport (LTA), set to be Vietnam's largest airport by 2027.

For July, the Fund gained 26.6% to ₱1.35, outperforming the MSCI Vietnam TR (+8.8%) in Peso terms. Since inception, the Fund has gained 34.1%, outperforming the benchmark (+12.2%). The VNI continued its recent momentum, advancing by 9.2% MoM to 1,223, the highest monthly gain since Sep 2022. The strong rally, driven by several positive factors that include lower interest rates in Vietnam, robust public investment and decreasing inflation in the US, has now pushed the VNI +21.4% YTD in local currency terms, outperforming regional peers such as Thailand's SET (-6.7%), PSEi (+0.4%) and Indonesia's JCI (+1.2%). Our private bank announced a drop in H1 operating profit and net income of -14% and -21% YoY driven by higher cost of funds and a decrease in retail loans. On a positive note, total credit still grew 9.7% YTD, while CASA ratio still increased +2.9% QoQ. We remain optimistic about their prospects over the long run.

For the month of August, the Fund gained 1.7% to ₱1.37, underperforming the MSCI Vietnam TR (+2.3%) in Peso terms. Since inception, the Fund has gained 36.3% in Peso terms, outperforming the benchmark (+14.8%). However, later in the month, it faced downward pressure from profit-taking. Ultimately, the index closed with a marginal gain of +0.1% MoM. YTD, it has increased by +21.5%, outpacing regional peers (all in local currency terms): Indonesia's JCI (+1.5%), PSEi (-6.0%), and Thailand's SET (-6.2%).

For the month of September, the Fund declined 0.6% to ₱1.36, outperforming the MSCI Vietnam TR (-9.0%) in Peso terms. Since inception, the Fund has gained 35.5%, outperforming the benchmark (+4.4%). The VNI increased in the first few days of the month following positive news brought about by US President Joe Biden's trip to Vietnam. However, the market subsequently succumbed to profit taking, fueled by rising US inflation (3.7% in Aug vs. 3.2% in Jul) and more stringent KYC rules imposed by regulators on stock brokerage accounts.

For the month of October, the Fund declined 10.6% to ₱1.22, outperforming the MSCI Vietnam TR (-14.5%) in Peso terms. Since inception, the Fund has gained 21.1%, outperforming the benchmark (-10.7%). We gave back some of our performance in Oct, but so far in the first week of Nov the market has bounced back strongly, resulting in the Fund regaining 9.9% MTD. The VNI's decline in Oct, -10.9% MoM, was its worst performance in 13 months. Several factors contributed to this: (1) the US stock market's decline driven by concerns of rising interest rates; (2) significant foreign selling of VHM on Oct 26 that negatively affected investor sentiment across the market; and (3) weak Q3 earnings by many heavy weight counters.

For the month of November, the Fund gained 6.5% to ₱1.29, underperforming the MSCI Vietnam TR (+9.1%) in Peso terms. Since inception, the Fund has gained 28.9%, outperforming the benchmark (-2.6%). After a sharp decline of 10.9% last month, the VNI rebounded strongly along with global equity markets, fueled by the US Fed's pronouncement that it may end its rate hike cycle. Several internal factors contributed as well, such as the SBV's

infusion of USD 7.5 billion into the banking system through T-bills, the government prolonging the 2% VAT reduction until June 2024, and Vietnam and Japan elevating their 50-year relationship to a Comprehensive Strategic Partnership (CSP).

For the month of December, the Fund concluded 2023 with strong results, achieving a 5.3% increase to ₱1.36 in December, surpassing the MSCI Vietnam TR (+4.1%) in Peso terms. For the full year, the Fund's performance was remarkable, delivering a total return of 28.7%, significantly ahead of the benchmark (+4.8%) in Peso terms. Since inception, the Fund has gained 35.8%, outperforming the benchmark (+1.4%). The VNI maintained its upward trajectory, ending the year at 1,130, an increase of 3.3% in December. Throughout 2023, it recorded a 12.2% gain, surpassing its regional counterparts in local currency terms: Indonesia's JCI (+6.2%), PSEi (-1.8%), and Thailand's SET (-15.2%).

### **2022 Performance Review**

For the month of January, the Fund declined 3.2%, in line with MSCI Vietnam TR\* (-3.3%) in Peso terms. Since inception, the Fund has gained 47.7%, underperforming the benchmark\* (+50.7%). The VNI started the year with a strong rally, hitting an all-time high of 1,537 on Jan 10 before pulling back 6.3% in the last two weeks as it succumbed to profit taking before Tet Holiday. Earnings season has officially started and our bank, Vietnam's largest private lender, entered the billion-dollar club following the announcement of impressive results, with strong 2021 total income and pre-tax profits growth of 35% and 47% respectively. Its credit growth is one of the highest at 26.5% YoY while NPL increased slightly by 0.2% to 0.7%, in line with the industry. Our technology firm released 2021 results with both revenue and net income growing by 20% and 23% YoY respectively. Both domestic and global segments of its software outsourcing business had robust growth, while new contract value also surged 20% YoY, securing future growth for the company. Its telecom segment also posted 11.2% and 16.5% YoY increase in sales and pre-tax profit.

For the month of February, the Fund gained 9.0% to ₱1.62, outperforming MSCI Vietnam TR (-2.9%) in Peso terms. Since inception, the Fund has gained 60.9%, outperforming the benchmark (+46.3%). The VNI had a strong rally in the first week before tumbling down alongside global markets due to the escalating conflict between Russia and Ukraine. It closed the month +0.8% and -0.5% YTD, behind neighboring markets like Indonesia's JCI (+5.7%), PSEi (+3.5%) and Thailand's SET (+2.4%). More of our companies have reported encouraging full year 2021 earnings results. Our real estate developer achieved revenue and net income growth of 19% and 43% mainly driven by scheduled handover of property sales. New contract sales remained healthy with the company expecting accelerated construction activities of new projects in 2022 to sustain growth.

For the month of March, the Fund gained 8.3% to ₱1.75, outperforming MSCI Vietnam TR (+0.1%) in Peso terms. Since inception, the Fund has gained 74.3%, outperforming the benchmark (+46.4%). Global markets experienced much volatility this month, declining in the first half due to the Russia - Ukraine conflict and its impact on commodity prices, before rebounding in the second half following a 25bps hike by the Fed and positive progress in talks from the ongoing geopolitical conflict. The VNI mirrored the same volatility, closing almost unchanged MoM and -0.4% YTD. We have also initiated a new position in one of Vietnam's largest port operators and domestic logistics service providers. With the signed FTAs and growing manufacturing activity in Vietnam, we expect strong export and import activities in the coming years, as evidenced by the total trade volume of USD 176bln (+14.5% YoY) in Q1. The company is like Vietnam's version of ICTSI in the Philippines. It will be a major beneficiary of booming trade. The stock's valuation is on the high side at 25x forward P/E, but we think it's attractive (and will be buying more) given earnings CAGR could easily be 25-30% in the next 5 years.

For the month of April, the Fund declined 1.8% to ₱1.72, outperforming MSCI Vietnam TR (-7.1%) in Peso terms. Since inception, the Fund has gained 71.1%, outperforming the benchmark (+36.0%). Global markets slumped this month as investors juggled several pressing concerns concurrently, including elevated geopolitical tension, battling of high inflation with Fed's tightening monetary policy and worries about the China lockdown due to Covid outbreak. The VNI followed the same trend, dropping 8.4% to an eight-month low of 1,367, its sharpest decline since Mar 2020.

For the month of May, the Fund declined 8.6% to ₱1.57, underperforming MSCI Vietnam TR (-7.3%) in Peso terms. Since inception, the Fund has gained 56.5%, outperforming the benchmark (+26.1%). Like the previous month, the VNI declined 5.4% in May due to concerns about inflation and lockdowns in China. The VNI looked vulnerable to a correction, following its strong performance in 2021 and sideways movement for most of 1Q. It's down 13.7% YTD, underperforming neighboring markets such as Indonesia's JCI (+8.6% YTD), Thailand's SET (+0.3% YTD) and PSEi (-4.9% YTD).

For the month of June, the Fund gained 3.8% to 1.63, outperforming MSCI Vietnam TR (-2.8%) in Peso terms. Since inception, the Fund has gained 62.4%, outperforming the benchmark (+22.6%). As global stock markets tumbled on news that US inflation reached a 40-year high of 8.6% in May, the VNI continued its weakness and dropped 7.4% MoM, its second worst performance since March 2020. During the first half of the year, VNI has plunged 20.1%, underperforming neighboring markets such as Indonesia's JCI (+4.0%), Thailand's SET (-5.4%) and PSEi (-12.9%). The solid results of our companies helped our Fund outperform the benchmark. Our technology firm reported 5M2022 revenue and net income growing 22% and 31% YoY on the back of strong performance of higher margin products in both its IT and telecom segments. Its long-term prospects remain intact, as enterprises adopt and upgrade technology to stay competitive in the post-pandemic environment.

For the month of July, the Fund declined 10.5% to 1.46, underperforming MSCI Vietnam TR (-0.3%) in Peso terms. Since inception, the Fund has gained 45.4%, outperforming the benchmark (+22.2%). Following three consecutive months of decline and reaching an 18-month low on July 6, the VNI stopped the bleeding and closed the month gaining 0.7%. On a YTD basis, while VNI (-19.5%) has underperformed neighboring markets such as Indonesia's JCI (+5.6%), Thailand's SET (-4.9%) and PSEi (-11.3%), its fundamentals remain intact as evidenced by its attractive P/E multiple at only 12.9x (vs. JCI's 15.0x, SET's 17.0x and PSEi's 18.2x). More of our companies have released earnings results. Our mobile phone and pharmacy retailer announced a revenue and profit growth of 43% and 56% YoY primarily driven by strong laptop and iPhone sales, and the continued success of its pharmacy business. Long Chau's H1 revenue tripled YoY on the back of rapid store expansion and higher average sales per store, while also improving its margins. The company's stock has surged 69% YTD at one point in April, which expectedly led to price correction over the last three months, partially explaining our underperformance this month. Nevertheless, we think its outlook is bright given the coming back-to-school season that should boost electronics sales, and the momentum of Long Chau's aggressive expansion.

For the month of August, the Fund gained 8.8% to 1.59, outperforming MSCI Vietnam TR (+5.8%) in Peso terms. Since inception, the Fund has gained 58.2%, outperforming the benchmark (+29.3%). The VNI continued its upward trend and closed this month with the biggest monthly gain (+6.1% MoM) since October 2021. This helped reduce VNI's decline on a YTD basis to -14.5%, still underperforming neighboring markets such as Indonesia's JCI (+9.1%), Thailand's SET (-1.1%) and PSEi (-7.6%), as most global equities had a positive month. Riding on with the momentum, trading turnover rebounded 36% MoM to a four-month high of USD 792mln. Rounding up the earnings of our

companies, our private port operator released 2Q22 results with revenue up 30% and profit doubling YoY. The upbeat profit growth was mainly driven by the core businesses in the consolidated ports, logistics segments and net income from affiliates. The results exceeded that of Q1, which is normally the peak season in the ports and logistics business.

For the month of September, the Fund declined 13.6% to ₱1.37, underperforming MSCI Vietnam TR (-8.6%) in Peso terms. Since inception, the Fund has gained 36.7%, outperforming the benchmark (+18.2%). Global stock markets tumbled as the Fed raised rates again as it continued its hawkish stance to combat inflation. The VNI was no exception, recording its sharpest monthly drop (-11.6% MoM) since the pandemic started in March 2020, closing the month at 1,132, the lowest in 2022 (-24.4% YTD). We are optimistic after attending a recent analyst meeting of our leading mobile retailer and grocery company despite expected inflationary pressure towards the end of the year. 8M22 revenue and net income attained growth of 60% YoY and 33% YoY respectively. The latest release of Apple products will continue to drive the ICT segment while the profitability of the grocery business improved 5% MoM on higher monthly sales/store (USD57k in Aug22 vs USD42k in 1Q22) post restructuring. We believe Vietnam's modern retail industry has a lot of room for growth given that it currently accounts for only 25% of total retail sales compared to 33% in the Philippines, 34% in Thailand and 60% in Malaysia.

For the month of October, the Fund declined 11.4% to ₱1.22, outperforming MSCI Vietnam TR (-14.5%) in Peso terms. Since inception, the Fund has gained 21.1%, outperforming the benchmark (+1.1%). The VNI sank to a 23-month low of 986 last Oct 24 due to a few events that weighed down sentiment. Principal among these was the arrest of the chairwoman of a real estate developer for illegal trading activities. The market sold off sharply when the news came out, and contagion spread to other listed banks and real estate companies. Moreover, concerns heightened over the VND's depreciation. Looking at our portfolio, we are pleased with the results of our companies. One of our strongest convictions in consumer electronics and pharmacy retailing which announced 3Q22 revenue and net income surging 54% and 78%. The company saw a strong rebound in smartphone sales and rapid store expansion of its Long Chau pharmacy chain (now 800 stores as of Sep 2022, 2.6x YoY). Its monthly revenue per store has normalized at VND 1.1bln while net margin inched up 40bps YoY to 0.4% in 9M2022.

For the month of November, the Fund declined 13.0% to ₱1.06, underperforming MSCI Vietnam TR (-0.9%) in Peso terms. Since inception, the Fund has gained 5.3%, outperforming the benchmark (+0.1%). After hitting a two-year low, the VNI further dropped in the first half of the month as investor sentiment was soured by the global economic slowdown. On a YTD basis, the VNI has now plunged 30.0%, underperforming its neighboring peers such as Indonesia's JCI (+7.6%), Thailand's SET (-1.3%) and PSEi (-4.8%). Our Fund's underperformance was mainly due to our consumer electronics companies. They've been our top performers but have now succumbed to profit taking. Most retailers are seeing margins squeezed in the inflationary environment, and markets are concerned. Meanwhile, our water supplier reported stellar Q3 results with 9M 2022 revenue and net income growing by 16% and 37% YoY. Moving forward, analysts expect water demand to accelerate starting in 2023 (~15% CAGR until 2026) due to strong FDI flows in Binh Duong province (highest in Vietnam as of 7M 2022).

For the month of December, the Fund gained 0.2% outperforming the benchmark (-3.3%) in Peso terms. Since inception, the Fund has gained 5.5%, outperforming the benchmark (-3.2%). The VNI ended its three-year winning streak and underperformed its neighboring markets, Indonesia JCI (+4.1%), Thailand SET (+0.7%) and PSEi (-7.8%). The market saw its steepest sell-off in Q4, after the government cracked down on alleged illicit financial fraud at one of the country's largest banks. Amidst the difficult market, a couple of our portfolio bets managed to eke out a positive performance last year. Our utilities company reported resilient sales volume and increased ASP to meet

strong water demand, particularly in Binh Duong province, which ranked second this year in terms of total investment capital (USD 3.1bln). Our mobile phone and pharmacy retailer continued to outperform its peers. Pharmacy remains the key growth driver as new initiatives are implemented to expand their product offerings.

### **2021 Performance Review**

For the month of January, the Fund declined 2.3% to ₱1.00, outperforming the VNI TR (-4.1%) in Peso terms. Since inception, the Fund is flat, underperforming the VNI TR (+3.0%). After closing 2020 at its highest level since Apr 2018, the VNI continued its uptrend in the first half of the month before succumbing to profit-taking towards the end. A new COVID-19 outbreak with 84 cases last Jan 28 (the highest in a single day for Vietnam) triggered the sell-off, sending the index tumbling 4.3% for the month. Average daily trading value reached a fresh record high (\$900mln, +37% MoM), while foreigners remained as net sellers (\$75mln) for the fourth straight month.

For the month of February, the Fund gained 9.2% to ₱1.10, underperforming the VNI TR (+12.0%) in Peso terms. Since inception, the Fund has gained 9.2%, underperforming the VNI TR (+15.3%). After tumbling down in late January due to profit taking and the reemergence of new Covid-19 cases, Vietnam's stock market recovered strongly this month, surging by 10.6% MoM, the highest gain in nine months. This was supported by an overall positive global market performance, the government's effective containment of its third outbreak, and the announcement of a vaccine distribution schedule. Foreign investors were net sellers (USD 61mln) for a fifth straight month, while trading activity cooled down (-18% MoM) from the record high in January.

For the month of March, the Fund gained 0.9% to ₱1.11, underperforming the VNI TR (+1.2%) in Peso terms. Since inception, the Fund has gained 10.2%, underperforming the VNI TR (+16.6%). After failing to surpass the 1,200 level several times, the VNI finally hit an all-time high last March 18 following rallies in global markets. The US government's USD 1.9tn stimulus package and Moody's upgrade in Vietnam's sovereign rating boosted market sentiment. Subsequently, the index pulled back on strong selling before settling at +2.0% MoM. The selloff was due to an over-capacity issue in the Ho Chi Minh Stock Exchange (HOSE), wherein the vast increase in trading activity caused the HOSE's systems to freeze during the afternoon sessions. This particularly upset foreign investors who reacted by exiting positions aggressively. Foreigners were net sellers for a record USD 498mln during the month.

For the month of April, the Fund declined 2.7% to ₱1.08, underperforming the VNI TR (+4.3%) in Peso terms. Since inception, the Fund has gained 7.2%, underperforming the VNI TR (+21.6%). The VNI extended its rally at the start of the month after the arrival of more than 800,000 doses of vaccine and the expectations for positive corporate earnings results. Trading activity soared to a new high as the exchange began upgrading its capacity, while foreign investors became net buyers (USD 17mln) for the first time in seven months.

For the month of May, the Fund gained 2.4% to ₱1.10, underperforming the VNI TR (+6.3%) in Peso terms. Since inception, the Fund has gained 9.8%, underperforming the VNI TR (+29.2%). Despite a resurgence in Covid-19 cases since late April, the VNI continued its momentum and closed the month reaching a new high of 1,328 (+7.2% MoM). The rally can be attributed to the influx of new local retail investors, averaging over 110,000 new accounts per month since March (vs. 33,000 in 2020 and 16,000 in 2019). Consequently, average daily trading value also soared to a record high of USD 1.2bln. Meanwhile, foreign investors recorded the highest net outflow ever of USD 511mln during the month.

For the month of June, the Fund gained 5.7% to ₱1.17, underperforming the VNI TR (+7.6%) in Peso terms. Since inception, the Fund has gained 16.0%, underperforming the VNI TR (+39.0%). The VNI resumed its upward trend

despite the escalating Covid-19 cases and the Fed's signal that it may raise interest rates sooner due to rising inflation, closing +6.1% MoM at a record high of 1,409. Since the start of the year, the VNI has surged 27.6%, easily beating its peers such as Thailand's SET (+9.6%), Indonesia's JCI (0.1%) and PSEi (-3.3%). Market turnover expanded to a new high, with average daily trading value in H1 hitting USD 1bln (vs. USD 100mln in the Philippines on a good day), or four times that of the same period last year. Meanwhile, foreign net selling continued, lifting total net outflow YTD to USD 1.3bln.

For the month of July, the Fund gained 5.9% to ₱1.23, outperforming the VNI TR (-3.5%) in Peso terms. Since inception, the Fund has gained 22.9%, underperforming the VNI TR (+34.2%). After achieving an historic high at the beginning of the month, the VNI subsequently retreated due to a spike in Covid-19 cases, dropping by 7% MoM, its sharpest decline in 16 months. Unsurprisingly, market turnover cooled from the record high in June with average daily trading value declining 17.7% to USD1.1bln. Meanwhile, foreign investors returned to being net buyers for USD232mln, the highest in 13 months.

For the month of August, the Fund gained 0.4% to ₱1.24, underperforming the VNI TR (+1.3%) in Peso terms. Since inception, the Fund has gained 23.4%, underperforming the VNI TR (+35.9%). The VNI continued its recovery trend that started late July despite the ongoing fourth wave, before dropping on Aug 20 as the government imposed the strictest social distancing measure since the pandemic started. The index still managed to close the month up 1.6% MoM and 20.6% YTD (vs. Thailand's SET +13.1%, Indonesia's JCI +2.9% and Philippines' PSEi -4.0%). Market liquidity improved for the month with average daily value traded for the three bourses rising 17.3% MoM to USD 1.3bln. On the other hand, foreign investors returned to being net sellers for USD 290mln, bringing total net outflows YTD to USD 1.4bln.

For the month of September, the Fund gained 3.1% to ₱1.28, outperforming the VNI TR (+2.7%) in Peso terms. Since inception, the Fund has gained 27.2%, underperforming the VNI TR (+39.6%). Despite the disruptions caused by Covid-19 that brought Vietnam its first quarterly negative GDP growth this year, the VNI still managed to inch up +0.8% MoM in VND terms. Market liquidity weakened (ADTV fell 8% MoM to \$1.2bln) while net foreign outflows reached a 4-month high of \$365mln (\$1.8bln YTD). Heading into Q4, the continued relaxation of restrictions and increase in vaccinations should help support market sentiment.

For the month of October, the Fund gained 4.5% to ₱1.33, underperforming the VNI TR (+7.4%) in Peso terms. Since inception, the Fund has gained 32.9%, underperforming the VNI TR (+50.0%). The VNI rallied alongside global markets, rising 7.6% MoM to a new record high of 1,444. This was the highest monthly gain since March brought about by positive investor sentiment due to the reopening of economic activities in Vietnam, stimulus programs announced by the government, and surprisingly solid Q3 earnings for corporates. On a YTD basis, VNI has already surged 30.8% in 2021, outperforming Thailand's SET (+12.0%), Indonesia's JCI (+10.2%) and the PSEi (-1.2%). Meanwhile, foreigners continued to be net sellers of another USD 367mln, bringing YTD net outflows to USD 2.1bln.

For the month of November, the Fund gained 3.3% to ₱1.38, outperforming the VNI TR (+2.2%) in Peso terms. Since inception, the Fund has gained 37.3%, underperforming the VNI TR (+53.2%). The VNI kept its foot on the gas as it broke the 1,500 mark before retreating from this record high amid the new Omicron variant, which is deemed to be more infectious than the recent Delta variant based on early data. Average daily trading value recorded a new monthly high of \$1.8bln (+46% MoM), while foreigners remained net sellers, bringing YTD net outflows to \$2.5mln (vs \$700mln in 11M20).

For the month of December, the Fund gained an exceptional 11.1% (vs. VNI TR's +1.8%), closing 2021 with a total return of +48.9% to ₱1.53. We outperformed the VNI TR (+45.1% in 2021) in Peso terms for the second year straight. Since inception, our 52.5% return still tracks behind the VNI TR (+55.9%), but we have closed the gap significantly. Our portfolio's late rally was driven by a 73% MoM surge in our mobile phone and pharmacy retailer (FRT:VN), which saw significant improvements in the margins of its mobile business and accelerated progress in its pharmacy segment.

#### **Balance Sheet Items (June 2025 vs. December 2024)**

As of June 30, 2025, the Fund's total assets stood at PhP705.93 million, lower by 12.97% over December 31, 2024, which is at PhP811.09 million. The decrease in assets is mainly due to unrealized gains in fair value through profit/loss and a sharp reduction in cash and cash equivalents.

Changes in the items on the asset side of the balance sheet mainly reflect market valuation movements within the investment portfolio and liquidity deployment to meet shareholder redemptions, resulting in lower cash balances at period-end.

Cash and cash equivalents consist of cash in bank. This is a highly liquid asset used as standby funds for redemptions and for future investment opportunities. On June 30, 2025, cash and cash equivalents decreased by 78.43% (-PhP32.24 million) to PhP8.89 million from PhP41.12 million as of December 31, 2024.

Financial Asset at FVPL decreased from PhP760.46 million to PhP694.61 million (-8.66%) as of June 30, 2025, reflecting market price movements and net portfolio activity during the period.

On the liabilities side, total liabilities as of June 30, 2025 increased significantly to PhP85.56 million (from PhP1.22 million as of December 31, 2024), up by PhP84.34 million. The increase is attributed primarily to the recognition of redemptions payable (PhP83.20 million) and higher accrued expenses, alongside smaller balances for income tax payable and deferred tax liability.

As a result, net assets/ equity decreased by 23.40% from PhP809.87 million as of December 31, 2024 to PhP620.38 million as of June 30, 2025.

#### **Balance Sheet Items (2024 vs. December 2023)**

As of December 31, 2024. The Fund's total assets stood at PhP811.09 million, higher by 43.99% versus PhP563.28 million as of December 31, 2023. The increase was driven mainly by growth in financial assets at fair value through profit or loss (FVPL) and higher cash and cash equivalents at year-end.

Changes in the items on the asset side of the balance sheet mainly reflect market valuation movements and portfolio positioning within the investment asset classes.

Cash and cash equivalents consist of cash in bank. This highly liquid balance is used as standby funds for redemptions and for future investment opportunities. On December 31, 2024, cash and cash equivalents increased by 28.98% (+PhP10.34 million) to PhP41.12 million from PhP31.88 million in 2023.

Financial assets at FVPL increased from PhP527.68 million to PhP760.46 million as of December 31, 2024, reflecting market price movements and net portfolio activity. FVPL represented about 93.73% of total assets at year-end 2024; cash accounted for around 5.20%.

Other asset movements including trade and other receivables rose slightly by PhP0.04 million, other current assets increased by PhP0.08 million, software (net) decreased due to the amortization of PhP0.48 million, and a net deferred tax asset of PhP5.06 million was recognized in 2024.

On the liabilities side, total liabilities decreased by 11.16% to PhP1.22 million, from PhP1.67 million in 2023. There was no deferred tax liability in 2024 as it was offset by deferred tax asset. The settlement of income tax payable, partially offset by high accounts payable and accrued expenses (PhP1.22 million and PhP0.54 million, respectively).

As a result, net assets and equity increased by 44.21% from PhP561.61 million as of December 31, 2023 to PhP809.87 million as of December 31, 2024. The uplift came from higher capital stock of about PhP46.72 million, additional paid-in capital of PhP25.72 million, and growth in retained earnings of PhP175.83 million.

#### **Balance Sheet Items (2023 vs. 2022)**

As of December 31, 2023, the Fund's total assets stood at PhP563 million, higher by 14.72% over December 31, 2022, which is at PhP491 million. Increase in assets is mainly due to unrealized gains in fair value through profit/loss.

Changes in the items on the asset side of the balance sheet mainly reflect shifts within investment asset classes.

Cash and cash equivalents consist of cash in bank. Cash in banks is highly liquid asset; use as standby funds for redemptions by shareholders and any future investment opportunities. On December 31, 2023, cash and cash equivalents increased by 46.63% or PhP10.14 million compared to last year.

Financial Asset at FVPL increased from PhP465 million to PhP528 million or 13.40% in December 31, 2023. This was due to the movement of the prices in Philippines market.

Total Liabilities as of December 31, 2023 significantly decreased by PhP50.16 million or 96.78% compared to December 31, 2022. The decrease is attributed to the payment of the income tax, settlement of due to related parties and the favorable adjustment on the deferred tax liability.

As a result, net asset value increased by 27.56%, from PhP440.28 million as of December 31, 2022 to PhP561.61 million as of December 31, 2023.

In terms of cash requirements, the Fund is currently compliant. It may raise additional funds in the next twelve (12) months as the investor base grows.

#### **Income Statement (June 2025 vs. December 2024)**

Income for the Fund is generated primarily from realized gains on listed securities, interest income on cash/placements, and foreign-exchange movements.

MBG Asia Frontier Feeder UMF, Inc. recorded a total comprehensive loss of PhP14.70 million for the six months ended June 30, 2025, versus total comprehensive income of about PhP175.83 million for the year ended December 31, 2024. The reversal mainly reflects softer trading/mark-to-market results in the first half of 2025 compared with strong gains in 2024.

In the first half of 2025, net trading gains were PhP2.18 million. In the financial year of 2024, net trading gains were PhP184.92 million. Results reflect portfolio performance and price movements in the markets.

As of June 30, 2025, there was no dividend income for the Fund.

Total operating expenses for the six months ended June 30, 2025 amounted to PhP11.67 million. For December 31, 2024, operating expenses were PhP16.27 million. The higher expenses for the year contributes to the taxes and license fees that were incurred for the first half of 2025 compared to the financial year of 2024.

Fees paid to the investment adviser (service and administration fees) were PhP5.31 million for the first half of 2025 and PhP11.40 million for financial year of 2024. As these fees are calculated as a percentage of the Fund's net assets, they move in line with changes in the Fund's size year-on-year/period-on-period.

#### **Income Statement (2024 vs. December 2023)**

Income for the Fund is generated primarily from realized gains on investments in listed securities, interest income from cash placements, foreign exchange gains.

MBG Asia Frontier Feeder UMF, Inc. reported a net income of PhP175.83 million as of December 31, 2024, higher by 181.69% over December 31, 2023, which stood at PhP62.42 million. The increase in net income in 2024 is primarily due to stronger trading results and a favorable swing in foreign exchange, alongside a tax benefit recognized during the year.

Gain on sale/mark-to market of FVPL securities increased from PhP73.64 million to PhP184.92 million which is a 151.06% increase in December 31, 2024. This was largely driven by the performance of Master Fund's investments and market movements over the period.

As of December 31, 2024, there was no dividend income for the Fund. Interest income increased slightly to PhP0.05 million from PhP0.04 million year-on-year. Foreign exchange recorded a gain of PhP1.04 million in 2024 compared to PhP0.29 million in 2023.

Total operating expenses as of December 31, 2024 amounted to PhP16.27 million, higher by 47.45% versus PhP11.04 million as of December 31, 2023. The increase is primarily due to higher service fees, administration fees, and license fees, partly offset by reductions in taxes and licenses, dues and subscriptions, software amortization, and miscellaneous expenses.

Fees paid to the investment adviser (service and administration fees) for December 31, 2024 amounted to PhP11.40 million versus PhP5.83 million for December 31, 2023. As these fees are calculated as a percentage of the Fund's assets, they increased in proportion with the Fund's size year-on-year.

#### **Income Statement (2023 vs. 2022)**

Income for the Fund is generated primarily from realized gains on investments in listed securities, interest income from its fixed income investments, and foreign exchange gains.

MBG Asia Frontier Feeder UMF, Inc. reported a net income of PhP62.42 million as of December 31, 2023. The significant increase in net income in 2023 is primarily due to the market volatility and unrealized gain on FVPL.

Gain on sale of FVPL securities amounts to PhP73.64 million as of December 31, 2023. This was largely caused by the performance of the Master Funds' investments as well as the global market due to China's economic slowdown and the US Federal reserve's decision to start gradually raising interest rates made.

As of December 31, 2023, there was no dividend income for the Fund.

Total operating expenses as of December 31, 2023 amounts to Php11.04 million, is lower by 46.85% as of December 31, 2023. This is primarily due to the reduction in fees due to the conversion of the management fee (initially 2%) into a service fee (1%).

Fees paid to the investment advisor (Admin and Service Fee) for December 31, 2023 amounts to Php5.83 million. As the fees are all calculated as a percentage of the Fund's assets, they all increased in proportion with the decrease and increase in the Fund's size year-on-year.

#### **Balance Sheet Items (2022 vs. 2021)**

As of December 31, 2022, the Fund's total asset stood at PhP491 million, lower by 19.68% compared to December 31, 2021, which was at PhP611 million. The decrease can be attributed to market volatility and the sale of securities in the Vietnam Market.

Cash and cash equivalents consist of cash in bank. Cash in banks is highly liquid asset; used as standby funds for redemptions by shareholders and any future investment opportunities. On December 31, 2022, cash and cash equivalents increased by 237.98% or PhP15 million compared to last year mainly due to the sale of Vietnam securities. Financial Asset at FVPL dropped from PhP602 million to PhP465 million or 22.72% in December 31, 2022 due to lower stock prices of investments in the Vietnam Market.

Total Liabilities as of December 31, 2022 decreased by PhP44 million or 46.29% compared to December 31, 2021. The decrease is mainly attributed to payment of Incentive Fees and a reduction in Deferred Tax Liabilities after the sale of Vietnam securities.

As a result, net assets decreased by 14.82%, from PhP517 million as of December 31, 2021 to PhP440 million as of December 31, 2022.

#### **Income Statement (2022 vs. 2021)**

Income for the Fund is generated primarily from realized gains on investments in listed securities, interest income from its fixed income investments, and dividends.

MBG Asia Frontier Fund Inc. reported a net loss of PhP 60.14 million for the year ended December 31, 2022. The significant decline in net income in 2022 is primarily due to the market volatility and unrealized loss on FVPL.

Loss on sale of FVPL securities amounts to PhP69 million as of December 31, 2022. This was largely caused by poor performance of Vietnam stock market as well as the global markets due to China's economic slowdown and the US Federal reserve's decision to start gradually raising interest rates made.

Dividend income rose by 17.28% for December 31, 2022, over the same period of last year. The increase is attributed to the increase in exposure in high paying dividend securities.

Total operating expenses for the year ended December 31, 2022 decreased by 53.12% or PhP23.52 million which is mainly caused by the decline in Performance fees from PhP20.97M to PhP0.48 million.

Fees paid to the investment advisor (Management Fee) for December 31, 2022 fell by 49.25% or PhP6.05 million compared to figure recorded a year ago. As the fees are all calculated as a percentage of the Fund's assets, they all decreased in proportion with the decrease in the Fund's size year-on-year.

#### **Balance Sheet Items (2021 vs. 2020)**

As of December 31, 2021, the Fund's total asset stood at PhP611 million, higher by 56.30% compared to December 31, 2020, which was at PhP391 million. The increase can be attributed to strong performance of securities in the Vietnam Market.

On December 31, 2021, cash and cash equivalents decreased by 50.41% or PhP7 million compared to last year mainly due to the purchase of Vietnam securities. Financial Asset at FVPL increased from PhP373 million to PhP602 million or 61.29% in December 31, 2021 due to higher stock prices of investments in the Vietnam Market.

Total Liabilities as of December 31, 2021 increased by PhP71 million or 304.59% compared to December 31, 2020. The increase is mainly due to higher performance fees payables and deferred tax liabilities resulting from the good performance of its Vietnam securities.

As a result, net assets increased by 40.55%, from PhP368 million as of December 31, 2020 to PhP517 million as of December 31, 2021.

#### **Income Statement (2021 vs. 2020)**

Income for the Fund is generated primarily from realized gains on investments in listed securities, interest income from its fixed income investments, and dividends.

MBG Asia Frontier Fund Inc. reported a net income of PhP 145.62 million for the year ended December 31, 2021, higher by 143.56% compared to PhP 59.79 million for the year ended December 31, 2020. The significant increase in net income in 2021 is primarily due to the great performance of its investments in the Vietnam market.

Trading gains amounted to PhP231 million for the year ended December 31, 2021, higher by 179.88% compared to PhP83 million for the year ended December 31, 2020. This was largely caused by strong performance of Vietnam stock market.

Total operating expenses for the year ended December 31, 2021 increased by 175.63% or PhP28.22 million which is mainly caused by the increase in Performance fees from PhP1.53 million to PhP20.97 million.

Fees paid to the investment advisor (Management Fee) for December 31, 2021 increased by 37.47% or PhP3.35 million compared to figure recorded a year ago. As the fees are all calculated as a percentage of the Fund's assets, they all increased in proportion with the increase in the Fund's size year-on-year.

#### **Key Performance Indicators**

The Fund has set yearly quantifiable measures to evaluate its performance and has identified the following Key Performance Indicators affecting its current operations:

##### **1. Investment Performance vs Benchmark**

Benchmarking is one of the most important aspects of a mutual fund's total return performance. The Fund's performance is benchmarked against the returns of the MSCI Vietnam Net Total Return Index for the period starting January 2022 onwards, and VNI TR Index previously. MSCI VN TR Index is designed to measure the performance of the large and mid cap segments of the Vietnamese market. The index covers approximately 85% of the Vietnam equity universe, thereby providing an overview of the Vietnam market's overall condition and performance. The historical data of the benchmark can be obtained from Bloomberg.

As of June 2025	1 Year Return	3 Year Return	Return Since Inception
MBG Asia Frontier Feeder UMF, Inc (in PHP)	-5.1%	7.2%	74.2%
Benchmark (in PHP)	6.3%	-9.5%	11.0%

## 2. Long term performance vs peers

As of December 2024	2022	2023	2024
MBG Asia Frontier Feeder UMF, Inc. (in PHP)	-30.8%	28.7%	28.6%
Peers (Average of Philippine Equity Funds)	-12.1%	2.3%	3.87%

## 3. Subscriptions and Redemptions in the Fund or Net New Business

Open-end mutual funds can grow their asset size through two methods: 1) an increase in the value of the underlying assets due to successful portfolio performance, and 2) by attracting new investments from investors. The net increase in asset size resulting from investor subscriptions may serve as an indication of the fund manager's efficient management capabilities, reflective of the fund's performance. The Fund aims to generate positive net new business, defined as the positive difference between client subscriptions less redemptions.

(in PHP)	2022	2023	2024	June 2025
Subscriptions	3,766,316	64,439,545	132,631,895	0
Redemptions	(20,224,623)	(5,524,623)	(60,201,456)	(174,800,601)
Net Subscriptions	(16,478,307)	58,914,922	72,430,439	(174,800,601)

#### 4. Average AUM per client

The Fund aims to grow its customer base, in terms of number and average AUM, by achieving top investment performance and delivering high quality investor services.

(In PHP)	2023	2024	June 2025
Average AUM per client	12,763,952	17,605,902	14,427,342

#### 5. Customer Engagement

The Fund aims to grow its customer base as well as increase its share of customer investment portfolios by achieving top investment performance and delivering high quality investor services.

	2023	2024	June 2025
Clients	44	46	43

#### **Benchmarks**

Benchmarking is one of the most important aspects of a mutual fund's total return performance. A fund's performance metrics only have meaning if they are compared to appropriate benchmarks. Given the Fund's objective to invest in a Collective Investment Scheme of equity securities, and other assets in different frontier and emerging markets, its performance is measured against the MSCI Vietnam Index or a combination of the major stock indices in the countries where the CIS invested in by the Fund is predominantly in.

#### **Disclosures**

There are no:

1. known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Fund's liquidity increasing or decreasing in any material way;
2. events that will trigger direct or contingent financial obligation that is material to the Fund, including any default or acceleration of an obligation;
3. 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;
4. material commitments for capital expenditures;
5. known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the Fund's revenues or income from continuing operations;
6. significant elements of income or loss that did not arise from the Fund's continuing operations; and
7. seasonal aspects that had a material effect on the financial condition or results of operation.

## **CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES**

There has been no disagreement with SGV & Co. on any accounting and financial disclosures.

### **Audit and Audit-Related Fees**

The audit fees for the period ended 2022 and 2021 were both PHP147,840. These fees pertain to the audit of the financial statements of the Fund in relation to statutory and regulatory filings.

There are no other assurance and related services rendered by the external auditor for the last two fiscal years that are reasonably related to the performance of the audit of the Fund's financial statements.

The Board, after consultations with the Audit Committee, shall recommend to the stockholders an external auditor duly accredited by the Commission who shall undertake an independent audit of the Company, and shall provide an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders. The external auditor shall not, at the same time, provide internal audit services to the Company. Non-audit work shall be given to the external auditor, provided it does not conflict with his duties as an independent auditor or does not pose a threat to his independence.

### **Tax Fees**

There have been no professional services rendered by the external auditor for the last two fiscal years for tax accounting, compliance, advice, planning and any other form of tax services.

### **All Other Fees**

There are no other fees billed by the external auditor for any other products and services for the last two fiscal years. The Audit Committee pre-approves all audit plans, fees and billings scope and frequency before the start of the external audit. The Audit Committee, together with the Board of Directors, reviews the financial statements before such statements are approved.

## **DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS**

The BOD is responsible for conducting all the businesses of the Fund. It shall exercise general supervision over the duties performed by the Investment Company Adviser, Distributor, Transfer Agent, and Custodian of the Fund. The Fund is authorized to appoint and maintain a Board of Directors comprising of five (5) members. All elected directors hold office for one (1) year until the stockholders elect their successors annually during the annual meeting.

The following are the Fund's current directors and officers:

## **DIRECTORS AND EXECUTIVE OFFICERS**

To date until the next General Stockholders' Meeting, the Board of Directors and the key senior officers of the Fund are as follows:

**Michael Jack B. Garcia** is the President of MBG AFFI. Mr. Garcia is also the founder and CEO of MBG Capital Pte. Ltd. which he established in 2011. Prior to that, Michael was the Head and Chief Investment Officer of the Trust & Investments Services Group of Union Bank of the Philippines from 2006 to 2011 and Trust Centre Head of the International Exchange Bank from 2002 until its acquisition by Union Bank in 2006. Before embarking on a career in asset management, Michael worked from 1997 to 2002 at General Motors Europe in its London and Brussels offices where he performed various corporate finance and treasury functions, including interest rate and foreign exchange hedging using a variety of derivative instruments. He also worked from 1992 to 1994 as a credit risk manager at Citytrust Banking Corporation, the affiliate of Citibank NA in Manila. Michael is a Chartered Financial Analyst charter holder. He holds an MBA degree from IESE Business School in Barcelona, Spain and an undergraduate degree in AB Management Economics from the Ateneo de Manila University in the Philippines. Mr. Garcia is 55 years old.

**Paul Patrick M. Carague** is an Independent Director of the Fund. Mr. Carague is concurrently President of MetroChoice (2018 – Present). He was Chief Financial Officer of the Century Destinations and Lifestyle Corp., Chief Operating Officer of the Cullinan Group, Inc. (2013 – 2014), First Vice President of Union Bank of the Philippines (2010 – 2013), Senior Director at Freddie Mac (United States of America) (2004 – 2010), Group Manager / Director of Capital One (United States of America) (2000 – 2003), Manager and Head of Business Analysis at US Airways (1999-2000), and Equity Research Analyst at DBP-Daiwa Securities Philippines (Sept – Aug 1996). He graduated with a Bachelor of Arts in Management Economics from the Ateneo de Manila University and a Master's degree in Business Administration from the J.L. Kellogg Graduate School of Management. Mr. Carague is 55 years old.

**Evelyn R. Singson** is a Director and Chairman of the Fund. She is concurrently the Vice Chairman and President of Dusit Thani Philippines Inc. (2005- Present), Director and President of Gilt- Edged Properties, Inc. (1987 – Present), Director and Treasurer of Four Treasures Development Corporation (1988 – Present), and Director and President of La Bella Lifestyle Properties, Inc. (2013 – Present). She graduated with a Bachelor of Science in Commerce (magna cum laude) from Assumption Convent and earned a Master's degree in Business Administration from Kellogg School of Business, Northwestern University. Ms. Singson is a certified public accountant. She is 81 years old.

**Jose Ramon R. Garcia** is a director and treasurer of the Fund. He is also director for K Line Logistics, Inc. (2017 – Present), Sun Logistics Technology, Inc. (1996 – Present), Asia Trans International, Inc. (1988 – Present), and Nova Leisure Corporation (1993 – Present). He is President of Rayomar Management, Inc. (1986-Present), Rayomarine (1997 – Present), Transmar Holdings, Inc. (1984 – Present), and Ventis Maritime Corporation (2007 – Present). He earned a degree in Bachelor of Arts in Philosophy and Letters and Bachelor of Science in Commerce from the De La Salle University. He earned a master's degree in International Business from St. Mary's College, California, USA. He is 64 years old.

**Margarita Dela Cruz Go** is an independent director of the Fund. She is currently the President of JMG Retail Inc. (2021 – Present) where she provides strategic direction and executive leadership across all areas of the

organization. Prior to this, she worked as the Chief Executive Officer of Converse Philippines (1983 – June 2021) where she led the company through 36 years of expansion and market leadership. She graduated, cum laude from the University of the East with a Bachelor of Science in Business Administration – Major in Accounting, and is a Certified Public Accountant. Ms. Go is 67 years old.

**Joven N. Balderama** is the Compliance Officer of MBG IMI and the Compliance Officer of MBG AFFI. Prior to joining the company, he worked as an Internal Auditor at Metro Pacific Tollways Corporation (MPTC) Group (2018 – 2021). Prior to his work internal audit, he worked for over three (3) years as an external auditor, serving as the Senior Associate under the Audit and Business Assurance Services of Diaz Murillo Dalupan and Company (DMD) (2015 – 2018). He obtained his Bachelor’s Degree in Accountancy (BSA) at CvSU in 2015. Mr. Balderama is a Certified Public Accountant and is 32 years old.

**Gerardo Maximo V. Francisco** has been the Corporate Secretary of the Fund since inception. He is concurrently the Corporate Secretary of MBG IMI and Partner at Mata-Perez & Francisco (2013 – Present). He was previously Partner and Senior Associate at Salvador & Associates (2006 – 2013). He was Partner at Batuhan Blando Concepcion & Francisco, and Associate at SyCip Salazar Hernandez & Gatmaitan (2002 – 2005). He graduated with a Bachelor of Science degree in Legal Management from the Ateneo de Manila University. He also graduated from the Ateneo de Manila School of Law and earned a Master of Laws degree from the Columbia University School of Law. He is 56 years old.

<b>Name</b>	<b>Position</b>	<b>Citizenship</b>	<b>Term of Office</b>
Michael Jack B. Garcia	President	Filipino	2025 to present
Margarita Dela Cruz Go	Independent Director	Filipino	2025 to present
Paul Patrick M. Carague	Independent Director	Filipino	2018 to present
Evelyn R. Singson	Director	Filipino	2018 to present
Jose Ramon R. Garcia	Director	Filipino	2020 to present
Joven N. Balderama	Compliance Officer	Filipino	2023 to present
Gerardo Maximo V. Francisco	Corporate Secretary	Filipino	2018 to present

### **Incorporators**

The following are the incorporators of the company:

1. Gerardo Maximo V. Francisco
2. Euney Marie J. Mata-Perez
3. Samantha L. Poblacion
4. Florian G. Salcedo
5. Aziza Hannah A. Bacay

### **Significant Employees**

There is no "significant employee" as defined in Part IV(A) (2) of SRC Rule 12 (i.e., any person who is not an executive officer of the corporation but who is expected to make a significant contribution to the business)

### **Family Relationship**

Ma. Angeles R. Garcia is the wife of Michael Jack B. Garcia and the sister of Jose Ramon R. Garcia. All other directors and officers are not related up to the 4<sup>th</sup> civil degree either by consanguinity or affinity. There are no other family relationships known to the registrant other than the ones disclosed herein.

### **Involvement in Certain Legal Proceedings**

None of the members of the Board of Directors or executive officers of the Fund and its Fund Manager are:

1. involved in any legal proceeding during 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 Fund;
2. 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;
3. involved in or convicted by final judgment in any criminal proceeding, domestic or foreign, or subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
4. 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
5. found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the said judgment has not been reversed, suspended or vacated.

## **COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE**

The Board reviews and updates its Manual on Corporate Governance ("Manual") at least annually to ensure that it is kept abreast of global leading practices and principles on good corporate governance. To measure or determine the level of compliance of the Board and Management with the Manual, the Compliance Officer is empowered to: a) Monitor compliance by the Company with this Manual and the rules and regulations of regulatory agencies and, if any violations are found, report the matter to the Board and recommend the imposition of appropriate disciplinary action on the responsible parties and the adoption of measures to prevent a repetition of the violation; b) Appear before the Commission when summoned in relation to compliance with this Manual; and c) Issue a certification

every January 30th year on the extent of the Company's compliance with this Manual for the completed year and, if there are any deviations, explain the reason for such deviation. Furthermore, the directors accomplish a Board Effectiveness Questionnaire annually to determine their level of compliance with relevant Laws and Regulations, as well as top management's. There have been no deviations from the manual.

The company will disclose and submit to the Commission all relevant information on its corporate governance policies and practices in its Annual Corporate Governance Report (ACGR), and continuously update and post the same on its company website. Should there be any deviation from the company's Manual of Corporate Governance, it shall include a disclosure of the name and position of the person/s involved, and the sanctions imposed on the said individual.

The Fund is committed to continuously improving its corporate governance practices to ensure effective oversight of the Board and Investment Adviser actions. The Fund plans on an ongoing basis to enhance its corporate governance procedures and controls, including regular reviews of its governance framework and adopting best practices in the industry, and to effectively monitor the actions of the Board and of the Investment Adviser. To ensure compliance with all other laws and regulations, our management team and compliance officer continuously monitor and assess the operations and performance of the Fund. They also regularly check the news and announcements of relevant government entities to make sure that the Fund will comply with any new requirements. There are no other laws/regulations applicable to the Fund.

#### EXECUTIVE COMPENSATION

The Directors and Officers of the Fund each receive Thirty Thousand Pesos (PHP30,000.00) per diem per meeting, while the members of the Audit Committee each receive an additional Ten Thousand Pesos (PHP10,000.00). For 2024, the estimated total compensation for the officers and directors of the Fund is PHP100,000 and PHP360,000, respectively.

There are no other arrangements between the Fund and its directors.

The Fund has no employment contracts and termination of employment and change-in-control arrangements.

There are no warrants or options outstanding or repricing thereof.

Name & Principal Position of the executive officer	Year	Salary (including Fee and Per diem Allowance of Directors)	Bonus	Other Annual Compensation
Michael Jack B. Garcia    President Jose Ramon R. Garcia    Treasurer Gerardo V. Francisco    Corporate Secretary	2025	PHP 100,000	-	-
Joseph Alvin C. Tan    President Jose Ramon R. Garcia    Treasurer Gerardo V. Francisco    Corporate Secretary	2024	PHP 100,000	-	-
Joseph Alvin C. Tan    President Sebastian R. Lacson    Treasurer	2023	PHP 100,000	-	-

Gerardo V. Francisco	Corporate Secretary				
Euney Mata Perez	President	2022	PHP 60,000	-	-
Sebastian Lacson	Treasurer				
Gerardo V. Francisco	Corporate Secretary				
All Directors as a Group		2024	PHP 360,000	-	-
		2023	PHP 180,000	-	-
		2022	PHP 100,000	-	-

**SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT**

**Security Ownership of Certain Record and Beneficial Owners as of 07/31/2025**

**(More than 5% as of 07/31/2025)**

Title of Class	Name & Address of Owner / Relationship with Issuer	Name of Beneficial Owner & relationship with record Owner	Citizenship	Number of shares held	Percent of Class
Common	[REDACTED]	[REDACTED]	Filipino	99,889,280	28.73%
Common	[REDACTED]	[REDACTED]	Filipino	49,715,680	14.30%
Common	[REDACTED]	[REDACTED]	Filipino	45,076,684	12.96%
Common	[REDACTED]	[REDACTED]	Filipino	30,000,000	8.63%

Common	[REDACTED]	[REDACTED]	Filipino	20,000,000	5.75%
Common	[REDACTED]	[REDACTED]	Filipino	20,000,000	5.75%

The above persons paid PHP1.00 per share for the shares they own in the Fund. These persons are designated to vote for the shares indicated across their name in the above table during stockholders' meetings.

There are no arrangements that may result in a change in control of the Fund.

**Security Ownership of Management as of 07/31/2025**

Title of Class	Name of Record Owner	Name of Beneficial Owner	# of shares / Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	[REDACTED]	[REDACTED]	1/ Nominal	Filipino	0.0000%
Common	[REDACTED]	[REDACTED]	1/ Nominal	Filipino	0.0000%
Common	[REDACTED]	[REDACTED]	1/ Nominal	Filipino	0.0000%
Common	[REDACTED]	[REDACTED]	1/ Nominal	Filipino	0.0000%
Common	[REDACTED]	[REDACTED]	1/ Nominal	Filipino	0.0000%
Common	[REDACTED]	[REDACTED]	1/ Nominal	Filipino	0.0000%

There are no securities to be registered that are being offered for the account of security holders.

**Voting Trust Holders of 5% or More**

No holder of five percent (5%) or more of the Fund's units has a voting trust or similar agreement that vests voting rights or other powers to a voting trustee.

### **Changes in Control**

There has been no change in control of the Fund since the beginning of the last fiscal year. There is no arrangement which may result in a change in control of the registrant.

## **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

Related party relationships exist when the party has the ability to control, directly or indirectly, through one (1) or more intermediaries, or exercise significant influence over the other party in making financial and operating decisions. In considering each possible related party relationship, attention is directed to the substance of the relationships, and not merely to the legal form.

Based on this, the Fund has identified one party to which it has related party transactions with, MBG Investment Management, Inc. (MBG IMI), which serves as Investment Manager of the Fund. The management agreement has been determined to be fair and at arm's length, with full consideration of all parties involved. The fees and compensation offered were evaluated by the BOD and were deemed to be in line with industry standards and commensurate with the services to be provided.

There are no other ongoing contracts or commitments as a result of the arrangement aside from the aforementioned management agreement.

There is no significant employee who is expected by the Fund to make a significant contribution to the business. There are no employment contracts, termination of employment and change-in-control arrangements between the Fund and its directors and officers. There are no compensatory plans or arrangements between the Fund and any of its executive officers.

Except as disclosed below, there are no family relationships up to the fourth civil degree either by consanguinity or affinity among the directors, executive officers, or persons nominated or chosen by the Fund to become directors or executive officers. Mr. Michael Jack B. Garcia, Director, is married to the sister of Mr. Jose Ramon R. Garcia, who also serves as Director. This constitutes a relationship by affinity within the second civil degree.

There are no material transactions with or involving the Fund or any of its subsidiaries in which a director, executive officer, or stockholder owns ten percent (10%) or more of the total outstanding units/shares, and any member of their immediate family had or is to have a direct or indirect material interest.

There have been no transactions during the last two (2) years or proposed transactions, to which the Fund was or is to be a party in which any of the Fund's directors, executive officers or stockholders had or is to have a direct or indirect material interest.

There are no transactions by any security holder named in response to Part IV, paragraph C of the Securities Regulation Code.

There are no transactions with promoters and there are no transactions that involve the nature and amount of anything of value (including money, property, contracts, options, or rights of any kind) received or to be received by each promoter, directly or indirectly, from the Issuer and the nature and amount of any assets, services or other consideration received or to be received by the Fund. There are no transactions as to any assets acquired or to be acquired from a promoter.

Involvement of Management or Directors in Companies with which the Fund will be Dealing

Jose Ramon R. Garcia is a Director of the Fund and the Investment Manager, while Joven N. Balderama is the Compliance Officer of both the Investment Manager and the Fund.

	<b>MBG AFFI</b>	<b>Involvement in MBG IMI</b>
Jose Ramon R. Garcia	Director	Director/Treasurer
Michael Jack B. Garcia	Director	Director
Joven N. Balderama	Compliance Officer	Compliance Officer

Other than these interlocking directors and officers, management and members of the Board of Directors of the Fund are not involved in any companies that the Fund deals with.

**SUMMARY OF PRINCIPAL AGREEMENTS**

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

Management, Distribution and Administration Agreement

Under this agreement, MBG IMI was appointed as the Investment Manager, Principal Distributor and Administrator of the Fund. Under the agreement, the services of the MBG IMI shall include the following:

1. Investment and reinvestment of the resources of the Fund in accordance with the investment policies and guidelines set by the Fund's Board of Directors in conformity with the Fund's Prospectus, the ICA and other applicable laws and regulations;
2. Preparation and submission of such information and data relating to economic conditions, industries, business, corporations, or securities as may be reasonably required by the Fund's Board of Directors or as the MBG IMI may deem to be necessary in formulating and evaluating its investment policies or guidelines;

3. Coordination of the activities of, and extension of all necessary cooperation or assistance to the Fund's Custodian Bank, the Transfer Agent, the auditors, and the legal counsel without prejudice to the direct responsibility of such firms to the Fund;
4. Preparation of such reports, circulars, notices and other information on internal corporate affairs that may be required, from time to time, by the Fund, its stockholders, Board of Directors, and/or officers, which shall include a monthly report on:
  - a. Revenues and disbursements broken down as to investments and expenses;
  - b. Sales and redemptions; and
  - c. Performance, changes in or status of the Fund's assets;
5. Representation with Government offices, instrumentalities and agencies, including all work required in registering the Fund's securities, obtaining proper licenses and permits, complying with other legal requirements including those requirements relevant to the MBG IMI's own operations, and submitting regular reports to various government agencies;
6. Accounting, bookkeeping, clerical and other administrative services in the ordinary conduct of the Fund's activities, other than those services provided by the Custodian Bank, the auditors, and the legal counsel;
7. Transactions with fixed income securities dealers and equity stockbrokers for the account of the Fund in connection with the MBG IMI's investment and reinvestment of the Fund's assets;
8. Provide office space and other administrative facilities; and
9. Distribution of the units of the Fund.

For its services, MBG IMI will be paid a monthly Service Fee equivalent to 1 percent (1%) per annum for general clerical services. MBG IMI shall likewise be paid an Administration Fee equivalent to  $\frac{25}{100}$  percent (0.25%) per annum based on the NAVPU of the Fund. Fees are exclusive of VAT and shall be computed and are deemed to accrue on a daily basis. In consideration of the services performed by the Independent NAV Accountant, a monthly fee of PHP 33,000 exclusive of VAT shall be charged to the Fund.

In addition, MBG IMI shall receive sales load as follows, the Principal Distributor may charge a sales load or processing fee, which is an additional 1% of the subscription amount or five hundred pesos (PHP 500.00) whichever is higher plus VAT.

The above sales load shall be charged on top of each investment, with the fees subject to VAT. MBG IMI shall appoint eligible SEC Certified Investment Solicitors to distribute for sale the units of the Fund.

The Fund will pay or reimburse MBG IMI for all costs and expenses associated with the Fund's operations and with regards to its establishment, organizational and offering expenses. The Fund will be responsible for all of the necessary expenses of its operation, including, without limitation, the Fund's annual fees due to regulatory authorities, brokerage commissions, research expenses, quotation and news service expenses, information technology hardware, software and service expenses, legal and auditing expenses, accounting, fund administration, fees and charges of custodians, investment related consultants and other service provider expenses, investment related travel costs, expenses incurred with respect to the preparation, duplication and distribution to shareholders of Fund documents, reports and other financial information and similar ongoing operational expenses. The Fund

will reimburse duly appointed service providers and any affiliate retained by MBG IMI for all out-of-pocket expenses incurred on behalf of the Fund.

MBG IMI may, in its discretion, effectively waive all or part of its fees with respect to any investor by rebate or otherwise.

#### **Custodian Bank Agreement**

Under the agreement, the Custodian Bank shall receive, safe keep, record, and account for the proceeds of the sale of the units of the Fund. The Custodian Bank shall, likewise, hold all the certificates representing the investments made by the Investment Manager on behalf of the Fund in accordance with the regulations of the SEC.

#### **INSTRUMENTS OR STATEMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS**

There are no instruments defining the rights of security holders, including indentures as well as any documents or statements to security holders.

#### **TAXATION**

Investors are advised to consult their own professional advisers as to the tax implications of subscribing for, purchasing, holding, and redeeming units of the Fund. Tax-related laws, rules and regulations are factors that are subject to rapid change, and which could detrimentally affect the performance of the Fund.

The Company is subject to twenty-five percent (25%) corporate income tax on its net taxable income derived by the Company from all sources within and without the Philippines.

Any gain from the redemption of units by the unitholders shall be excluded from income tax of the shareholders, pursuant to Section 32(B)(7)(h) of the Tax Code. This may be deemed applicable to gains from redemption of units by unitholders. The issuance of certificate or other evidence of participation in a mutual fund or unit is exempt from documentary stamp tax pursuant to Section 199 of the Tax Code, as amended.

#### **REGULATORY FEE/S**

The Fund shall pay an annual fee of 1 basis point based on the average net asset value of the unitized funds within (30) days from the recently ended calendar year; or not later than 31 January of every year after the registration of the units of the Funds.

**SIGNATURES**

Pursuant to the requirements of the Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in Makati City on FEB 16 2026.

By:



**Evelyn R. Singson**  
Chairman

TIN: 




**Margarita Dela Cruz Go**  
Independent Director

TIN: 



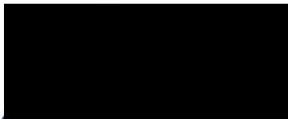
**Joven N. Balderama**  
Compliance Officer

TIN: 



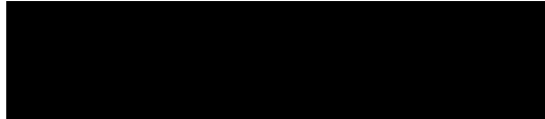
**Paul Patrick M. Carague**  
Independent Director

TIN: 



**Jose Ramon R. Garcia**  
Director

TIN: 



**Gerardo Maximo V. Francisco**  
Corporate Secretary

TIN: 

SUBSCRIBED AND SWORN to before me this day FEB 16 2026, at Makati City, affiants exhibiting to me their Passports, as follows:

Name	Passport No.	Date/Place of Issue
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

known to me and to me known to be the same persons who executed the foregoing SEC Form 12-1, and acknowledged to me that the same is their free and voluntary act and deed and that of the corporation, which they represent.

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Notary Public

Doc. No. 233 ;  
Page No. 48 ;  
Book No. I ;  
Series of 2026 .



**LEW EARVIN H. MANARIN**  
Appointment No. M-424  
Notary Public for Makati City  
Until December 31, 2026  
Unit 1002, One Corporate Plaza  
845 A. Amalz Ave., Legaspi Village,  
Makati City 1229

