

COVER SHEET

CS201739630

S.E.C. Registration Number

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

Jeanemar S. Talaman

Contact Person

8555-8888

Company Telephone Number

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Month

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Day

Fiscal Year

SEC Form 17-A

FORM TYPE

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Month

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Day

Annual Meeting

Mutual Fund Company

Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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SEC Number: **CS201739630**

File Number: _____

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.

(Company's Full Name)

**Sun Life Centre, 5th Avenue corner Rizal Drive
Bonifacio Global City, Taguig City, Metro Manila, Philippines**

(Company's Address)

8555-88-88

(Telephone No.)

December 31

(Fiscal Year Ending)
(Month & Day)

SEC FORM 17-A ANNUAL REPORT

Form Type

Amendment Designation (If applicable)

December 31, 2023

Period Ended Date

OPEN-END INVESTMENT COMPANY

Secondary License Type and File Number

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended December 31, 2023
2. SEC Identification Number CS201739630
3. BIR Tax Identification No. 009-942-763-000
4. Exact name of registrant as specified in its charter

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.

5. Metro Manila, Philippines
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue cor. Rizal Drive, Bonifacio Global City, Taguig City 1634
Address of principal office Postal Code
8. (02) 8555-8888
Registrant's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of December 31, 2023) |
|---------------------------------------|---|
| <u>Common Shares, P0.01 Par Value</u> | <u>50,000,000 shares</u> |
| <u>Units, PHP 1.00 initial value</u> | <u>65,375,869.70 units</u> |

10. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes No

11. Check whether the registrant:

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

Yes No

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

Yes No

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

The Sun Life Prosperity Achiever Fund 2038, Inc. (the “Fund”) is a registered open-end investment company under the Investment Company Act (R.A. 2629) and the Securities Regulation Code (R.A. 8799). It was incorporated on January 10, 2018 under SEC Registration No. CS201739630.

Sun Life Asset Management Company, Inc. (“SLAMCI”), a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. (“SLOCPI”), acts as the Fund Manager and Principal Distributor. As of December 31, 2021, SLAMCI owns 100% of the Fund’s net assets attributable to shareholders. The Fund was only incorporated on January 10, 2018 and the Fund started its commercial operations on January 28, 2019. The Fund's investment objective is to generate long-term capital appreciation through a portfolio of equities, fixed income securities and alternative financial instruments, adjusted accordingly as the target date of the Fund (Year 2038) approaches. Total revenue attributable to shareholders as of December 31, 2023 was mainly from interest income from cash in banks. For 2023, total revenue attributable to unit holders is composed of the following:

| | |
|--|---------|
| Trading loss | -65.87% |
| Dividend income | 106.53% |
| Interest Income from fixed-income securities | 55.30% |
| Interest Income from cash and cash equivalents | 4.05% |

The Fund was incorporated on January 10, 2018 with 200,000,000 authorized shares at par value of P0.01 per share attributable to shareholders and 100,000,000,000 offer units at P1.0000 initial offer price per unit attributable to unitholders.

As at December 31, 2023, the Fund has 50,000,000 issued and outstanding shares out of the 200,000,000 ACS with a par value of P0.01 per share attributable to shareholders and has 65,375,869.70 subscribed units out of 100,000,000,000 offer units.

The Fund only offers units of participation. The Participation Units consist of One Hundred Billion (100,000,000,000) units, to be offered at current Net Asset Value per Unit.

The Fund’s units are available through SLAMCI’s registered representatives and eligible securities dealers that have entered into an agreement with SLAMCI to sell units.

The Fund is part of the seventeen (17) Sun Life Prosperity Funds which offer excellent value to investors as a result of SLAMCI’s collective experience in fund management, strong investment philosophy, remarkable investment performance and strong organizational structure. However, it should be noted that past performance of any fund manager is no guarantee of future results. It is only an indication of their capabilities to deal with rapid changes in the economy and market conditions in the future.

The Sun Life Prosperity Funds make investing simple, accessible and affordable. The Sun Life Prosperity Funds offer a unique “family of funds” to choose from. The “family of funds” concept allows investors to modify their investment strategies over time, by letting them transfer from one fund to another, as their needs dictate, as much as ten times a year without paying documentary stamp taxes.

The financial statements have been prepared on the historical cost basis, except for certain financial assets measured at fair value. Fair value changes therefore affect the ratios related to the Fund’s total comprehensive income. The change to marked-to-market thus provides equitable treatment between investors coming in and out of the Fund.

The Fund principally competes directly with other mutual funds in the Philippines and with the Unit Investment Trust Funds (“UITFs”) offered by commercial banks, in terms of returns and the associated risks of the return. The Fund’s market strength is its wide distribution network that provides strategic

distribution of Fund shares and the financial stability and reputation of its Investment Company Adviser, SLAMCI. The Fund intends to compete principally based on the reputation of SLAMCI for superior investment performance and corporate governance coupled with its distribution network and superior backroom operations.

The Fund participates in the mutual funds sector, which is a sub-sector of the financial services industry. There are no national geographical boundaries as the nature of the industry and prevailing technology make it possible for the various players to offer their services to almost any place in the country.

There are many potential advantages to investing in mutual funds and in the Offer Units. However, in deciding to invest, the investor is strongly advised to also consider the risks involved in investing in mutual funds, and in the Offer Units, as well as the risks that the Fund faces, given its underlying assets whose respective values essentially affect the Fund's overall net asset value.

Market Risk: Market risk is the risk of possible decline in the value of the Fund due to fluctuations in prices of the fund's assets. Since the Fund may invest in both equity and fixed income securities, it is subject to two types of market risks: (1) Interest Rate Risk applicable to fixed income investments of the Fund; and (2) Equity Price Risk applicable to the equity investments of the Fund.

Interest Rate Risk: Interest Rate Risk is a type of Market Risk which is applicable to the Fund's investments in bonds, if any. This refers to the increase/decrease of a bond price due to movement in market factors such as changes in interest rates. A change in interest rates is the period when interest rates rise or fall thus causing the decline or increase in the market price of the bonds held by the Fund, if any. This risk is minimized by closely monitoring the direction of interest rates and aligning it with the appropriate strategy of the Fund.

Equity Price Risk: For equity investments, changes in prices of equity refer to the equity investments held by the Fund either for strategic or trading purposes. These equity investments, if any, are subject to the daily price fluctuations, as determined by market forces. Hence, prices may vary as a result of the general economic and political conditions, as well as developments in the company's operations and overall profitability. To manage this risk, the equity investments included in the Fund's portfolio are carefully selected based on their fundamental soundness.

Credit Risk: Investments in bonds carry the risk that the issuer of the bonds might not be able to meet its interest and principal payments. In which case, the value of the bonds will be adversely affected and may result in a write-off of the concerned asset held by the Fund, resulting to a significant decrease in its NAVPU. To mitigate this risk, each Issuer/Borrower/Counterparty passes through a stringent credit process to determine whether its credit quality complies with the prescribed standards of the Fund. The credit quality of the Issuer/Borrower/Counterparty is reviewed periodically to ensure that excellent credit standing is maintained. Moreover, a 15% exposure limit to a single entity is likewise observed.

Foreign Exchange Risk: The Fund is exposed to foreign exchange risk arising from currency exposures primarily with respect to the US dollars. Significant fluctuation in the exchange rates could significantly affect the Fund's financial position. The Fund's financial assets are primarily denominated in the same currencies as its insurance contracts, which mitigate the foreign exchange rate risk. Thus, the main foreign exchange risk arises from recognized assets and liabilities denominated in currencies other than in which the investments of the Fund are expected to be settled.

Fund Manager Risk: The performance of the Funds is also dependent on the Fund Manager's skills. Hence, the Fund may underperform in the market and/or in comparison with similar funds due to investment decisions made by the Fund Manager, and may also fail to meet the Fund's investment objectives. The Board of Directors of the Fund, however, shall ensure that all investment policies and restrictions enumerated in this Prospectus are strictly followed.

Liquidity Risk: The Fund is usually able to service redemptions of investors within seven (7) banking days after receiving the notice of redemption by paying out redemptions from available cash or cash

equivalents. When redemptions exceed these liquid holdings, the Funds will have to sell less-liquid assets, and during periods of extreme market volatility, the Funds may not be able to find a buyer for such assets. As such, the Funds may not be able to generate sufficient cash from its sale of assets to meet the redemptions within the normal seven (7) banking day period. To mitigate this risk, the Fund maintains adequate highly liquid assets in the form of cash, cash equivalents and near cash assets in its portfolio.

Large Transaction Risk: If an investor in a Fund makes a large transaction, the Fund's cash flow may be affected. For example, if an investor redeems a large number of units of a Fund, that Fund may be forced to sell securities at unfavorable prices to pay for the proceeds of redemption. This unexpected sale may have a negative impact on the net asset value of the Fund. To mitigate this risk, the Fund may impose single investor limits to the ownership of the fund, when necessary. This limits the extent to which redemptions from any single investor can impact the Fund's cash flow.

Non-Guarantee: Unlike deposits made with banks, an investment in the Fund is neither insured nor guaranteed by the PDIC. Hence, 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 past performance of the Fund does not guarantee its future success.

Regulatory Risk: The Funds' operations are subject to various regulations, such as those affecting accounting of assets and taxation. These regulations do change, and as a result, investors may experience lower investment returns or even losses depending on what such a regulatory change entails. For example, higher taxes would lower returns, and a mandated precautionary loan loss provisions could result in the Fund experiencing a loss in the value of assets. To mitigate this risk, the Fund adopts global best practices. Further, it maintains regular communications with the relevant government agencies to keep itself abreast of the issues giving them concern, and to have the opportunity to help them set standards for good governance. The Fund's investment manager, SLAMCI, also takes an active participation in the Philippine Investment Funds Association, Inc. ("PIFA"), an association of mutual fund companies in the Philippines.

Operational Risk: This is the risk of loss resulting from inadequate or failed internal processes, controls, people and systems. Categories of operational risks may fall under: sales and distribution, human resources, information technology, processes and people, accounting and finance, model risk, legal and regulatory and third party relationships. The Fund ensures that internal controls and practices are consistent with enterprise wide policies supporting the management of operational risks. The Fund has established business specific guidelines. Comprehensive investment program, including appropriate levels of self-insurance, is maintained to provide protection against potential losses.

Taxation Risk: Gains realized by investors upon redemption of shares in a mutual fund are not subject to personal income tax (R.A. 8424). However, since the fund will only issue units, 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

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.

Classification of the Fund into high, moderate or low risk investment:

The Fund's investment objective is to generate long-term capital appreciation through a portfolio of equities, fixed income securities and alternative financial instruments, adjusted accordingly as the target date of the Fund (Year 2038) approaches. The Fund is for retail and corporate investors, and is classified as a moderate-risk investment.

Item 2. Properties

The Fund has financial assets in the form of cash and cash equivalents, fixed income securities, and listed equity securities. As prescribed by SEC Rules, all of its assets are held by its custodian bank, Citibank, N.A..

Office space of the Fund is provided by SLAMCI pursuant to the Management Agreement between them. The Fund does not intend to acquire any real property in the course of its business.

Item 3. Legal Proceedings

There is no material pending legal proceeding to which the Fund or any of its affiliates is a party, or of which any of their property is the subject.

Item 4. Submission of Matters to a Vote of Security Holders

During the Annual Stockholders' Meeting held on 11 July 2023, the required quorum of majority of the outstanding capital stock was met, the following were elected as directors for the term 2023 to 2024: Benedicto C. Sison, Valerie N. Pama, Oscar S. Reyes (independent), Aleli Angela G. Quirino (independent) and Teresita J. Herbosa (independent).

The stockholders present or represented unanimously approved the following:

1. The minutes of the 2022 Annual Stockholders' Meeting;
2. All acts and proceedings of the Board and Corporate Officers (confirmation and ratification thereof);
3. Appointment of Navarro, Amper & Co. (Deloitte Touche Tohmatsu) as External Auditor for 2023;
4. Amendment of Article II paragraphs 8 (Secondary Purpose) of the Articles of Incorporation to clarify the wording (i.e., replace "business" with "activities")
5. Amendment of Article I, Sections 1 (Annual Meetings) and 2 (Special Meetings) of the By-Laws to allow for the holding of the stockholders meeting via remote communication; Section 2 (Special Meetings) to align with the Section 49 of the Revised Corporation Code
6. Amendment of Article I, Section 6 (Voting) of the By-Laws to provide for the use of remote communication or in absentia in the conduct of regular and special stockholders' meetings and on the manner of voting in accordance with the Revised Corporation Code
7. Amendment of Article II, Section 1 (Board of Directors) of the By-Laws to include the requirement that at least twenty percent (20%) of the Board of Directors must be composed of independent directors
8. Amendment of Article II, Section 4 (Compensation) of the By-Laws to expressly state that directors and prohibited from participating in the determination of their own per diems or compensation and to ensure that that director compensation is granted by the stockholders
9. Amendment of Article II, Section 5 (Vacancy) of the By-Laws to align with the Revised Corporation Code on the vacancies in the Board of Directors
10. Amendment of Article VI, Section 2 (Distribution Contracts) of the By-Laws to align with the Investment Company Act and its Implementing Rules and Regulations and to clean up the provisions
11. Amendment of Article VII, Section 6 (Closing of Transfer Books) of the By-Laws to align with the period specified in the Revised Corporation Code
12. Amendment of Article X, Section 1 (Procedure for Redemption) of the By-Laws to align with the grounds for suspension under the Investment Company Act and its Implementing Rules and Regulations
13. Amendment of Article X, Section 2 (Payment on Redemption) of the By-Laws to align with the Investment Company Act and its Implementing Rules and Regulations

14. Amendment of Article XI, Section 1 (Custodian) of the By-Laws to align the definition of a Custodian with the definition and qualifications provided by the Investment Company Act and other applicable issuance of the Securities and Exchange Commission
15. Amendment of Article II (Primary Purpose) and Article II, paragraph 1 (ii), and paragraph 6 (Secondary Purpose) of the Articles of Incorporation to align with the Investment Company Act and its Implementing Rules and Regulations
16. Amendment of Article II, paragraph 9 (Secondary Purpose) of the Articles of Incorporation to revise "Corporation Law" to "Revised Corporation Code"
17. Amendment of Article VII of the Articles of Incorporation to align the conditions for the redemption of shares by a shareholder with the Investment Company Act, its Implementing Rules and Regulations, and other applicable issuances of the Securities and Exchange Commission
18. Amendment of Article VIII of the Articles of Incorporation to add a description of the features of the Company's shares
19. Amendment of Article I, Section 3 (Notices) of the By-Laws to align the notice period for stockholders' meetings with the issuances of the Securities and Exchange Commission and to allow for the sending of the notices electronically
20. Amendment of Article II, Section 2 (Meetings) of the By-Laws to align the period for the notice of meeting of the directors with the Revised Corporation Code
21. Amendment of Article III, Sections 1 and 6 of the By-Laws in relation to the election of a Compliance Officer as one of the corporate officers
22. Amendment of Article IV, Section 1 (Committees) of the By-Laws to ensure compliance with applicable rules on the composition of committees, changing or discharging of its members, and filling in vacancies
23. Amendment of Article IV, Section 2 (Advisory Board) of the By-Laws on the deletion of the Advisory Board
24. Amendment of Article VI, Section 1 (b) (Management Contracts) of the By-Laws to align with the Investment Company Act and its Implementing Rules and Regulations
25. Amendment of Article VII, Section 3 (Lost or Destroyed Certificates) of the By-Laws to refer to the applicable section of the Revised Corporation Code
26. Amendment of Article VIII, Section 1 (Investment Policy) of the By-Laws to clarify that the Prospectus is as filed with and approved by the Securities and Exchange Commission
27. Amendment of Article VIII, Sections 2 (a) (b) and (c) (Restrictions) of the By-Laws to align with the Investment Company Act and its Implement Rules and Regulations
28. Amendment of Article IX, Section 1 (Net Asset Value) of the By-Laws to clarify that the Prospectus is as filed with and approved by the Securities and Exchange Commission
29. Amendment of Article XI, Section 2 (Auxiliary Custodian) of the By-Laws to align it with the Investment Company Act and its Implementing Rules and Regulations on outsourcing or delegation of functions of the Custodian
30. Amendment of Article XI, Section 3 (Auditors) to align it with the Investment Company Act and its Implementing Rules and Regulations and the Securities Regulation Code on the qualifications and appointment of an auditor
31. Amendment of Article XIV, Section 1 (Amendments) of the By-Laws to align with the applicable provision of the Revised corporation Code

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

1. Market Information

The shares of the Fund are traded over-the-counter. The Fund's common stocks are available through registered representatives and eligible securities dealers that have entered into an agreement to sell shares with the Fund's Principal Distributor, SLAMCI.

The following table shows the ranges of high and low prices (NAVPU) of the Fund's outstanding units for each quarter within the last two calendar years:

| | 2023 | | 2022 | |
|----|--------|--------|--------|--------|
| | High | Low | High | Low |
| Q1 | 0.8961 | 0.8305 | 0.9595 | 0.8842 |
| Q2 | 0.8727 | 0.8413 | 0.9198 | 0.7936 |
| Q3 | 0.8614 | 0.7985 | 0.8753 | 0.7523 |
| Q4 | 0.8538 | 0.7852 | 0.8516 | 0.7564 |

The Fund's NAVPU is published daily through Business World, Business Mirror and Sun Life Websites.

Below table shows the investment company return information of the Fund in the last recently completed fiscal year:

| | |
|-------------------------------------|-----------|
| Attributable to shareholders | |
| Year on year yield (1-year) | 0.00% |
| 3 Year - Simple | 0.00% |
| 5Year – Simple | 0.00% |
| Attributable to unit holders | |
| Year on year yield (1-year) | 1.3763% |
| 3 Year - Simple | -10.7564% |
| 5Year – Simple | 0.0000% |

2. Holders

The Fund has 6 shareholders as of December 31, 2023.

The Fund has approximately 457 unit holders as of December 31, 2023.

The following table shows the number of institutional and retail investors and the percentage of their investments, and the geographic concentration of investments as of December 31, 2023.

| % Ownership of Institutional Investors | % Ownership of Retail Investors |
|--|---------------------------------|
| Attributable to shareholders | |
| 100% | - |
| Attributable to unit holders | |
| 76.48% | 23.52% |

| Area | Percentage of Investments |
|-------------------------------------|---------------------------|
| Attributable to shareholders | |
| LUZON | 100% |
| Attributable to unit holders | |
| LUZON | 95% |
| VISAYAS | 4% |
| MINDANAO | 1% |
| TOTAL | 100% |

3. Dividends

The 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.

Item 6. Management's Discussion and Analysis or Plan of Operation.

The Performance of the Fund could be measured by the following indicators:

1. **Increase/Decrease in Net Assets Value per Share (NAVPS.)** NAVPS is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding plus for conversion to shares, if any, as of the end of the reporting day. Any increase or decrease in NAVPS translates to a prospective capital gain or capital loss, respectively, for the Fund's shareholders.
2. **Increase/Decrease in Net Assets Value Per Units (NAVPU).** NAVPU is computed by dividing net assets (total assets less total liabilities) by the total number of outstanding units, as of the end of the reporting day. Any increase or decrease in NAVPU translates to a prospective capital gain or capital loss, respectively, for the Fund's unitholders.
3. **Net Investment Income.** Represents the total earnings of the Fund from its investment securities, less operating expenses and income tax. This gauges how efficiently the Fund has utilized its resources in a given time period.
4. **Assets Under Management (AUM).** The assets under the Fund's disposal. This measures the profitability of the Fund (increase/decrease brought about by its operational income) as well as investor confidence (increase/decrease brought about by investor subscriptions/redemptions).
5. **Cash Flow.** Determines whether the Fund was able to achieve the optimal level of liquidity by being able to meet all its scheduled payments, while maintaining at the same time the maximum investments level and minimum cash level.

Accounting Policies for Financial Assets at Fair Value through Profit and Loss

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Classification and Subsequent Measurement

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

- FVTPL
- Amortized cost

Classification of financial assets will be driven by the entity's business model for managing the financial assets and the contractual cash flows of the financial assets.

A financial asset is to be measured at amortized cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument represent solely payment of principal and interest (SPPI).

All other debt and equity instruments must be recognized at fair value.

All fair value movements on financial assets are taken through the statement of comprehensive income, except for equity investments that are not held for trading, which may be recorded in the statement of comprehensive income or in reserves (without subsequent recycling to profit or loss).

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the group classifies its debt instruments:

- Amortized cost. Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- FVTPL. Assets that do not meet the criteria for amortized cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of comprehensive income within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in finance income.

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired (POCI) financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses (ECL), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than POCI financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective, that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company subsequently measures all equity investments at FVTPL, except where the Company's Management has elected, at initial recognition, to irrevocably designate an equity instrument at FVTOCI. The Company's policy is to designate equity investments as FVTOCI when those investments are held for the purposes other than to generate investment returns. When the election is used, fair value gains and losses are recognized in other comprehensive income (OCI) and are not subsequently reclassified to profit or loss, including disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in profit or loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at FVTPL are recognized in net realized gains (losses) on investments in the statement of profit or loss as applicable.

FINANCIAL MARKETS REVIEW (2023)

INVESTMENT APPROACH

The fund aims to generate long-term capital appreciation through a portfolio of equities, fixed income securities, and alternative financial instruments, adjusted accordingly as the target date of the Fund (Year 2038) approaches.

Following a glide path, the Fund adjusts its asset allocation as the target date approaches: the allocation to equity securities is gradually shifted to fixed income securities, to reduce the overall risk and volatility of the Fund. The fund ended December 2023 with 74.97% in Equities, 25.03% in Fixed Income and Cash.

PERFORMANCE REVIEW

Equity Portion

The local bourse had a strong start, posting intra-year high of 7,137.62 in January on slowing inflation expectations and healthy corporate earnings growth. However, inflation proved to be sticky during the following months and stayed above 7% during the first quarter. This caused risk off sentiment and sent the Philippine Stock Exchange index (PSEi) to as low as 6,330.53 during the first half of the year. The Bangko Sentral ng Pilipinas (BSP) raised rates to address inflation and following the US Federal Reserve's hawkish stance.

PSEi succumbed to further selling pressure in August as it broke below the 6,400 support after a disappointing 2Q GDP print of 4.3%. During the fourth quarter, the local bourse even broke below the 6,000 level before finally recovering during the last two months of the year.

For the year, the BSP raised policy rates by 1% to end the year at 6.5% as local inflation averaged 6% in 2023.

The local bourse ended the year at 6,450.04, down by 1.77% YoY.

Fixed Income Portion

It was a strong year for local government bonds as yields dropped as much as 100-150 basis points (1-1.5%) from their highest levels. Inflation cooled from 8.7% in January to 3.9% in December as the BSP continued hiking policy rates all the way until the second half of the year. With inflation coming down swiftly, demand for local bonds increased steadily throughout the year as investors started building bond positions.

OUTLOOK

Equity portion

The local bourse may recover in 2024 as BSP is expected to cut policy rates due to lower inflation expectation. Our base case scenario is for PSEi to reach 7,200 by end-2024, backed by high single digit corporate earnings growth and translates to a P/E of 12.8x.

Fixed income portion

Returns for local fixed income are likely to be positive in 2024. Monetary policy rate cuts are now on the table as local inflation numbers approach the BSP's 2-4% target. Both capital gains and accruals are expected to provide positive returns for local bond funds.

FINANCIAL STATEMENT ANALYSIS

Material Changes in the 2023 Financial Statements

Statement of Financial Position and Statements of Changes in Equity – 31 December 2023 and 31 December 2022

Attributable to shareholders:

| | 31-Dec-23 | 31-Dec-22 | Movement | Percentage (%) | MDAS |
|---|-------------------|-------------------|------------------|----------------|---|
| | Audited | Audited | | | |
| Cash in banks | P 697,721 | P 697,583 | P 138 | 0.02% | Liquidity requirements were met. |
| Financial assets at fair value through profit or loss | 54,106,400 | 52,639,174 | 1,467,226 | 2.79% | The increase pertains to unrealized gain from investment in mutual fund during the period |
| Total Assets | 54,804,121 | 53,336,757 | 1,467,364 | 2.75% | |
| Net assets attributable to shareholders | 54,804,121 | 53,336,757 | 1,467,364 | 2.75% | |
| Net Assets | 54,804,121 | 53,336,757 | 1,467,364 | 2.75% | Net income for 2023 |
| Net Assets Value per Share | P 1.0667 | P 1.0490 | P 0.0178 | 1.70% | |

Attributable to unit holders:

| | 31-Dec-23 | 31-Dec-22 | Movement | Percentage (%) | MDAS |
|---|-------------------|-------------------|------------------|----------------|---|
| | Audited | Audited | | | |
| Cash and cash equivalents | P 923,926 | P 2,308,898 | (P 1,384,972) | -59.98% | Liquidity requirements were met. |
| Financial assets at fair value through profit or loss | 54,467,573 | 52,987,618 | 1,479,955 | 2.79% | Increase due to additional investment in UITF and unrealized gains from equity and fixed income investments during the year. |
| Accrued interest receivable | 219,898 | 224,696 | (4,798) | -2.14% | Collection of interest depends on the scheduled interest payments of each investment. |
| Dividends receivable | 43,338 | 15,498 | 27,840 | 179.64% | The collection of receivable is dependent on the scheduled payment dates of each listed stock from which dividends were received. |
| Total Assets | 55,654,735 | 55,536,710 | 118,025 | 0.21% | |
| Accrued expenses and other payables | 199,513 | 183,168 | 16,345 | 8.92% | There was an increase in professional fees and withholding taxes. |
| Due to brokers | - | 408,257 | (408,257) | 100.00% | This account refers to amounts payable to brokers for the purchase of investments processed on or before the reporting period, which are settled three days after the transaction date. |
| Payable to fund manager | 75,914 | 67,912 | 8,002 | 11.78% | Increase in outstanding payable was due to higher redemption fee for the period. |
| Total Liabilities | 275,427 | 659,337 | (383,910) | -58.23% | |
| Net assets attributable to unit holders | 55,379,308 | 54,877,373 | 501,935 | 0.91% | |
| Net Assets | 55,379,308 | 54,877,373 | 501,935 | 0.91% | Net income during the period compared to prior year. |
| Net Assets Value per Share | P 0.8471 | P 0.8356 | P 0.0115 | 1.38% | |

There were no known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing the Fund's liquidity in any material way.

There was no contingent liability reflected in the accompanying audited financial statements.

The Fund does not anticipate having any cash flow or liquidity problems as it complies with the liquidity requirements per ICA-IRR 6.10. The Fund was able to meet all its monetary obligations to its shareholders (for redemption) and creditors for the period covered. It does not foresee any event that could trigger a direct or contingent financial obligation that is material to its operations.

There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Fund with unconsolidated entities/other persons created during the reporting period. Likewise, there are no material commitments for capital expenditures, known trends, events, or uncertainties that have had or that are reasonably expected to have a material impact on net income/revenue from the continuing operations of the Fund.

There are no other significant events and transactions from the last annual reporting period that is required for disclosure this year.

Statement of Comprehensive Income for the Years Ended – 31 December 2023 and 31 December 2022

Attributable to shareholders:

| | 31-Dec-23 | 31-Dec-22 | Movement | Percentage (%) | MDAS |
|-------------------------------------|--------------------|------------------|------------------|----------------|---|
| | Audited | Audited | | | |
| Investment Income | P 172 | P 636 | P (464) | -72.96% | The decrease was due to lower interest income earned from bank deposits during the year |
| Operating Expenses | - | 500 | (500) | 100.00% | Decrease due to no bank charges incurred during the period. |
| Net Unrealized Gains on Investments | 1,467,226 | 888,989 | 578,237 | 65.04% | Higher unrealized gain from investment in mutual fund during the period compared to prior year. |
| Provision for Income Tax | 34 | 127 | (93) | -73.23% | Final taxes of interest income earned from bank deposits for the period. |
| Net Investment Income (Loss) | P 1,467,364 | P 888,998 | P 578,366 | -65.06% | |

Attributable to unitholders:

| | 31-Dec-23 | 31-Dec-22 | Movement | Percentage (%) | MDAS |
|--|------------------|----------------------|--------------------|----------------|--|
| | Audited | Audited | | | |
| Investment Income | P 1,163,884 | P 385,911 | P 777,973 | 201.59% | The increase was due to lower realized trading loss from disposal of equity securities and fixed-income securities and higher dividend income and interest income. |
| Investment Expenses | 19,566 | 46,932 | (27,366) | -58.31% | Dependent on the percentage of the amount of stock trading as sold and purchased for the period. |
| Operating Expenses | 1,390,839 | 1,360,850 | 29,989 | 2.20% | This is due to the slight increase in management and distribution fees brought by higher average AUM, professional fees, directors' fees, taxes and licenses. |
| Net Unrealized Gains (Losses) on Investments | 1,204,088 | (4,416,049) | 5,620,137 | -127.27% | Increase due to favorable market condition during the period resulting to higher unrealized gains compared with prior year. |
| Provision for Income Tax | 163,944 | 172,218 | (8,274) | -4.80% | Final taxes of interest income earned from fixed income investments and term deposits for the period. |
| Net Investment Loss | P 793,623 | (P 5,610,138) | P 6,403,761 | 114.15% | |

Average daily net asset value attributable to shareholders in 2023 and in 2022 is PHP 54,114,456 and PHP 52,895,015, respectively.

Average daily net asset value attributable to unit holders from in 2023 and in 2022 is PHP 52,125,385 and PHP 55,046,603, respectively.

The Fund has no unusual nature of transactions or events that affect assets, liabilities, equity, net income or cash flows.

There were no commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Fund which are not reflected in the accompanying audited financial statements. The management of the Fund is of the opinion that there were no income or losses from these items that will have any material effect on its audited financial statements.

There were no known material events subsequent to the end of the annual reporting period that have not been reflected in the Fund's audited financial statements as at for the period ended December 31, 2023. There were no significant elements of income or loss that did not arise from the Fund's continuing operations. There were no changes in estimates of amount reported in the current financial year or changes in estimates of amounts reported in prior financial years.

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Fund.

The Fund is guided by its investment policies and legal limitations. All the proceeds from the sale of units, including the original subscription payments at the time of incorporation constituting the paid-in capital, is held by the pertinent custodian banks.

The Fund is also governed by the following fundamental investment policies:

1. It does not issue senior securities;
2. It does not intend to incur any debt or borrowing. In the event that borrowing is necessary, it can do so only if, at the time of its incurrence or immediately thereafter, there is asset coverage of at least 300% for all its borrowings;
3. It does not participate in any underwriting or selling group in connection with the public distribution of securities, except for its own share capital;
4. It generally maintains a diversified portfolio. Industry concentrations may vary at any time depending on the investment manager's view on the prospects;
5. It does not invest more than twenty percent (20%) of its assets in real estate properties and developments, subject to investment restrictions and/or limitations under applicable law, if any;
6. It does not purchase or sell commodity futures contracts;
7. It does not engage in lending operations to related parties such as the members of the Board of Directors, officers of the Company and any affiliates, or affiliated corporations of the Company;
8. The asset mix in each type of security is determined from time to time, as warranted by economic and investment conditions;
9. The subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions;
10. It may use various techniques to hedge investment risks; and
11. It does not change its investment objectives without the prior approval of a majority of its shareholders and prior notice to the SEC.

Item 7. Financial Statements

Copies of the following audited financial statements are attached as Exhibits:

1. Statements of Financial Position, 2023, 2022
2. Statements of Comprehensive Income, 2023, 2022, 2021
3. Statements of Changes in Equity, 2023, 2022, 2021
4. Statements of Cash Flows, 2023, 2022, 2021
5. Notes to Financial Statements

Item 8. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

Navarro Amper & Co. /Deloitte Touche Tohmatsu, with address at 19/F Net Lima Plaza, 5th Avenue corner 26th Street, Bonifacio Global City, Taguig City, Philippines, has acted as external auditor of the Fund since its incorporation.

External Audit Services/Audit and Audit-Related Fees

For 2023 and 2022, aggregate fees billed for professional services rendered by the external auditor for the audit of the Fund's annual financial statements and services normally provided by external auditors in connection with statutory and regulatory filings amounted to PHP 166,566 and PHP 151,424, respectively, inclusive of VAT and out-of pocket expenses. There were no other payments made to the auditor for any other service, including assurance, tax, and related services.

External auditors of the Fund are designated in accordance with Section 29 of the ICA subject to ratification at the annual stockholders' meeting by the vote of a majority of the outstanding voting securities attending.

The Fund's Board of Directors has an Audit and Compliance Committee, which is composed of Atty. Teresita J. Herbosa (Committee Chairperson and independent director), Mr. Oscar S. Reyes (independent director), and Atty. Aleli Angela G. Quirino (independent director) as members. The Audit and Compliance Committee has considered and endorsed for the approval of the Board of Directors the external auditor's service fees, which were so approved.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers

1. Directors and Executive Officers

The Board of Directors is responsible for conducting all businesses of the Fund. It exercises general supervision over the duties performed by the Investment Company Adviser, Distributor, Administrator, Transfer Agent and Custodian of the Fund.

The following are the incumbent Directors and Executive Officers of the Fund:

| Name | Citizenship | Position | Age | Term of Office | Period Served |
|---------------------------------|-----------------------|-------------------------------|-----|--------------------------|---------------|
| Benedicto C. Sison | Filipino and American | Director/Chairman | 63 | 2018 - present | 6 terms |
| Valerie N. Pama | Filipino | Director/President | 60 | March 2022 – present | 2 terms |
| Aleli Angela G. Quirino | Filipino | Independent Director | 79 | 2018-present | 6 terms |
| Oscar S. Reyes | Filipino | Independent Director | 77 | 2018-present | 6 terms |
| Teresita J. Herbosa | Filipino | Independent Director | 73 | July 2022 – present | 2 terms |
| Jeanemar S. Talaman | Filipino | Treasurer | 42 | September 2022 – present | 2 terms |
| Maria Teresa A. Co | Filipino | Chief Compliance Officer | 54 | August 2023 – present | |
| Anna Katrina C. Kabigting-Ibero | Filipino | Corporate Secretary | 44 | April 2020 – present | 4 terms |
| Frances Ianna S. Canto | Filipino | Assistant Corporate Secretary | 35 | September 2020 – present | 4 terms |
| Ria V. Mercado | Filipino | Chief Risk Officer | 48 | 2018 – present | 6 terms |

A brief write-up on the business experience of the incumbent directors and executive officers of the Fund follows:

BENEDICTO C. SISON

Chairman and Director (2018 to present)

Mr. Benedicto C. Sison is the CEO and Country Head of the Sun Life group of companies in the Philippines from 01 July 2018. He is the Chairman and Director of the eighteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Money Market Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., (September 2015 to present), Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc. (2017 to present), and Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to present), Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022 to present) and Sun Life Prosperity World Income Fund, Inc. (August 2022 to present) and of Sun Life Financial Philippine Holding Company, Inc. (06 December 2021 to present) and. He is also a Director of Sun Life Financial Plans, Inc., Sun Life Asset Management Company, Inc., and Grepalife Asset Management Corporation (01 July 2018 to present). He is also the Director and Chairman of the Grepalife Funds such as Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation, and Grepalife Fixed Income Fund Corporation (September 2015 to present). He is the Chairman of Sun Life Financial – Philippines Foundation, Inc., (September 2019 to present) where he also serves as Trustee. He was a Senior Advisor to the Board of Trustees of the Philippine Investment Funds Association (PIFA) and served as the President of the Philippine Life Insurance Association (PLIA).

VALERIE N. PAMA

President / Director (March 2022 – present)

Ms. Valerie N. Pama is currently the Chief Asset Management Officer (“CAMO”) of Sun Life of Canada (Philippines), Inc. Since November 1, 2019, Ms. Pama, in her capacity as CAMO, has been responsible for the expansion and development of the various initiatives to drive the profitability and growth of Sun Life’s overall asset management business providing strategic direction and development of long-term plans and policies.

Ms. Pama is also the Chairman and Director of Grepalife Asset Management Corporation (December 2021 to present). She is the President and Director of eighteen (18) Sun Life Prosperity Funds, i.e. Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life of Canada Prosperity Bond, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (March 2022 to present) and Sun Life Prosperity World Income Fund, Inc. (August 2022 to present).

Currently, Ms. Pama is a Trustee and Vice President of Sun Life Financial-Philippines Foundation, Inc. (October 2020 and December 2022, respectively, to present), Member (2015 to present) and Trustee (2018-2023) of Filipina CEO Circle, Member of Management Association of the Philippines (2015 to present), Financial Executives of the Philippines (2013 to present) and Makati Business Club (August 2019 to present).

Ms. Pama was previously the Director and President of Sun Life Investment Management and Trust Corporation (September 2020 to June 2021), responsible for its establishment and preparations for operations. She was a Director and President of Sun Life Asset Management Company, Inc. (“SLAMCI”)

and Director and/or President of thirteen (13) Sun Life Prosperity Funds (2011 to 2020). She was also a Director and/or President of three (3) Grepalife Funds i.e. Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation (formerly, “Grepalife Bond Fund Corporation”), and Grepalife Fixed Income Fund Corporation (2011 to 2018). Ms. Pama was formerly the President of the Sun Life Prosperity Funds and the Grepalife Funds (2011 to 2013). She was also a Director of BESTSERVE Financial Ltd. (HKG) (2021 to 2022).

She also served as the Chief Operating Officer of SLAMCI (2011 to 2012) before being appointed as its President in 2013. With over seven years as President of SLAMCI, Ms. Pama has made tremendous contributions by leading it into becoming the number one non-bank asset management company. Under her vision and leadership, the company achieved great milestones: growing from three (3) mutual funds to sixteen (16) mutual funds to over Php100 Billion in Assets Under Management, launch of the Sun Life Prosperity Card, expanding the sales force into having the most number of Mutual Fund-licensed advisors in the industry and garnering numerous awards from the Philippine Investment Funds Association (PIFA). Another noteworthy recognition for SLAMCI under her management was being named the best asset management company for the Philippines from Euromoney’s 2018 Private Banking and Wealth Management survey.

Ms. Pama is a veteran banker, having been in the industry for 20 years. She started her career with Citibank N.A. in 1990 as a Management Associate, wherein she obtained exposure in various segments of the business, assuming progressively senior roles over the years. She had worked in treasury/capital markets, loans, equity sales, customer funding sales, brokerage and money market sales. By the time she retired from Citibank N.A. in 2009, Ms. Pama was the President of Citicorp Financial Services and Insurance Brokerage Inc.

Prior to joining Sun Life, Ms. Pama was a Product Development consultant for ING Bank’s Investment Management Group.

Ms. Pama was a member of the Board of Trustees of PIFA from 2011 to 2020 and served as its Chairman from 2013 to 2015. This enabled her to represent the mutual fund industry in advocating investor literacy, customer protection and regulatory advancements to government agencies, key market players and the general public.

Ms. Pama is a graduate of the Ateneo de Manila University with a Bachelor of Science degree in Management Engineering. She obtained her Masters in Business Administration in International Business and Finance, with a minor in Business Economics from Katholieke Universiteit Leuven in Belgium. She was awarded With Distinction by the university for her exemplary academic performance on her final year.

ALELI ANGELA G. QUIRINO

Independent Director (2018 to present)

Atty. Aleli Angela G. Quirino is an Independent Director of Sun Life of Canada Prosperity Balanced Fund, Inc. (2009 to present); Sun Life Prosperity Dynamic Fund, Inc.; (2012 to present); Sun Life Prosperity Dollar Starter Fund, Inc. (2017 to present); Sun Life Prosperity GS Fund, Inc.; Sun Life Prosperity Philippine Stock Index Fund, Inc.; Sun Life Prosperity Dollar Wellspring Fund, Inc.; Sun Life Prosperity World Voyager Fund, Inc.; Sun Life Prosperity Achiever Fund 2028, Inc.; Sun Life Prosperity Achiever Fund 2038, Inc.; Sun Life Prosperity Achiever Fund 2048, Inc.; Sun Life Prosperity World Equity Index Feeder Fund, Inc. (2018 to present); and Sun Life Prosperity World Income Fund, Inc. (August 2022 to present). She is also an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation (“Grepalife Funds”) (2011 to present).

Atty. Quirino was Of Counsel of Angara Abello Concepcion Regala & Cruz Law Offices (ACCRA Law) (2009 – 2023). She is the Chairman of First Line Healthcare Diagnostics Center, Inc. (2021 to present). She is the Vice-Chairman (2015 to present) of the Board of Trustees and Past President (2009 to 2015) of the

Ateneo de Manila Law Alumni Association, Inc., and is a Trustee and Corporate Secretary of the Assumption College, Inc. (1996 to present). She is an Advisory Council Member of the Intellectual Property Association of the Philippines, Inc. (2012 to present). She is also the Past President of the ASEAN Intellectual Property Association (2017 to 2019) and Chairman Emeritus of the ASEAN Philippine Intellectual Property Association, Inc. She is an EXCO member of the Association Internationale de la Propriete Intellectuelle (2004 to present).

Atty. Quirino received her Bachelor of Arts and Bachelor of Science in Education (magna cum laude) from Assumption College and Bachelor of Laws (with honors) from the Ateneo de Manila University.

OSCAR S. REYES

Independent Director (2018 to present)

Mr. Oscar S. Reyes is an Independent Director of the fourteen (14) Sun Life Prosperity Funds, namely: Sun Life Prosperity GS Fund, Inc. (2011 to present), Sun Life Prosperity Dynamic Fund, Inc. (2012 to present), Sun Life Prosperity Dollar Abundance Fund, Inc. (2006 to present), Sun Life Prosperity Dollar Advantage Fund, Inc. (2002 to present), Sun Life of Canada Prosperity Balanced Fund, Inc. (July 2018 to present), Sun Life of Canada Philippine Equity Fund, Inc. (July 2018 to present); Sun Life Prosperity World Equity Index Feeder Fund, Inc. (March 2018 to present); Sun Life Prosperity Achiever Fund 2028, Inc. (March 2018 to present); Sun Life Prosperity Achiever Fund 2038, Inc. (March 2018 to present); Sun Life Prosperity Achiever Fund 2048, Inc. (March 2018 to present); Sun Life Prosperity Dollar Starter Fund, Inc. (July 2021 to present); Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022 to present); Sun Life Prosperity World Income Fund, Inc. (August 2022 to present) and Sun Life Prosperity Dollar Wellspring Fund, Inc. (September 2022 to present). He is also an Independent Director of the Grepalife Dollar Bond Fund Corporation, Grepalife Balanced Fund Corporation, and Grepalife Fixed Income Fund Corporation (2011 to present) and Sun Life Financial Plans, Inc. (2006 to present).

Mr. Reyes other current positions are : Chairman, Pepsi Cola Products Phils Inc.; Independent Director, PXP Energy Corp, DM Wenceslao and Associates Inc, Philippine Dealing System Holdings Corp, Philippine Dealing & Exchange Corp, Philippine Depository & Trust Corp, Philippine Securites Settlement Corp, Team Energy Corp., Pioneer Life Corp, Navitas Holdings Inc, Eramen Minerals Inc, Petrolift Corp, Alviera Country Club; Member of the Advisory Board, Basic Energy Corp, Pioneer Insurance & Surety Corp, Pioneer Intercontinental Corp, among other firms. He completed his Bachelor of Arts degree in Economics at the Ateneo de Manila University in 1965 (Cum Laude) and did post-graduate studies at the Ateneo Graduate School of Business, Waterloo Lutheran University in Ontario, Canada and the Harvard Business School in Boston, Mass, USA.

TERESITA J. HERBOSA

Independent Director (July 2022 to present)

Atty. Teresita J. Herbosa is currently an Independent Director of Sun Life of Canada Prosperity Bond Fund, Inc.; Sun Life Prosperity Peso Starter Fund, Inc. (July 2021 to present); Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022 to present); Sun Life Prosperity Dollar Starter Fund, Inc. (July 2022 to present); Sun Life Prosperity Achiever Fund 2028, Inc. (July 2022 to present); Sun Life Prosperity Achiever Fund 2038, Inc. (July 2022 to present); and Sun Life Prosperity World Income Fund, Inc. (August 2022 to present). Presently, she is a Director of Telecommunications Connectivity Inc. (December 2019 to present). She is also an Independent Director of Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation, Inc. (December 2021 to present). She has been an independent director of the Philippine Bank of Communications since November 2022 to the present.

She was the Chairperson of the Securities and Exchange Commission (“SEC”) from May 2011 to June 2018, and as such occupied other positions such as member of the Anti-Money Laundering Council, Chairperson of the Credit Information Corporation, the Microfinance NGO Regulatory Council, and the Capital Market Development Forum.

As SEC Chairperson, Atty. Herbosa was involved in the Asean Capital Markets Forum as Chair of its Committee on Corporate Governance responsible for the first Asean Top 50 Publicly Listed Companies. She initiated and proposed significant amendments to the Corporation Code of 1985 to Congress culminating in the enactment of the Revised Corporation Code in February 2019. She also participated in the passage of the Personal Property Securities Act.

As a consequence of the various reforms under Atty. Herbosa's leadership, for two consecutive years, 2015 and 2016, SEC emerged, based on two nationwide surveys, as no.1 in the sincerity rating particularly in the fight against corruption among 35 government agencies.

Prior to her SEC post, she engaged in the private practice of law at the Angara Abello Concepcion Regala & Cruz Law Offices ("ACCRLAW") specializing in litigation and dispute resolution for 33 years and often cited by foreign legal publications as one of the top litigation lawyers of the country. One year after her stint as SEC Chairperson, in July 2019, she re-joined ACCRLAW as Of Counsel and continues as such up to the present

She is an accredited MCLE lecturer and has been teaching commercial law at private law schools. In the 2022 bar examinations, she was one of the examiners for commercial law.

Atty. Herbosa co-authored in 2019 "The Revised Corporation Code of the Philippines Its Theories and Applications," and relatedly gives lectures on the recent amendments to the law. In line with her advocacy, she participated in the UNICEF-sponsored lecture series "Trainers' Course on Child Sensitive Investigation" for three years for more than 1,500 policemen and in the preparation of the video-taped materials shown at the PHILJA training of Family Court judges. She lectured for PHILJA on financial crimes and corporate and securities fraud.

She has written numerous law articles such as "Comments involving Crimes of Moral Turpitude" and the Foreword Vol 92 July 2019, for the Philippine Law Journal, others on various legal topics for the Philippine Star and contributed "Balancing Ethics and Regulation" for the FINEX anniversary publication "Ethics Black While or Gray" in 2018 and "Cyber Ethics and Data Privacy" for its second publication "Ethics: Enduring or Evolving?". From October 2019 to March 2020, she wrote a comprehensive training module for the investigation and prosecution of violations of the Securities Regulation Code in connection with the Anti-Money Laundering Act.

Atty. Herbosa finished AB Political Science cum laude at the University of the Philippines – Diliman, and her Bachelor of Laws cum laude and class salutatorian from the UP College of Law. She also has a Master of Comparative Law degree from the University of Michigan. In 2014, she was awarded the UP Distinguished Alumni Award for Public Service.

JEANEMAR S. TALAMAN

Treasurer (September 2022 to present)

Ms. Jeanemar S. Talamán is the Treasurer of Sun Life Prosperity Funds. She was the Treasurer and Head of Finance of Sun Life Investment Management and Trust Corporation (SLIMTC) (2020 to 2022). In that role, she was responsible for the overall finance function of the Company which covers Accounting, Financial Reporting, Internal Controls and Capital Management among others.

Prior to joining SLIMTC, Ms. Talamán was the Financial Accounting and Reporting Manager of Sun Life Philippines where she handled financial reporting requirements of the Sun Life Asset Management Company, Inc. (SLAMCI), Sun Life Prosperity Funds (Funds managed by SLAMCI), Sun Life Grepa Financial, Inc. and Sun Life Financial Philippine Holding Company, Inc. Concurrent to her role as Financial Reporting Manager, Ms. Talamán was also the Finance System Administration Manager responsible for ensuring the security and efficiency of finance system applications for all Sun Life Philippine entities. She has held various roles in Finance, including, Manager of Financial Planning and Analysis (May 2014 to July 2015), Manager, Accounts Reconciliation (June 2012 to April 2014) and she has been instrumental in setting up the Accounts Reconciliation team of Sun Life Malaysia in 2013. Ms. Talamán

has more than 15 years of extensive experience in asset management industry, financial reporting for insurance business, taxation and regulatory reporting, treasury operations, project management, financial planning and management reporting.

Ms. Talaman is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants. She earned her Bachelor of Science in Accountancy degree from the University of San Agustin (Iloilo City) with academic distinction. She had satisfactorily completed the one-year course on Trust Operations and Investment Management from the Trust Institute Foundation of the Philippines.

MARIA TERESA A. CO

Chief Compliance Officer, Money Laundering Reporting Officer,
and Data Protection Officer (August 2023 to present)

Maria Teresa Co is the Chief Compliance Officer, Money Laundering Reporting Officer, and Data Protection Officer of Sun Life Philippines, including the Sun Life Prosperity Funds, with effect on 14 August 2023. In addition to her role with Sun Life Philippines, she is also acting as the Asia Conduct Risk lead in collaboration with the Regional Office.

Ms. Co has more than thirty (30) years of work experience in the fields of Accounting, Operations, Compliance and Internal Audit with multinational companies. She is a Certified Public Accountant and a Securities and Exchange Commission (SEC) Certified Compliance Officer for Pre-need companies (education and pension plans).

Her career started with Citibank, N. A. under Philippines Operations before working with Sun Life Philippines from 2002 to 2007, overseeing life, asset management and pre-need compliance including exposure to Regional Internal Audit role.

Ms. Co's overseas career covered vast experiences as Regional Compliance professional in AXA China Insurance Limited, New York Life International, Prudential Corporation Asia Regional, Chubb (formerly ACE Life), and Group AIA, overseeing corporate and distribution compliance, regulatory developments, issues, and projects across Asia.

Before returning to Sun Life Philippines, Ms. Co was the Head of Compliance for Pru Life Insurance Corporation of U.K. (Pru Life UK), responsible for various mandates in the fields of Regulatory and Sales Compliance, AML, Financial Crimes, Fraud, Anti-Bribery and Corruption, Data Privacy, and Quality Assurance reviews.

ANNA KATRINA C. KABIGTING-IBERO

Corporate Secretary (April 2020 to present)

Atty. Anna Katrina C. Kabigting-Ibero is the Corporate Secretary of the eighteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., (April 2020 to present), Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022 to present), Sun Life Prosperity World Income Fund, Inc. (August 2022 to present).

Atty. Ibero is also the Corporate Secretary of Sun Life of Canada (Philippines), Inc., Sun Life Asset Management Company, Inc., Sun Life Financial Plans, Inc., Sun Life Financial Philippine Holding Company, Inc., Sun Life Financial – Philippines Foundation, Inc., Grepalife Asset Management Corporation, and the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife

Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation, (April 2020 to present), Sun Life Investment Management and Trust Corporation (September 2020 to present), and Assistant Corporate Secretary of Sun Life Grepa Financial, Inc. (April 2020 to present).

Prior to joining Sun Life in 2014, Atty. Ibero worked as an Associate Lawyer at the David Cui-David Buenaventura and Ang Law Offices (2006 to 2010). She later joined the Bank of the Philippine Islands as Legal and Compliance Officer of the Bank's Asset Management and Trust Group (2010 to 2014).

Atty. Ibero received her Bachelor of Arts Major in Legal Management (2000) and Bachelor of Laws (2005) from the University of Santo Tomas. She was called to the Bar in 2006.

FRANCES IANNA S. CANTO

Assistant Corporate Secretary (September 2020 to present)

Atty. Frances Ianna S. Canto is the Assistant Corporate Secretary of the eighteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc. (formerly Sun Life Prosperity Money Market Fund, Inc.), Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., and Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022 to present), Sun Life Prosperity World Income Fund, Inc. (August 2022 to present). She is also the Assistant Corporate Secretary of Sun Life Asset Management Company, Inc. and Sun Life Investment Management and Trust Corporation (September 2020 – present), and Sun Life of Canada (Philippines), Inc. and Sun Life Financial Philippines Foundation, Inc. (September 2022 to present).

Prior to joining Sun Life in May 2020, Atty. Canto worked as a Legal and Compliance Officer of Manulife Philippines (March 2017), where she also served as Assistant Corporate Secretary and Alternate Data Protection Officer. Before joining Manulife, Atty. Canto briefly worked as a consultant with the Office of the Secretary of the Climate Change Commission and prior to that, as an Associate Lawyer at the Medialdea Ata Bello and Suarez Law Office (2013-2016).

Atty. Canto received her Juris Doctor degree from the Ateneo de Manila University. She was admitted to the Bar in May 2014.

RIA V. MERCADO

Chief Risk Officer (2015 to present)

Ms. Ria V. Mercado has been the Head of Risk Management of Sun Life Philippines since 2015. She is also the Chief Risk Officer of the eighteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Money Market Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., (2015 to present), Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022 to present), Sun Life Prosperity World Income Fund, Inc. (August 2022 to present) and the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation, (July 2019 to present). She is also the Chief Risk Officer of Sun Life Asset Management Company, Inc., Grepalife Asset Management Corporation,

Sun Life of Canada (Philippines), Inc., Sun Life Grepa Financial, Inc. (July 2015 to present) and Sun Life Financial – Philippines Foundation, Inc. (December 2019 to present).

Prior to joining Sun Life in 2015, she was with Deutsche Knowledge Services (DKS), where she was Debt and Client Risk & Control Lead. In this capacity, she was responsible for risk and control initiatives and for proactively identifying and mitigating operations risks through quality assurance initiatives. Prior to DKS, she was with Standard Chartered Bank where she rose from Graduate Associate to AVP – Unit Operational Risk Manager.

Ms. Mercado holds a Master in Business Management degree from the Asian Institute of Management. She is a BS Business Administration graduate of the University of the Philippines (Diliman).

2. Incorporators

The following are the incorporators of the Fund:

1. Rizalina G. Mantaring
2. Benedicto C. Sison
3. Valerie N. Pama
4. Melito S. Salazar, Jr.
5. Oscar S. Reyes

3. Significant Employees

The Fund has no significant employees.

4. Family Relationships

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

5. Material Pending Legal Proceedings

The Fund has no knowledge of any material pending legal proceedings, for the past five (5) years and to date, to which any of the directors and executive officers of the Fund is a party of which any of their property is the subject.

There was no bankruptcy petition filed by or against any business of which any of the directors and executive officers of the Fund was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior to that time.

No director or executive officer of the Fund was convicted by final judgment in a criminal proceeding, domestic or foreign and neither is any director or officer subject to any pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses.

No director or executive officer of the Fund is being subject to any order, judgment or decree not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities, or banking activities

No director or executive officer of the Fund is being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

Item 10. Executive Compensation

1. Compensation of Executive Officers.

The executive officers of the Fund do not receive any form of compensation from their appointment up to the present.

2. Compensation of Directors.

The Fund’s executive officers and directors who are officers and/or employees of SLOCPI and/or SLAMCI do not receive any form of compensation as such from the time of their appointments up to the present.

The Fund’s directors who are not officers and/or employees of SLOCPI and/or SLAMCI (i.e., “Independent Directors”) receive a per diem for their attendance at regular or special meetings of the Board at the rate of PHP20,000.00 per meeting per Independent Director (the Fund has two [2] Independent Directors). There are no other forms of compensation which such Independent Directors are entitled to receive for meetings attended, other than said per diem and a retainer’s fee not to exceed PHP15,000.00 per quarter. Payment of such retainer’s fee shall be shared by the Fund with the other Sun Life Prosperity Funds which the Independent Director also serves, provided that each Independent Director shall receive only a maximum of PHP15,000.00 per quarter from all the Sun Life Prosperity Funds combined. There are no standard arrangements, employment contracts, termination of employment, change-in-control or other arrangements with the directors. Such remuneration to be paid for by the Fund may be adjusted in the future as may be warranted by existing fund levels and other factors.

Total per diem received by the Fund’s directors for the year 2023 and 2022 are PHP 257,857 and PHP 237,749, respectively.

The Board had four (4) regular quarterly meetings for 2023, including the organizational board meeting after the annual shareholders’ meeting. For the four (4) meetings and with three (3) members of the Board who are external directors entitled to receive per diem, the Fund forecasts a total directors’ per diem of PHP 240,000 for the year 2024. The external directors are also forecasted to receive a total of PHP 17,857 as retainer’s fees for 2024.

Item 11. Security Ownership of Certain Beneficial Owners and Management

1. Security ownership of more than 5% of the Fund’s outstanding capital stock as of December 31, 2023:

| <i>Title of Class</i> | <i>Name of Record Owner/Relationship with Issuer</i> | <i>Address</i> | <i>Name of Beneficial Owner/Relationship with Record Owner</i> | <i>Citizenship</i> | <i>Number of Shares Held</i> | <i>Percent of Class</i> |
|-----------------------|--|--|--|--------------------|------------------------------|-------------------------|
| Common | SLAMCI | 8 th Floor Sun Life Centre, 5 th Ave. Corner Rizal Drive, Bonifacio Global City, Taguig City | Both the Record (R) & Beneficial (B) Owner | Filipino | 49,999,995 | 99.99% |

| Title of Class | Name of Record Owner/Relationship with Issuer | Address | Name of Beneficial Owner/Relationship with Record Owner | Citizenship | Number of Units Held | Percent of Class |
|-----------------------|--|--|--|--------------------|-----------------------------|-------------------------|
| Common | SLAMCI | 8 th Floor Sun Life Centre, 5 th Ave. Corner Rizal Drive, Bonifacio Global City, Taguig City | Both the Record (R) & Beneficial (B) Owner | Filipino | 50,000,000 | 76.48% |

Mr. Gerald L. Bautista, President of SLAMCI, has the power to vote or dispose of the shares or direct the voting or disposition of the shares held by SLAMCI. The directors may be reached through the Corporate Secretary, 6th Floor, Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

2. Security Ownership of Management as of December 31, 2023:

| Title of Class | Name of and Address of Record Owner | Number of Shares | Nature of Ownership | Citizenship | Percent of Class |
|-----------------------|--|-------------------------|-------------------------------|-----------------------|-------------------------|
| Common | Benedicto C. Sison | 1 | Beneficial (B) and Record (R) | Filipino and American | 0.00% |
| Common | Valerie N. Pama | 1 | B & R | Filipino | 0.00% |
| Common | Teresita J. Herbosa | 1 | B & R | Filipino | 0.00% |
| Common | Oscar S. Reyes | 1 | B & R | Filipino | 0.00% |
| Common | Aleli Angela G. Quirino | 1 | B & R | Filipino | 0.00% |

The above individual owners can be contacted through the Corporate Secretary of the Company, 6th Floor Sun Life Centre, 5th Avenue cor Rizal Drive, Bonifacio Global City, Taguig City 1634.

1. Voting Trust Holders of 5% or More

No holder of 5% or more of the Fund's common shares has any voting trust or similar agreement that vest voting rights or other powers to a voting trustee.

2. Change in Control

The Fund has no knowledge of any arrangement that may result in a change of control of the Fund.

Item 12. Certain Relationships and Related Transactions

The following are the interlocking directors and officers of SLAMCI and the Fund:

| Director/Officer | Fund | SLAMCI |
|---------------------------------|---|---|
| Benedicto C. Sison | Chairman | Director |
| Maria Teresa A. Co | Compliance Officer, Money Laundering Reporting Officer, and Data Protection Officer | Compliance Officer, Money Laundering Reporting Officer, and Data Protection Officer |
| Jeanemar S. Talaman | Treasurer | Treasurer |
| Anna Katrina C. Kabigting-Ibero | Corporate Secretary | Corporate Secretary |
| Frances Ianna S. Canto | Assistant Corporate Secretary | Assistant Corporate Secretary |
| Ria V. Mercado | Chief Risk Officer | Chief Risk 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.

PART IV - CORPORATE GOVERNANCE

Item 13. Compliance with Leading Practice on Corporate Governance

The Fund is committed to performing its obligations following sound standards of business and financial practices and assesses the level of compliance of the Board of Directors and top-level management with its Manual on Corporate Governance through the Corporate Governance Self-Rating Form.

Likewise, the Fund requires the directors to answer a Board Effectiveness Questionnaire to determine their outlook on current practices and further enhance their performance. Internal audit and compliance units of the Fund also actively ensure that the Fund meets its regulatory and moral obligations to the government agencies and the general public, respectively.

There has been no reported incident of any deviation from the Fund's Manual on Corporate Governance. A strong ethical business culture in the performance of duties is continuously upheld and promoted. Nonetheless, the Fund makes an effort to improve corporate governance of the company by holding training sessions for its Board and officers whenever possible.

Compliance with Foreign Account Tax Compliance Act (FATCA)

In accordance with the requirements of the US Internal Revenue Service ("IRS") and the Intergovernmental Agreement ("IGA") between the Government of the United States of America and the Government of the Republic of the Philippines to Improve International Tax Compliance and to Implement FATCA which was signed last July 13, 2015, the Fund has registered with the Internal Revenue Service (IRS) and has obtained its own Global Intermediary Identification Number ("GIIN") as a sponsored entity. Sun Life Asset Management Company, Inc. ("SLAMCI") continues to assume responsibilities for the Fund's FATCA compliance as the Sponsoring Entity and has implemented FATCA onboarding processes and procedures as well as system enhancements to monitor its new and pre-existing account holders who are U.S. Persons and have U.S. Indicia.

The Fund, together with its Sponsoring Entity, SLAMCI, is preparing to comply for FATCA reporting on the date which will be set by the Bureau of Internal Revenue as soon as the IGA has been ratified by the Senate.

PART V – EXHIBITS AND SCHEDULES

A. Audited Financial Statements

1. Statements of Financial Position, 2023, 2022
2. Statements of Comprehensive Income, 2023, 2022, 2021
3. Statements of Changes in Equity, 2023, 2022, 2021
4. Statements of Cash Flows, 2023, 2022, 2021
5. Notes to Financial Statements

- SIGNATURE PAGE FOLLOWS –

SIGNATURES

Pursuant to the requirements of Section 11 of the RSA and Section 177 of the Revised Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of **MAKATI CITY** on **APR 23 2024**.

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
Issuer

Pursuant to the requirements of the Revised Securities Act, this annual report has been signed by the following persons in the capacities and on the dates indicated.

By:

Valerie N. Pama

Valerie N. Pama

Principal-Executive Officer/President

Gerald L. Bautista

Gerald L. Bautista

Principal Operating Officer / SLAMCI President

Jeanemar S. Talaman

Jeanemar S. Talaman

Principal Financial Officer/Treasurer/Comptroller

Candy S. Esteban

Candy S. Esteban

Principal Accounting Officer/CFO

Anna Katrina C. Kabigting-Ibero

Anna Katrina C. Kabigting-Ibero

Corporate Secretary

APR 23 2024 MAKATI CITY

SUBSCRIBED AND SWORN to before me this ____ day of _____ 2024, affiants exhibiting their government issued identification cards, as follows:

| Name | Government ID No. | Valid Until | Place of Issue |
|---------------------------------|--------------------------------|-------------|----------------|
| Valerie N. Pama | Passport No. P7158454B | 07/07/2031 | DFA Manila |
| Gerald L. Bautista | Passport No. P9687638B | 04/19/2032 | DFA Manila |
| Candy S. Esteban | Driver's License N02-95-277891 | 05/03/2033 | Quezon City |
| Jeanemar S. Talaman | Driver's License F03-13-001744 | 06/05/2033 | DLRC - Ayala |
| Anna Katrina C. Kabigting-Ibero | Driver's License N02-96-324358 | 09/01/2032 | Paranaque City |

Doc. No. 297
Page No. 27
Book No. 26
Series of 2024.

ATTY ROMEO M. MONEFORT
Notary Public City of Makati
Until December 31 2025
Appointment No. M-032 (2024-2025)
PTR No. 10073908 Jan 2 2024 Makati City
IBP No. 391330- Jan 3 2014 Pasig / Roll No. 27932
MCLE NO VII-0027570 Issued April 3, 2023
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City



This document contains key information clients of Sun Life Prosperity Achiever Fund 2038 should know about. More information can be found in the Fund's prospectus. Ask a Sun Life Financial Advisor or contact Sun Life Asset Management Company, Inc., at 8-849-9888 or PHIL-MF-Products@sunlife.com or visit www.sunlifefunds.com.

| | | | | | |
|---------------------------------|--|--|---------------------|------------------------------|-------------------|
| Launch Date | January 28, 2019 | Fund Structure | Mutual Fund (Units) | Transfer Agency Fee | 0.15% |
| Fund Size | PHP 55,382,291.04 | Fund Classification | Multi-Asset Fund | Early Redemption Fee | Varies |
| Net Asset Value Per Unit | 0.8471 | Minimum Subscription | PHP 1,000 | Redemption Settlement | T+3 business days |
| Benchmark | 50% PSEi + 48% Bloomberg Sovereign Bond Index 1-5 Year, net of tax (adjusted by Sun Life) + 2% Philippine Peso TD Rate 1 Month to 3 Months, net of tax | Minimum Subsequent | PHP 1,000 | Bloomberg Ticker | SLPAF38 PM Equity |
| | | Management and Distribution Fee | 1.25% | | |

What does the Fund invest in?

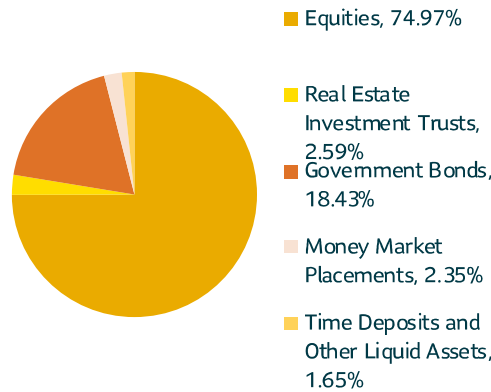
The Sun Life Prosperity Achiever Fund 2038 aims to generate long-term capital appreciation through a portfolio of equities, fixed income securities, and alternative financial instruments, adjusted accordingly as the Fund's target date (Year 2038) approaches.

The Fund is suitable for investors with a **balanced risk profile** and long-term investment horizon. This is for investors who aim to prepare for a future need or milestone life event by Year 2038 (e.g., car, funds for business, child's education, retirement).

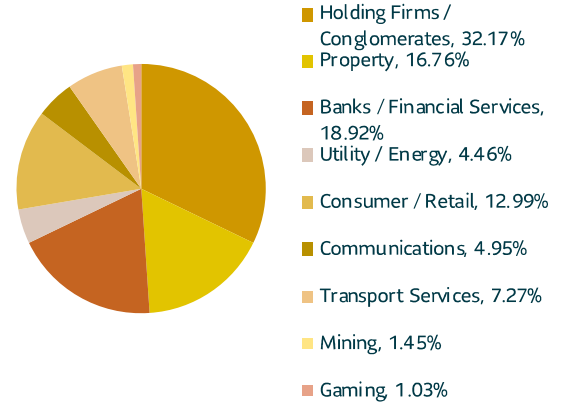
Top Equity Holdings

1. SM Investments Corporation, 10.49%
2. SM Prime Holdings Inc., 7.29%
3. BDO Unibank Inc., 6.23%
4. Bank of the Philippine Islands, 5.59%
5. International Container Terminal Services Inc., 5.45%
6. Ayala Land Inc., 5.28%
7. Ayala Corporation, 4.54%
8. Jollibee Foods Corporation, 2.69%
9. Aboitiz Equity Ventures Inc., 2.50%
10. Manila Electric Company, 2.49%

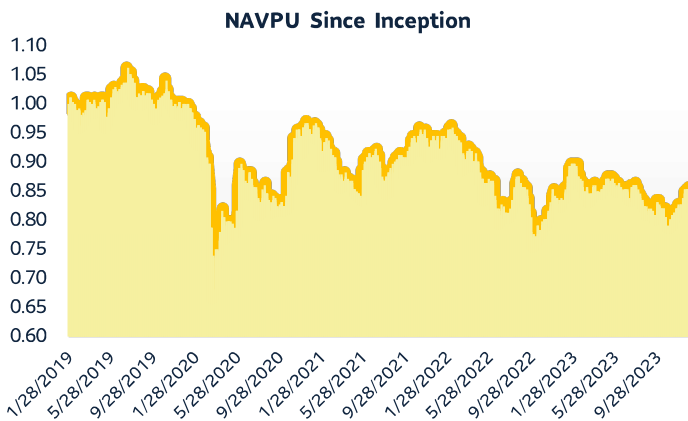
Investment Mix



Sector Allocation



How has the Fund performed?



CUMULATIVE PERFORMANCE

| MoM | YTD | 1-Year | 3-Year | 5-Year |
|-------|-------|--------|---------|--------|
| 3.49% | 1.38% | 1.38% | -10.76% | - |

Note: Year-to-date (YTD) returns are computed as the return from the last business day of the previous year to the last business day of the reporting month.

Market Review and Outlook

- The Philippine Stock Exchange Index (PSEi) rose for the second straight month, closing at 6,450 (+3.6% month-on-month) amidst foreign inflows and lower inflation print. Likewise, Philippine government bonds rallied during the month on the back of the US Fed's dovish pivot and limited supply issued by the Bureau of Treasury (BTr).
- December inflation fell further to 3.9% from 4.1% the previous month. Foreign inflows amounted to \$18m during the month.
- The Bangko Sentral ng Pilipinas (BSP) kept policy rate unchanged at 6.5% during its last meeting, mirroring the US Fed's decision to hold rates steady.
- After breaking above the 6400 level, the local bourse has established a new trading range of 6400 to 6700. Continuous foreign inflow and further down trend in inflation may allow the PSEi to move even higher. However, we may see profit-taking around 6700 as the market trades at overbought levels.
- The Fund is a mix of equities and cash/fixed income securities and mimics the composition and performance of the equity and fixed income benchmarks.

DISCLAIMER: Sun Life Asset Management Company, Inc. (SLAMCI) makes no representation as to the accuracy or completeness of the information contained herein. The information contained in this presentation is for information purposes only. It is not intended to provide professional, investment, or any other type of advice or recommendation in relation to purchases or sales of securities whether or not they are related to SLAMCI; it does not constitute any guarantee of performance, and neither does it take into account the particular investment objectives, financial situation or needs of individual recipients. Any opinions or estimates herein reflect our judgment as at the date of this presentation and are subject to change at any time without notice. This material is a copyrighted work. You may not share, distribute, revise, transform, or build upon this material without prior written consent of, and proper attribution to Sun Life. All trademarks are the properties of their respective owners.

SLAMCI is regulated by the Securities and Exchange Commission (SEC). For consumer assistance and financial consumer complaints, you may contact the Corporate Governance and Finance Department (CGFD) through CGFD@sec.gov.ph or 8818-5952 / 5322-7696 loc. 114.



This document contains key information clients of Sun Life Prosperity Achiever Fund 2038 should know about. More information can be found in the Fund's prospectus. Ask a Sun Life Financial Advisor or contact Sun Life Asset Management Company, Inc., at 8-849-9888 or PHIL-MF-Products@sunlife.com or visit www.sunlifefunds.com.

| | | | | | |
|---------------------------------|--|--|---------------------|------------------------------|-------------------|
| Launch Date | January 28, 2019 | Fund Structure | Mutual Fund (Units) | Transfer Agency Fee | 0.15% |
| Fund Size | PHP 53,609,109.85 | Fund Classification | Multi-Asset Fund | Early Redemption Fee | Varies |
| Net Asset Value Per Unit | 0.8185 | Minimum Subscription | PHP 1,000 | Redemption Settlement | T+3 business days |
| Benchmark | 50% PSEI + 48% Bloomberg Sovereign Bond Index 1-5 Year, net of tax (adjusted by Sun Life) + 2% Philippine Peso TD Rate 1 Month to 3 Months, net of tax | Minimum Subsequent | PHP 1,000 | Bloomberg Ticker | SLPAF38 PM Equity |
| | | Management and Distribution Fee | 1.25% | | |

What does the Fund invest in?

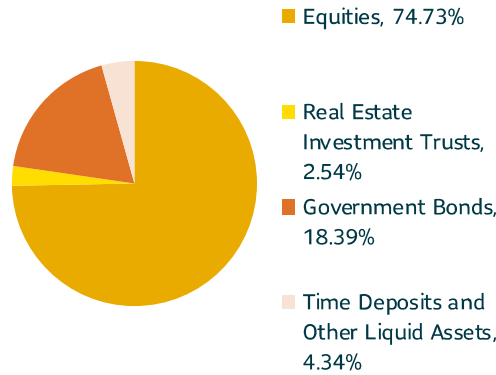
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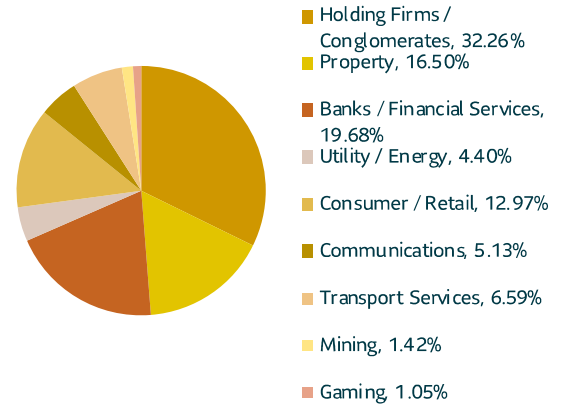
Top Equity Holdings

1. SM Investments Corporation, 10.18%
2. SM Prime Holdings Inc., 7.39%
3. BDO Unibank Inc., 6.59%
4. Bank of the Philippine Islands, 5.75%
5. Ayala Land Inc., 4.94%
6. International Container Terminal Services Inc., 4.92%
7. Ayala Corporation, 4.57%
8. Aboitiz Equity Ventures Inc., 2.71%
9. JG Summit Holdings Inc., 2.54%
10. Jollibee Foods Corporation, 2.51%

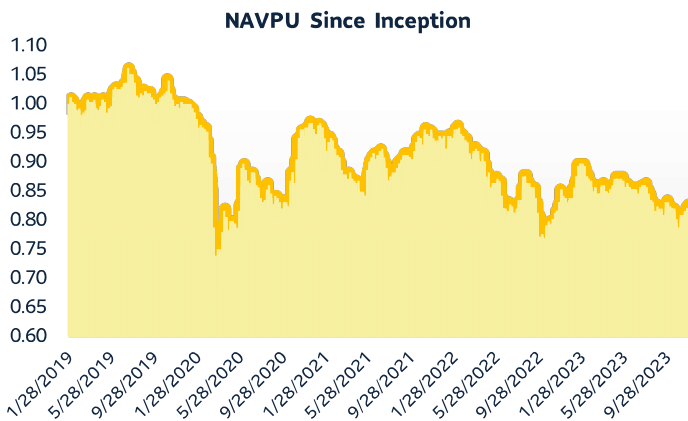
Investment Mix



Sector Allocation



How has the Fund performed?



CUMULATIVE PERFORMANCE

| MoM | YTD | 1-Year | 3-Year | 5-Year |
|-------|--------|--------|---------|--------|
| 4.23% | -2.05% | -3.89% | -10.44% | - |

Note: Year-to-date (YTD) returns are computed as the return from the last business day of the previous year to the last business day of the reporting month.

Market Review and Outlook

- The Philippine Stock Exchange Index (PSEi) rose by 4.2% in November but remains down by 5.2% year-to-date. Likewise, local bonds gained tracking the movements in US Treasuries. Positive macro developments drove the recent rally in both equity and bond markets.
- November inflation fell to 4.1% from 4.9% the previous month. This was below the consensus estimate of 4.3%. Meanwhile, Philippine GDP for 3Q 2023 came in at 5.9%, higher than consensus estimate of 4.7%.
- The down trend in inflation print allowed the Bangko Sentral ng Pilipinas (BSP) to keep its policy unchanged in its November meeting.
- PSEi is likely to remain within its current 6,000 to 6,400 trading range until yearend. The local bourse needs more foreign inflows to break its current sideways movement. Further gains on local bonds may be expected as rates continue to ease due to lower inflation expectation.
- The Fund is a mix of equities and cash/fixed income securities and mimics the composition and performance of the equity and fixed income benchmarks.

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| | | | | | |
|---------------------------------|--|--|---------------------|------------------------------|-------------------|
| Launch Date | January 28, 2019 | Fund Structure | Mutual Fund (Units) | Transfer Agency Fee | 0.15% |
| Fund Size | PHP 51,316,609.91 | Fund Classification | Multi-Asset Fund | Early Redemption Fee | Varies |
| Net Asset Value Per Unit | 0.7853 | Minimum Subscription | PHP 1,000 | Redemption Settlement | T+3 business days |
| Benchmark | 50% PSEI + 48% Bloomberg Sovereign Bond Index 1-5 Year, net of tax (adjusted by Sun Life) + 2% Philippine Peso TD Rate 1 Month to 3 Months, net of tax | Minimum Subsequent | PHP 1,000 | Bloomberg Ticker | SLPAF38 PM Equity |
| | | Management and Distribution Fee | 1.25% | | |

What does the Fund invest in?

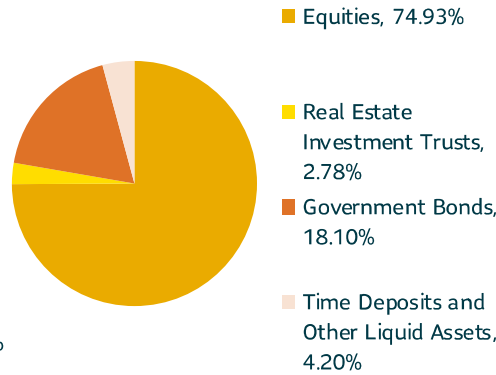
The Sun Life Prosperity Achiever Fund 2038 aims to generate long-term capital appreciation through a portfolio of equities, fixed income securities, and alternative financial instruments, adjusted accordingly as the Fund's target date (Year 2038) approaches.

The Fund is suitable for investors with a **balanced risk profile** and long-term investment horizon. This is for investors who aim to prepare for a future need or milestone life event by Year 2038 (e.g., car, funds for business, child's education, retirement).

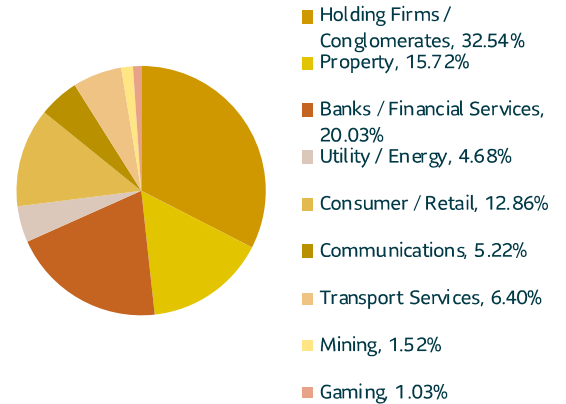
Top Equity Holdings

1. SM Investments Corporation, 10.40%
2. SM Prime Holdings Inc., 7.17%
3. BDO Unibank Inc., 6.57%
4. Bank of the Philippine Islands, 5.84%
5. International Container Terminal Services Inc., 4.80%
6. Ayala Land Inc., 4.60%
7. Ayala Corporation, 4.35%
8. Aboitiz Equity Ventures Inc., 2.77%
9. Metropolitan Bank & Trust Co., 2.59%
10. JG Summit Holdings Inc., 2.53%

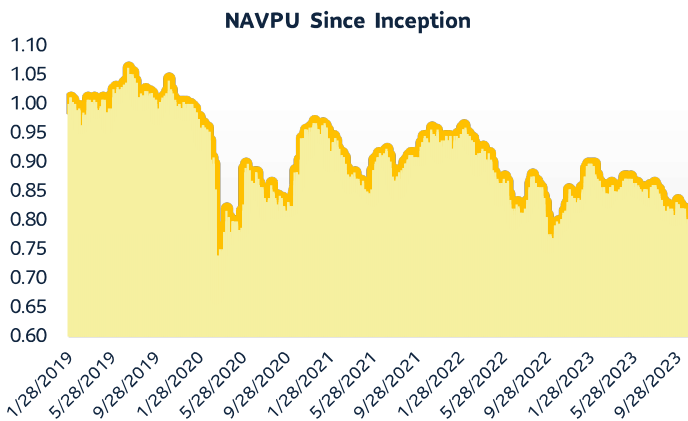
Investment Mix



Sector Allocation



How has the Fund performed?



CUMULATIVE PERFORMANCE

| MoM | YTD | 1-Year | 3-Year | 5-Year |
|--------|--------|--------|--------|--------|
| -4.89% | -6.02% | -0.53% | -9.05% | - |

Note: Year-to-date (YTD) returns are computed as the return from the last business day of the previous year to the last business day of the reporting month.

Market Review and Outlook

- The Philippine Stock Exchange Index (PSEi) succumbed to selling pressure last October as it broke below the 6,000-support following global risk off sentiment triggered by rising interest rates, geopolitical risk, and renewed inflation fears.
- 3Q23 earnings results have begun to trickle in but have failed to inspire market confidence as rising inflation and tepid consumer spending dampened profits.
- For fixed income, government bond yields eased from highs established last July. Additional liquidity from a PHP 150 billion bond maturity mid-August translated to better demand for local government bonds in both the primary and secondary markets. Furthermore, the unwillingness of the Bureau of the Treasury (BTr) to award high bids for the FXTN 20-23 (15Y) re-issue encouraged market participants to pick up long-end bonds in the secondary market. Overall, we saw bonds across the curve rally, but bonds in the belly outperformed.
- The PSEi may continue to trade within a narrow range of 5,800 to 6,250 range in the coming weeks as investors await stronger catalysts.
- The Fund is a mix of equities and cash/fixed income securities and mimics the composition and performance of the equity and fixed income benchmarks.

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SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph



The following document has been received:

Receiving: Edmundo Guia

Receipt Date and Time: April 15, 2024 08:00:00 AM

Company Information

SEC Registration No.: CS201739630

Company Name: SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.

Industry Classification: J66910

Company Type: Stock Corporation

Document Information

Document ID: OST10415202482196394

Document Type: Financial Statement

Document Code: FS

Period Covered: December 31, 2023

Submission Type: Annual

Remarks: None

Acceptance of this document is subject to review of forms and contents

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C S 2 0 1 7 3 9 6 3 0

Company Name

S U N L I F E P R O S P E R I T Y A C H I E V E R
F U N D 2 0 3 8 I N C .

Principal Office (No./Street/Barangay/City/Town)Province)

S U N L I F E C E N T R E 5 T H A V E . C O R .
R I Z A L D R I V E , B O N I F A C I O G L O B A L
C I T Y , T A G U I G C I T Y

Form Type

A A F S

Department requiring the report

C R M D

Secondary License Type, If Applicable

N/A

COMPANY INFORMATION

Company's Email Address

sunlife_sec_communications@sunlife.com

Company's Telephone Number/s

8555-8888

Mobile Number

0999-991-7178

No. of Stockholders

6

Annual Meeting
Month/Day

Every Fourth Wednesday of June

Fiscal Year
Month/Day

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

JEANEMAR S. TALAMAN

Email Address

Jeanemar.Talaman@sunlife.com

Telephone Number/s

8555-8888

Mobile Number

N/A

Contact Person's Address

SUN LIFE CENTRE, 5TH AVE. COR. RIZAL DRIVE, BONIFACIO GLOBAL CITY, TAGUIG CITY

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

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

Almer M Doring

From: eafs@bir.gov.ph
Sent: Saturday, April 13, 2024 3:08 PM
To: PHIL-FIN.SLPAchiever2038
Cc: Resurreccion M Bernardo
Subject: Your BIR AFS eSubmission uploads were received

CAUTION This email originated from outside the organization. Please proceed only if you trust the sender.

Hi SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.,

Valid files

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- EAFS009942763AFSTY122023.pdf
- EAFS009942763RPTTY122023.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-N3Z43WXS02ZQWV3NMPVT2SSM3032VSWWMZ**

Submission Date/Time: **Apr 13, 2024 03:07 PM**

Company TIN: **009-942-763**

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- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.

| | |
|---|--|
| TIN | : 009-942-763-000 |
| Name | : SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC. |
| RDO | : 044 |
| Form Type | : 1702 |
| Reference No. | : 462400059069143 |
| Amount Payable (Over Remittance) | : 0.00 |
| Accounting Type | : C - Calendar |
| For Tax Period | : 12/31/2023 |
| Date Filed | : 04/10/2024 |
| Tax Type | : IT |

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**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The Management of Sun Life Prosperity Achiever Fund 2038, Inc. (the "Company") is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, as at December 31, 2023 and 2022, and for the years ended December 31, 2023, 2022 and 2021, in accordance with the Philippine Financial Reporting Standards and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Those charged with governance review and approve the financial statements including the schedules attached therein, and submits the same to the stockholders.

Navarro Amper & Co., the independent auditor appointed by the stockholders for the periods December 31, 2023 and 2022, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders has expressed its opinion on the fairness of presentation upon completion of such audit.

A handwritten signature in cursive script, appearing to read "Benedicto C. Sison".

Benedicto C. Sison, Chairman of the Board

A handwritten signature in cursive script, appearing to read "Valerie N. Pama".

Valerie N. Pama, President

A handwritten signature in cursive script, appearing to read "Jeanemar S. Talaman".

Jeanemar S. Talaman, Treasurer

Signed this 25th day of March 2024.



APR 01 2024


CITY OF MAKATI

Subscribed and sworn to me before this ____ day of _____ 2024 at _____, affiants exhibiting to me competent evidence of identity, as follows:

| Name | Government Issued ID | Date/Place Issued |
|---------------------|--------------------------------|----------------------------|
| Benedicto C. Sison | Passport ID P8268568B | 24 Nov 2021/DFA Manila |
| Valerie N. Pama | Passport ID P7158454B | 8 July 2021/DFA Manila |
| Jeanemar S. Talaman | Driver's License F03-13-001744 | 05 June 2033/ DLRC - Ayala |

WITNESS MY HAND AND SEAL on the date and place above written:

Doc. No. 182
Page No. 78
Book No. XII
Series of 2024.


ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2024
IBP No. 05729- Lifetime Member
MCLE Compliance No. VII-0022734
valid until April 14, 2025
Appointment No. M-39 (2023-2024)
PTR No. 10073909 Jan. 2, 2024 / Makati
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders
SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
(An Open-end Investment Company)
Sun Life Centre, 5th Avenue corner Rizal Drive
Bonifacio Global City, Taguig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sun Life Prosperity Achiever Fund 2038, Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2023, 2022 and 2021, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years ended December 31, 2023, 2022 and 2021, in accordance with Philippine Financial Reporting Standards ("PFRS").

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing ("PSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines ("Code of Ethics") together with the ethical requirements that are relevant to our audits of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte.

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About Deloitte Philippines

In the Philippines, services are provided by Navarro Amper & Co., a duly registered professional partnership.



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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



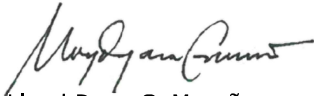
Report on Other Legal and Regulatory Requirements

Report on the Supplementary Information Required by the Bureau of Internal Revenue

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 20 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of Management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Navarro Amper & Co.
BOA Registration No. 0004, valid from June 7, 2021 to September 22, 2024
TIN 005299331

By:



Lloyd Ryan C. Moraño
Partner

CPA License No. 0108235
TIN 226-565-008

BIR A.N. 08-002552-090-2023, issued on March 10, 2023; effective until March 9, 2026
PTR No. A-6110718, issued on January 18, 2024, Taguig City

Taguig City, Philippines
April 8, 2024



SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.

(An Open-end Investment Company)

STATEMENTS OF FINANCIAL POSITION

| | Notes | December 31, 2023 | | December 31, 2022 | |
|---|-------|--------------------|--------------------|-------------------|--------------|
| | | Shareholders | Unit holders | Shareholders | Unit holders |
| ASSETS | | | | | |
| Cash and cash equivalents | 6 | P 697,721 | P 923,926 | P 697,583 | P 2,308,898 |
| Financial assets at fair value through profit or loss | 7 | 54,106,400 | 54,467,573 | 52,639,174 | 52,987,618 |
| Accrued interest receivable | 7 | - | 219,898 | - | 224,696 |
| Dividends receivable | 7 | - | 43,338 | - | 15,498 |
| | | P54,804,121 | P55,654,735 | P53,336,757 | P55,536,710 |
| LIABILITIES AND EQUITY | | | | | |
| Current Liabilities | | | | | |
| Accrued expenses and other payables | 9 | P - | P 199,513 | P - | P 183,168 |
| Due to brokers | 8 | - | - | - | 408,257 |
| Payable to fund manager | 10 | - | 75,914 | - | 67,912 |
| Total Current Liabilities | | - | 275,427 | - | 659,337 |
| Equity | | | | | |
| Net assets attributable to shareholders | | 54,804,121 | - | 53,336,757 | - |
| Net assets attributable to unit holders | | - | 55,379,308 | - | 54,877,373 |
| Total Equity | 11 | 54,804,121 | 55,379,308 | 53,336,757 | 54,877,373 |
| | | P54,804,121 | P55,654,735 | P53,336,757 | P55,536,710 |
| Net Asset Value Per Share and Per Unit | 12 | P 1.0961 | P 0.8471 | P 1.0667 | P 0.8356 |

See Notes to Financial Statements.

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
(An Open-end Investment Company)

STATEMENTS OF COMPREHENSIVE INCOME

| | Notes | For the Years Ended December 31 | | | | | |
|--|-------|---------------------------------|--------------|--------------|---------------|--------------|---------------|
| | | 2023 | | 2022 | | 2021 | |
| | | Shareholders | Unit holders | Shareholders | Unit holders | Shareholders | Unit holders |
| Investment Income - net | | | | | | | |
| Net realized losses from investments | 7 | P - | (P 766,645) | P - | (P 1,280,720) | P - | P (82,434) |
| Dividend income | 7 | - | 1,239,836 | - | 1,016,796 | - | 715,910 |
| Interest income | 13 | 172 | 690,693 | 636 | 649,835 | 992 | 528,359 |
| | | 172 | 1,163,884 | 636 | 385,911 | 992 | 1,161,835 |
| Investment Expenses | | | | | | | |
| Commission | | - | 18,821 | - | 45,242 | - | 12,589 |
| Transactions costs | | - | 745 | - | 1,690 | - | 513 |
| | | - | 19,566 | - | 46,932 | - | 13,102 |
| Net Investment Income | | 172 | 1,144,318 | 636 | 338,979 | 992 | 1,148,733 |
| Operating Expenses | | | | | | | |
| Management and transfer fees | 10 | - | 478,143 | - | 477,646 | - | 449,670 |
| Distribution fees | 10 | - | 385,600 | - | 385,198 | - | 362,637 |
| Directors' fees | 10 | - | 257,857 | - | 237,749 | - | 375,490 |
| Professional fees | | - | 166,566 | - | 151,424 | - | 156,724 |
| Taxes and licenses | | - | 70,507 | - | 59,167 | - | 55,500 |
| Custodian fees | | - | 29,710 | - | 45,534 | - | 29,243 |
| Printing and supplies | | - | 208 | - | 195 | - | 219 |
| Miscellaneous fees | | - | 2,248 | 500 | 3,937 | - | 8,629 |
| | | - | 1,390,839 | 500 | 1,360,850 | - | 1,438,112 |
| Profit (Loss) Before Net Unrealized (Losses) Gains on Investments | | 172 | (246,521) | 136 | (1,021,871) | 992 | (289,379) |
| Net Unrealized Gains (Losses) on Investments | 7 | 1,467,226 | 1,204,088 | 888,989 | (4,416,049) | 747,380 | (897,719) |
| Profit (Loss) Before Tax | | 1,467,398 | 957,567 | 889,125 | (5,437,920) | 748,372 | (1,187,098) |
| Income Tax Expense | 16 | 34 | 163,944 | 127 | 172,218 | 198 | 116,933 |
| Net Profit Attributable to Shareholders | | 1,467,364 | - | 888,998 | - | 748,174 | - |
| Net Loss Attributable to Unit holders | | - | 793,623 | - | (5,610,138) | - | (1,304,031) |
| Total Comprehensive Income (Loss) for the Period | | P1,467,364 | P793,623 | P888,998 | (P5,610,138) | P748,174 | P (1,304,031) |
| Basic Earnings (Loss) Per Share and Per Unit | 14 | P 0.029 | P 0.012 | P 0.018 | (P 0.088) | P 0.015 | (P 0.023) |
| Diluted Earnings (Loss) Per Share and Per Unit | 14 | P 0.029 | P 0.012 | P 0.018 | (P 0.088) | P 0.015 | (P 0.023) |

See Notes to Financial Statements.

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.

(An Open-end Investment Company)

STATEMENTS OF CHANGES IN EQUITY**For the Years Ended December 31, 2023, 2022 and 2021**

| Shareholders | | | | | |
|---|-----------|-----------------|----------------------------------|----------------------|--------------------|
| | Note | Share Capital | Additional Paid-in Capital | Retained Earnings | Total |
| Balance, January 1, 2021 | | P500,000 | P49,500,000 | P1,699,585 | P51,699,585 |
| Total comprehensive income for the period | | - | - | 748,174 | 748,174 |
| Balance, December 31, 2021 | 11 | 500,000 | 49,500,000 | 2,447,759 | 52,447,759 |
| Total comprehensive income for the period | | - | - | 888,998 | 888,998 |
| Balance, December 31, 2022 | 11 | 500,000 | 49,500,000 | 3,336,757 | 53,336,757 |
| Total comprehensive income for the period | | - | - | 1,467,364 | 1,467,364 |
| Balance, December 31, 2023 | 11 | P500,000 | P49,500,000 | P4,804,121 | P54,804,121 |

*See Notes to Financial Statements.***For the Years Ended December 31, 2023, 2022 and 2021**

| Unit holders | | | | | |
|---|------|-------------------|--------------------|---------------------|--------------------|
| | Note | Principal Capital | | Deficit | Total |
| Balance, January 1, 2021 | | P | 54,789,590 | P | (2,486,879) |
| Transactions with unit holders: | | | | | |
| Contributions | 11 | | 4,898,330 | | - |
| Withdrawals | 11 | | (566,785) | | - |
| Total comprehensive loss for the period | | | - | (1,304,031) | (1,304,031) |
| Balance, December 31, 2021 | | | 59,121,135 | | (3,790,910) |
| Transactions with unit holders: | | | | | |
| Contributions | 11 | | 6,177,760 | | - |
| Withdrawals | 11 | | (1,020,474) | | - |
| Total comprehensive loss for the period | | | - | (5,610,138) | (5,610,138) |
| Balance, December 31, 2022 | | | 64,278,421 | | (9,401,048) |
| Transactions with unit holders: | | | | | |
| Contributions | 11 | | 2,195,032 | | - |
| Withdrawals | 11 | | (2,486,720) | | - |
| Total comprehensive income for the period | | | - | 793,623 | 793,623 |
| Balance, December 31, 2023 | | | P63,986,733 | (P8,607,425) | P55,379,308 |

See Notes to Financial Statements.

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
(An Open-end Investment Company)

STATEMENTS OF CASH FLOWS

| | Notes | For the Years Ended December 31 | | | | | |
|---|-------|---------------------------------|--------------------|--------------|---------------|--------------|----------------|
| | | 2023 | | 2022 | | 2021 | |
| | | Shareholders | Unit holders | Shareholders | Unit holders | Shareholders | Unit holders |
| Cash Flows from Operating Activities | | | | | | | |
| Profit (loss) before tax | | P1,467,398 | P 957,567 | P 889,125 | (P 5,437,920) | P748,372 | (1,187,098.00) |
| Dividend income | 7 | - | (1,239,836) | - | (1,016,796) | - | (715,910) |
| Net unrealized losses (gains) on investments | 7 | (1,467,226) | (1,204,088) | (888,989) | 4,416,049 | (747,380.00) | 897,719.00 |
| Net realized losses on investments | 7 | - | 766,645 | - | 1,280,720 | - | 82,434.00 |
| Interest income | 13 | (172) | (690,693) | (636) | (649,835) | (992) | (528,359.00) |
| Operating cash flows before working capital changes | | - | (1,410,405) | (500) | (1,407,782) | - | (1,451,214) |
| Increase (decrease) in: | | | | | | | |
| Accrued expenses and other payables | | - | 16,345 | - | 79,219 | - | (37,565) |
| Payable to fund manager | 10 | - | 8,002 | - | (114) | - | 5,536 |
| Cash used in operations | | - | (1,386,058) | (500) | (1,328,677) | - | (1,483,243) |
| Acquisitions of financial assets at fair value through profit or loss | 7 | - | (6,560,809) | - | (11,508,301) | - | (6,784,131) |
| Proceeds from disposal of financial assets at fair value through profit or loss | 7 | - | 5,110,040 | - | 7,042,833 | - | 2,825,657 |
| Dividend received | | - | 1,211,996 | - | 1,016,808 | - | 719,470 |
| Interest received | 13 | 172 | 695,491 | 636 | 629,913 | 992 | 497,855 |
| Income taxes paid | | (34) | (163,944) | (127) | (172,218) | (198) | (116,933) |
| Net cash generated from (used in) operating activities | | 138 | (1,093,284) | 9 | (4,319,642) | 794 | (4,341,325) |
| Cash Flows from Financing Activities | | | | | | | |
| Withdrawals of unit holders | 11 | - | (2,486,720) | - | (1,020,474) | - | (566,785) |
| Contributions from unit holders | 11 | - | 2,195,032 | - | 6,177,760 | - | 4,898,330 |
| Net cash generated from financing activities | | - | (291,688) | - | 5,157,286 | - | 4,331,545 |
| Net increase (decrease) in cash and cash equivalents | | 138 | (1,384,972) | 9 | 837,644 | 794 | (9,780) |
| Cash and cash equivalents, Beginning | | 697,583 | 2,308,898 | 697,574 | 1,471,254 | 696,780 | 1,481,034 |
| Cash and cash equivalents, End | | P 697,721 | P923,926 | P 697,583 | P 2,308,898 | P697,574 | 1,471,254 |

See Notes to Financial Statements.

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.

(An Open-end Investment Company)

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2023 AND 2022 AND FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

1. CORPORATE INFORMATION

Sun Life Prosperity Achiever Fund 2038, Inc. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 10, 2018. The Company is a registered open-end investment company under the Investment Company Act (Republic Act "R.A." No. 2629) and the Securities Regulation Code (R.A. No. 8799), formerly known as the Revised Securities Act (B.P. No. 178). It is a multi-asset/asset allocation fund which aims to maximize the returns of investors based on a pre-determined target date (Year 2038) that aligns properly with the investment horizon of its investors. Due to a relatively longer time horizon, the Company will be weighted heavily on equity securities and other high-yielding instruments, with an underweight position in fixed income securities to generate higher returns for investors. As the Company draws closer to its pre-determined target date, allocation to equity securities and other high-yielding instruments is gradually shifted to fixed income securities, to reduce the overall risk and volatility.

The Company appointed Sun Life Asset Management Company, Inc. (SLAMCI), an investment management company incorporated in the Philippines and a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. (SLOCPI), as its fund manager, adviser, administrator, distributor and transfer agent and provider of management, distribution and all required operational services, as disclosed in Note 10.

As at December 31, 2023 and 2022, SLAMCI owns 99.99% of the Company's share capital attributable to shareholders. The Company's registered office address and principal place of business is at the 2nd Floor, Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

2. FINANCIAL REPORTING FRAMEWORK AND BASIS OF PREPARATION AND PRESENTATION

Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), which include all applicable PFRS, Philippine Accounting Standards (PAS) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC) and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy (BOA), and adopted by the SEC.

Basis of Preparation and Presentation

The financial statements of the Company have been prepared on the historical cost basis, except for certain financial assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Functional and Presentation Currency

These financial statements are presented in Philippine Peso, the currency of the primary economic environment in which the Company operates. All amounts are recorded to the nearest peso, except when otherwise indicated.

3. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Adoption of New and Revised Accounting Standards Effective as at Reporting Period Ended December 31, 2023

The Company adopted all accounting standards and interpretations as at December 31, 2023. The new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (IASB) and approved by the FSRSC in the Philippines, were assessed to be applicable to the Company's financial statements, are as follows:

Amendments to PAS 1 Presentation of Financial Statements and PFRS Practice Statement 2 Making Materiality Judgements, Disclosure Initiative – Accounting Policies

The Company has adopted the amendments to PAS 1 for the first time in the current year. The amendments change the requirements in PAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in PAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The FSRSC has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in PFRS Practice Statement 2.

The Company has adopted the amendments by disclosing 'material accounting policy information' instead of 'significant accounting policy' and removing the accounting policies not considered as material.

Amendments to PAS 12 Income Taxes— International Tax Reform—Pillar Two Model Rules

The Company has adopted the amendments to PAS 12 for the first time in the current year. The FSRSC amends the scope of PAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in PAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the Company is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

The amendments did not have a material impact to the financial statements of the Company as the Pillar Two legislation has not been enacted or substantially enacted in the jurisdiction where the Company operates.

New Accounting Standards Effective after the Reporting Period Ended December 31, 2023

At the date of authorization of these financial statements, the company has not applied the following PFRS pronouncements that have been issued but are not yet effective:

Effective for annual periods beginning on or after January 1, 2024

- Amendments to PAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current
- Amendments to PAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants
- Amendments to PAS 7 Statement of Cash Flows and PFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements
- Amendments to PFRS 16 Leases—Lease Liability in a Sale and Leaseback Effective for annual periods beginning on or after January 1, 2025
- Amendments to PAS 21 The Effects of Changes in Foreign Exchange Rates—Lack of Exchangeability
- PFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to PFRS 17). Effective date is deferred indefinitely.
- Amendments to PFRS 10 Consolidated Financial Statements and PAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Effective for annual periods beginning on or after January 1, 2025

- Amendments to PAS 21 The Effects of Changes in Foreign Exchange Rates—Lack of Exchangeability
- PFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to PFRS 17)

Effective date is deferred indefinitely

- Amendments to PFRS 10 Consolidated Financial Statements and PAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Management anticipates that the adoption of the new or revised PFRSs in future periods will not have a material impact on the financial statements in the period of their initial adoption.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

Classification and Subsequent Measurement

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

- FVTPL;
- Amortized cost

Classification of financial assets will be driven by the entity's business model for managing the financial assets and the contractual cash flows of the financial assets.

A financial asset is to be measured at amortized cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument represent solely payment of principal and interest (SPPI).

All other debt and equity instruments must be recognized at fair value.

All fair value movements on financial assets are taken through the statement of comprehensive income, except for equity investments that are not held for trading, which may be recorded in the statements of comprehensive income or in reserves (without subsequent recycling to profit or loss).

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- Amortized cost. Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- FVTPL. Assets that do not meet the criteria for amortized cost are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of comprehensive income within other gains/(losses) in period in which it arises. Interest income from these financial assets is included in finance income.

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

For financial instruments, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses (ECL), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than POCI financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective, that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company subsequently measures all equity investments at FVTPL, except where the Company's Management has elected, at initial recognition, to irrevocably designate an equity instrument at FVTOCI. The Company's policy is to designate equity investments as FVTOCI when those investments are held for the purposes other than to generate investment returns. When the election is used, fair value gains and losses are recognized in other comprehensive income (OCI) and are not subsequently reclassified to profit or loss, including disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in profit or loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at FVTPL are recognized in net realized gains (losses) on investments in the statements of profit or loss as applicable.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the asset's cash flows expire or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss, but is transferred to retained earnings.

Financial Liabilities and Equity Instruments

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

The Company's financial liabilities classified under this category include accrued expenses and other payables, due to broker and payable to fund manager.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Equity instruments

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Share capital

Share capital consisting of ordinary shares is classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax. Any excess of proceeds from issuance of shares over its par value is recognized as additional paid-in capital.

Retained earnings (deficit)

Retained earnings (deficit) represent accumulated profit (loss) attributable to equity holders of the Company after deducting dividends declared. Retained earnings (deficit) may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Units of participation

Represents an undivided interest in the pool of investments assets earmarked for this type of security issued by the Company.

Revenue Recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control of a product or service to a customer.

Dividend income

Dividend income from investments is recognized when the shareholders' rights to receive payments have been established, usually at ex-dividend rate, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Realized gains or losses

Gains or losses arising on the disposal of investments are determined as the difference between the sales proceeds and the carrying amount of the investments and is recognized in profit or loss.

Fair value gains or losses

Gains or losses arising from changes in fair values of investments are disclosed under the policy on financial assets.

Expense Recognition

Expenses are recognized in profit or loss when incurred.

Expenses in the statements of comprehensive income are presented using the function of expense method. Investment expenses are transaction costs incurred in the purchase and sale of investments which include commission and clearing fees. Operating expenses are costs attributable to administrative and other business expenses of the Company including management fees and custodianship fees.

Fair Value

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Related Party Transactions

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions.

An entity that is a post-employment benefit plan for the employees of the Company and the key management personnel of the Company are also considered to be related parties.

Taxation

Income tax expense represents the sum of the current tax, final tax and deferred tax expense.

Current tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's current tax expense is calculated using 25% regular corporate income tax (RCIT) rate or 1% minimum corporate income tax (MCIT) rate in July 1, 2020 to June 30, 2023 and 25% RCIT rate or 2% MCIT rate, whichever is higher, effective July 1, 2023, respectively.

Final tax

Final tax expense represents final taxes withheld on interest income from cash in banks, cash equivalents and fixed-income securities and final taxes withheld on proceeds from sale of listed equity securities.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and these relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in OCI or directly in equity, in which case, the current and deferred taxes are also recognized in OCI or directly in equity, respectively.

Earnings (Loss) per Share/Unit

The Company computes its basic earnings (loss) per share/unit by dividing profit or loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares/units outstanding during the period.

For the purpose of calculating diluted earnings (loss) per share/unit, profit or loss for the year attributable to ordinary equity holders of the Company and the weighted average number of shares/units outstanding are adjusted for the effects of deposits for future stock subscriptions which are dilutive potential ordinary shares/units.

Net Asset Value per Share / Unit

The Company computes its NAVPS/U by dividing the total net asset value as at the end of the reporting period by the number of issued and outstanding shares and shares to be issued on deposits for future stock subscriptions or the number of issued and outstanding units.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgments in Applying Accounting Policies

The following are the critical judgments, apart from those involving estimations, that Management has made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognized in the financial statements.

Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

As at December 31, 2023 and 2022, the Company's financial assets measured at FVTPL attributable to shareholders amounted to P54,106,400, and P52,639,174, respectively, and attributable to unit holders amounted to P54,467,573 and P52,987,618, respectively, as disclosed in Note 7.

Financial assets at amortized cost attributable to shareholders amounted to P697,721 and P697,583, respectively, and attributable to unit holders amounted to P1,187,162 and P2,549,092 as at December 31, 2023 and 2022, respectively, composed of cash in banks, accrued interest receivables and dividend receivables, disclosed in Note 6 and 7, respectively.

Puttable shares designated as equity instruments

The Company's share capital met the specified criteria to be presented as equity. The Company designated its redeemable share capital as equity instruments since the Company's share capital met the criteria specified in PAS 32, Financial Instruments: Presentation, to be presented as equity.

A puttable financial instrument includes a contractual obligation for the issuer to repurchase or redeem that instrument for cash or another financial asset on exercise of the put. As an exception to the definition of a financial liability, an instrument that includes such an obligation is classified as an equity instrument if it has met all the following features:

- a. it entitles the holder to a pro rata share of the entity's net assets in the event of the entity's liquidation. The entity's net assets are those assets that remain after deducting all other claims on its assets;
- b. it is in the class of instruments that is subordinate to all other classes of instruments;

- c. all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- d. apart from the contractual obligation for the issuer to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity, and it is not a contract that will or may be settled in the entity's own equity instruments; and
- e. the total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the entity over the life of the instrument (excluding any effects of the instrument).

As at December 31, 2023 and 2022, the recognized amount of share capital attributable to shareholders representing puttable share in the statements of financial position amounted to P500,000, while the amount of contributions attributable to unit holders in the statements of financial position amounted to P63,986,733 and P64,278,421, respectively, as disclosed in Note 11.

Key Sources of Estimation Uncertainty

The following are the Company's key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Deferred tax assets

The Company reviews the carrying amount at the end of each reporting period and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Company will generate sufficient taxable profit that will allow all or part of its deferred tax asset to be utilized.

Based on Management's expectation of the Company's future taxable income, the Company did not recognize deferred tax assets as at December 31, 2023 and 2022, as disclosed in Note 16.

6. CASH AND CASH EQUIVALENTS

This account consists of:

| | 2023 | 2022 |
|--------------------------------------|------------------|------------|
| Attributable to shareholders: | | |
| Cash in banks | P 697,721 | P 697,583 |
| Attributable to unit holders: | | |
| Cash in banks | P 923,926 | P 781,324 |
| Cash equivalents | - | 1,527,574 |
| | P 923,926 | P2,308,898 |

Cash in banks attributable to shareholders earned interest amounting to P172, P636 and P992 in 2023, 2022 and 2021, respectively, at an average rate of 0.11%, 0.07% and 0.14%, respectively, as disclosed in Note 13.

Cash in banks attributable to unit holders earned interest amounting to P1,452, P3,899 and P2,194 at an average rate of 0.11%, 0.07% and 0.15% in 2023, 2022 and 2021, respectively, as disclosed in Note 13.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The Company classifies an investment as cash equivalent if that investment has a maturity of three months or less from the date of acquisition.

Cash equivalents attributable to unit holders earned interest amounting to P45,647, P14,441 and nil at average rate of 5.98%, 1.89% and nil in 2023, 2022 and 2021, respectively, as disclosed in Note 13.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This account consists of:

| | Note | 2023 | 2022 |
|---|------|---------------------|-------------|
| Attributable to shareholders: | | | |
| Investment in mutual fund | 10 | P 54,106,400 | P52,639,174 |
| Attributable to unit holders: | | | |
| Investments in listed equity securities | | P 42,958,050 | P43,148,152 |
| Investments in fixed-income securities | | 10,207,472 | 9,839,466 |
| Investments in UITF | | 1,302,051 | - |
| | | P54,467,573 | P52,987,618 |

Investments in listed equity securities are composed of listed equity shares while investments in fixed-income securities is composed of treasury notes. Investments in UITF are placed in universal banks and are redeemable anytime.

The Company recognized dividend income from investments in listed equity securities attributable to unit holders amounting to P1,239,836, P1,016,796 and P715,910 in 2023, 2022 and 2021, respectively. Dividends receivable attributable to unit holders amounted to P43,338 and P15,498 as at December 31, 2023 and 2022, respectively.

Interest income earned on fixed-income securities attributable to unit holders amounted to P643,594, P631,495 and P526,165 in 2023, 2022 and 2021, respectively, as disclosed in Note 13. Average interest rates earned on these investments are also disclosed in Note 13. Accrued interest receivable attributable to unitholders amounted to P219,898 and P224,696 as at December 31, 2023 and 2022, respectively.

Net gains (losses) on investments recognized in profit or loss arising from financial assets at FVTPL are as follows:

| | 2023 | 2022 | 2021 |
|--|--------------------|--------------|-------------|
| Attributable to shareholders: | | | |
| Net unrealized gains on investments | P 1,467,226 | P 888,989 | P 747,380 |
| Attributable to unit holders: | | | |
| Net realized gains (losses) on investments in: | | | |
| Equity securities | (P 832,249) | (P1,280,720) | (P 233,278) |
| Fixed-income securities | 65,604 | - | 150,844 |
| | (766,645) | (1,280,720) | (82,434) |
| Net unrealized gains (losses) on investments in: | | | |
| Equity securities | 93,918 | (2,374,833) | 340,822 |
| Fixed-income securities | 1,110,170 | (2,041,216) | (1,238,541) |
| | 1,204,088 | (4,416,049) | (897,719) |
| | P 437,443 | (P5,696,769) | (P 980,153) |

The movements in the financial assets at FVTPL are summarized as follows:

| | 2023 | 2022 | 2021 |
|--------------------------------------|--------------------|-------------|-------------|
| Attributable to shareholders: | | | |
| Balance, January 1 | P52,639,174 | P51,750,185 | P51,002,805 |
| Unrealized gains | 1,467,226 | 888,989 | 747,380 |
| Balance, December 31 | P54,106,400 | P52,639,174 | P51,750,185 |
| Attributable to unit holders: | | | |
| Balance, January 1 | P52,987,618 | P53,810,662 | P50,832,341 |
| Additions | 6,151,202 | 11,916,558 | 6,784,131 |
| Disposal | (5,905,231) | (8,323,553) | (2,908,091) |
| Unrealized gains (losses) | 1,233,984 | (4,416,049) | (897,719) |
| Balance, December 31 | P54,467,573 | P52,987,618 | P53,810,662 |

The following presents the breakdown of the maturity profile of the principal amount of the investment in fixed-income securities:

| | 2023 | 2022 |
|--|--------------------|-------------|
| Attributable to unit holders: | | |
| Due after five years through ten years | P - | P 100,000 |
| Due after ten years | 10,010,000 | 10,610,000 |
| | P10,010,000 | P10,710,000 |

8. DUE TO BROKERS

Due to brokers account pertains to amounts payable to brokers for the purchase of investments processed on or before the reporting period, which are settled three days after the transaction date.

Due to brokers attributable to unitholders amounted to nil and P408,257 as at December 31, 2023 and 2022, respectively.

Counterparties to the contract are not allowed to offset payable and receivable arising from the purchase and sale of investments.

9. ACCRUED EXPENSES AND OTHER PAYABLES

This account consists of:

| | 2023 | 2022 |
|--------------------------------------|------------------|----------|
| Attributable to Unit holders: | | |
| Professional fees | P 166,566 | P151,424 |
| Withholding taxes | 13,333 | 10,426 |
| Due to investors | 7,401 | 9,014 |
| Custodianship fees | 6,529 | 6,498 |
| Supervisory fees | 5,684 | 5,806 |
| | P 199,513 | P183,168 |

Due to investors account pertains to amounts payable to investors for the redemption of their investments processed on or before the reporting period, which are usually paid three days after the transaction date. In line with the announcement of the Securities Clearing Corporation of the Philippines (SCCP) that stock market transaction settlement will change from three (3) clearing days settlement cycle to two (2) clearing days, the Company, effective September 11, 2023, changed the redemption and switch out settlement schedules from three (3) days to two (2) days after the transaction date.

10. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company transacts with entities which are considered related parties under PAS 24, *Related Party Disclosures*.

As at December 31, 2023 and 2022, below is the outstanding investment of the Company in Sun Life Prosperity Peso Starter Fund, Inc.:

| | Note | 2023 | | 2022 | |
|-------------------------------------|------|-------------------|--------------------|------------|---------------|
| | | Shares | Current Value | Shares | Current Value |
| Attributable to shareholders | | | | | |
| Investments in mutual fund | 7 | 39,335,805 | P54,106,400 | 39,335,805 | P52,639,174 |

The details of amounts and transactions with related parties attributable to unit holders are set out below.

| Nature of transaction | Transactions during the year | | | Outstanding payable | | Terms | Condition | Notes |
|--|------------------------------|----------|----------|---------------------|----------|--|-------------------------|-------|
| | 2023 | 2022 | 2021 | 2023 | 2022 | | | |
| SLAMCI - Fund Manager | | | | | | | | |
| Management, Distribution and Transfer fees | P863,743 | P862,844 | P812,307 | P 75,914 | P 67,912 | Non-interest bearing; Annual rate of 1.40% of average daily net assets; settled in cash on or before the 15 th day of the following month | Unsecured; Unguaranteed | a |
| Key Management Personnel | | | | | | | | |
| Directors' fees | 257,857 | 237,749 | 375,490 | - | - | Payable on demand; Settled in cash | Unsecured; Unguaranteed | b |

As at December 31, 2023 and 2022, SLAMCI subscribed 50,000,000 units to the Company representing 76.48% and 76.13% of net assets attributable to unit holders, respectively.

Details of the Company's related party transactions are as follows:

a. Investment Management

The Company appointed SLAMCI as its fund manager, adviser, administrator, distributor and transfer agent that provides management, distribution and all required operational services. Under the Management and Distribution Agreement (MDA), SLAMCI receives aggregate fees for these services at an annual rate of 1.25% (exclusive of VAT) of the net assets attributable to shareholders on each valuation day. Moreover, under the Transfer Agency Agreement, SLAMCI receives aggregate fees for these services at an annual rate of 0.15% of the net assets attributable to shareholders on each valuation day.

On September 22, 2020, the Company and SLAMCI amended its MDA and Transfer Agency Agreement based on the provisions of ICA 2018 IRR (Implementing Rules and Regulations of the Investment Company Act 2018) published by the SEC on January 11, 2018. The agreements shall remain in effect for a period of 2 years from July 31, 2020 and shall continue in effect from year to year as approved by the respective Board of Directors of the Company and SLAMCI.

Management, distribution and transfer fees attributable to unitholders charged by SLAMCI to the Company in 2023, 2022 and 2021 amounted to P863,743, P862,844 and P812,307, respectively. Accrued management fees as at December 31, 2023 and 2022 amounting to P75,914 and P67,912, respectively, are shown as "Payable to Fund Manager" in the statements of financial position.

b. Remuneration of Directors

Remuneration of directors is presented in the statements of comprehensive income under "Directors' Fees" account amounting to P257,857, P237,749 and P375,490 attributable to unitholders in 2023, 2022 and 2021, respectively, which are usually paid to directors based on the number of meetings held and attended. There were no outstanding accrued directors' fees as at December 31, 2023 and 2022.

Except for the Board of Directors, the Company has no key management personnel and employees. Pursuant to the Company's MDA with SLAMCI, the latter provides all the staff of the Company, including executive officers and other trained personnel.

11. EQUITY

Movements are as follows:

| | 2023 | | 2022 | | 2021 | |
|--------------------------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|
| | Shares/Units | Amount | Shares/Units | Amount | Shares/Units | Amount |
| Attributable to shareholders: | | | | | | |
| Authorized: | | | | | | |
| at P0.01 par value | 200,000,000 | P 2,000,000 | 200,000,000 | P 2,000,000 | 200,000,000 | P 2,000,000 |
| Issued and outstanding | 50,000,000 | P 500,000 | 50,000,000 | P 500,000 | 50,000,000 | P 500,000 |
| Attributable to unit holders: | | | | | | |
| Offer units: | | | | | | |
| at P1.00 initial offer price | 100,000,000,000 | P100,000,000,000 | 100,000,000,000 | P100,000,000,000 | 100,000,000,000 | P100,000,000,000 |
| Issued and outstanding | | | | | | |
| At January 1 | 65,675,645.79 | P 64,278,421 | 59,939,579.72 | P 59,121,135 | 55,104,378.31 | P 54,789,590 |
| Contributions | 2,604,492.78 | 2,195,032 | 6,966,289.19 | 6,177,760 | 5,449,407.19 | 4,898,330 |
| Withdrawals | (2,904,268.87) | (2,486,720) | (1,230,223.12) | (1,020,474) | (614,205.78) | (566,785) |
| At December 31 | 65,375,869.70 | P 63,986,733 | 65,675,645.79 | P 64,278,421 | 59,939,579.72 | P 59,121,135 |

Incorporation

The Company was incorporated on January 10, 2018 with 200,000,000 authorized shares at par value of P0.01 per share attributable to shareholders and 100,000,000,000 offer units at P1.0000 initial offer price per unit attributable to unitholders.

Current state

As at December 31, 2023, the Company has 50,000,000 issued and outstanding shares out of the 200,000,000 authorized shares with a par value of P0.01 per share attributable to shareholders and has 65,375,869.70 subscribed units out of 100,000,000,000 offer units.

Redeemable shares

Redeemable shares carry one vote each, and are subject to the following:

- a. Distribution of dividends
Each shareholder has a right to any dividends declared by the Company's Board of Directors and approved by 2/3 of its outstanding shareholders.
- b. Denial of pre-emptive rights
No shareholder shall, because of his ownership of the shares, has a pre-emptive or other right to purchase, subscribe for, or take any part of shares or of any other securities convertible into or carrying options or warrants to purchase shares of the registrant.

c. Right of redemption

The holder of any share, upon its presentation to the Company or to any of its duly authorized representatives, is entitled to receive, by way of redemption, approximately his proportionate share of the Company's current net assets or the cash equivalent thereof. Shares are redeemable at any time at their net assets value less any applicable sales charges and taxes.

Redeemable Units

Redeemable units refer to units of participation each of which represents an undivided interest in the pool of investments assets earmarked for this type of security issued by a Mutual Fund Company (MFC). The MFC will buy back the redeemable units upon request of the holder.

Additional paid-in capital attributable to shareholders amounting to P49,500,000 as at December 31, 2023 and 2022 pertains to excess payments over par value from shareholders. However, no corresponding additional paid-in capital is recognized upon issuance of units as these are issued at no par value.

12. NET ASSET VALUE PER SHARE / PER UNIT

NAVPS and NAVPU are computed as follows:

| | Note | 2023 | 2022 |
|--------------------------------------|------|---------------|---------------|
| Attributable to shareholders: | | | |
| Total equity | | P 54,800,121 | P 53,336,757 |
| Issued and outstanding shares | 11 | 50,000,000 | 50,000,000 |
| NAVPS | | P 1.0961 | P 1.0667 |
| Attributable to unit holders: | | | |
| Total equity | | P 55,379,308 | P 54,877,373 |
| Subscribed units | 11 | 65,375,869.70 | 65,675,645.79 |
| NAVPU | | P 0.8471 | P 0.8356 |

NAVPS is based on issued, outstanding and fully paid shares minus treasury shares while NAVPU is based on issued, outstanding and fully paid units. The expected cash outflow on redemption of these shares/units are equivalent to computed NAVPS/NAVPU as at reporting period.

13. INTEREST INCOME

This account consists of interest income on the following:

| | Notes | 2023 | 2022 | 2021 |
|--------------------------------------|-------|-----------------|-----------------|-----------------|
| Attributable to shareholders: | | | | |
| Cash in banks | 6 | P 172 | P 636 | P 992 |
| Attributable to unit holders: | | | | |
| Fixed-income securities | 7 | P643,594 | P631,495 | P526,165 |
| Cash equivalents | 6 | 45,647 | 14,441 | - |
| Cash in banks | 6 | 1,452 | 3,899 | 2,194 |
| | | P690,693 | P649,835 | P528,359 |

Interest income is recorded gross of final withholding tax which is shown as "Income Tax Expense" account in the statements of comprehensive income.

Average interest rates of investments, cash equivalents and cash in banks in 2023, 2022 and 2021 are as follows:

| | Notes | 2023 | 2022 | 2021 |
|--------------------------------------|-------|-------|-------|-------|
| Attributable to shareholders: | | | | |
| Cash in banks | 6 | 0.11% | 0.07% | 0.14% |
| Attributable to unit holders: | | | | |
| Fixed-income securities | 7 | 5.94% | 6.72% | 6.00% |
| Cash in banks | 6 | 0.11% | 0.07% | 0.15% |
| Cash equivalents | 6 | 5.98% | 1.89% | - |

Interest income earned on financial assets, analyzed by category, is as follows:

| | Notes | 2023 | 2022 | 2021 |
|--------------------------------------|-------|-----------------|-----------------|-----------------|
| Attributable to shareholders: | | | | |
| Cash in banks | 6 | P 172 | P 636 | P 992 |
| Attributable to unit holders: | | | | |
| Financial assets at FVTPL | 7 | P643,594 | P631,495 | P526,165 |
| Cash and cash equivalents | 6 | 47,099 | 18,340 | 2,194 |
| | | P690,693 | P649,835 | P528,359 |

14. EARNINGS (LOSS) PER SHARE / PER UNIT

The calculation of the basic and diluted earnings (loss) per share / per unit is based on the following data:

| | 2023 | 2022 | 2021 |
|--------------------------------------|---------------|---------------|---------------|
| Attributable to shareholders: | | | |
| Profit for the year | P 1,463,364 | P 888,998 | P 748,174 |
| Weighted average number of shares: | | | |
| Issued and outstanding | 50,000,000 | 50,000,000 | 50,000,000 |
| Basic and diluted earnings per share | P 0.0293 | P 0.0178 | P 0.0150 |
| Attributable to unit holders: | | | |
| Profit (Loss) for the year | P 793,623 | (P 5,610,159) | (P 1,304,031) |
| Weighted average number of units: | | | |
| Subscribed units | 65,452,430.83 | 64,023,745.92 | 57,162,119.81 |
| Basic and diluted loss per unit | P 0.0121 | (P 0.0876) | (P 0.0228) |

As at December 31, 2023 and 2022, the Company has no dilutive potential ordinary shares.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities measured at fair value on a recurring basis

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value classified under level 1 based on the degree to which the inputs to fair value are observable.

| | Note | Level 1 |
|--|------|---------------------|
| December 31, 2023 | | |
| Attributable to shareholders: | | |
| Investment in mutual fund | 7 | P 54,106,400 |
| Attributable to unit holders: | | |
| Investment in listed equity securities | 7 | P 42,958,050 |
| Investment in fixed-income securities | 7 | 10,207,472 |
| Investment in UITF | 7 | 1,302,051 |
| | | P54,467,573 |
| December 31, 2022 | | |
| Attributable to shareholders: | | |
| Investment in mutual fund | 7 | P52,639,174 |
| Attributable to unit holders: | | |
| Investment in listed equity securities | 7 | P43,148,152 |
| Investment in fixed-income securities | 7 | 9,839,466 |
| | | P52,987,618 |

Investment in mutual fund is valued at its NAVPS at reporting date.

Listed equity securities are valued at quoted prices as at reporting date.

The fair value of fixed-income securities classified as Level 1 is based on quoted price of either done deals or bid rates.

Financial asset and liabilities not measured at fair value

Cash and cash equivalents, accrued interest receivable, dividend receivable, due to brokers, and accrued expenses, other payables excluding stamp and withholding taxes and payable to fund manager have short-term maturities, hence, their carrying amounts are considered their fair values.

There were no transfers between Level 1 and 2 in 2023 and 2022.

16. INCOME TAXES

Details of income tax expense are as follows:

| | 2023 | 2022 | 2021 |
|-----------|-----------------|----------|----------|
| Final tax | P163,978 | P172,345 | P117,131 |

The reconciliation between income tax expense and the product of accounting loss multiplied by 25% in 2023, 2022 and 2021 is as follows:

| | 2023 | 2022 | 2021 |
|--|--------------------|--------------|-------------|
| Accounting profit (loss) before tax | P 2,424,965 | (P4,548,795) | (P 438,726) |
| Tax benefit at 25% | P 606,241 | (1,137,199) | (109,682) |
| Net unrealized (gains) losses on investments | (667,829) | 881,765 | 37,585 |
| Unrecognized net operating loss carry-over (NOLCO) | 352,601 | 352,071 | 362,804 |
| Net realized losses on investments | 191,661 | 320,180 | 20,609 |
| Dividend income exempt from tax | (309,959) | (254,199) | (178,978) |
| Adjustment for income subject to lower tax rate | (8,737) | 9,727 | (15,207) |
| | P 163,978 | P 172,345 | P 117,131 |

On March 26, 2021, the Republic Act (RA) 11534 also known as "Corporate Recovery and Tax Incentives for Enterprises Act" or "CREATE" Act was passed into law which reduced the corporate income tax rates and rationalized the current fiscal incentives by making it time-bound, targeted and performance-based.

Among others, the Act includes the following significant revisions:

1. Effective July 1, 2020, domestic corporations with total assets not exceeding P100 million and net taxable income of P5 million and below shall be subject to 20% income tax rate while the other domestic corporations and resident foreign corporations will be subject to 25% tax income tax rate;
2. Minimum corporate income tax (MCIT) rate is reduced to from 2% to 1% from July 1, 2020 to June 30, 2023;

Details of the Company's NOLCO from previous years are as follows:

| Year Incurred | Year of Expiry | Beginning Balance | Addition | Expired | 2023 Balance |
|---------------|----------------|-------------------|-------------|---------|-------------------|
| 2022 | 2025 | P1,408,282 | P - | P - | P1,408,282 |
| 2023 | 2026 | - | 1,410,405 | - | 1,410,405 |
| | | P1,408,282 | P 1,410,405 | P - | P2,818,687 |

Details of the Company's NOLCO covered by Revenue Regulations (RR) No. 25-2020 is as follows:

| Year Incurred | Year of Expiry | Beginning Balance | Addition | Expired | 2023 Balance |
|---------------|----------------|-------------------|----------|---------|-------------------|
| 2020 | 2025 | P1,291,750 | P - | P - | P1,291,750 |
| 2021 | 2026 | 1,451,214 | - | - | 1,451,214 |
| | | P2,742,964 | P - | P - | P2,742,964 |

Pursuant to Section 4 COVID-19 Response and recovery Interventions paragraph (bbbb) of Republic Act No. 11494 also known as "Bayanihan to Recover As One Act" and to RR No. 25-2020 of Bureau of Internal Revenue, the NOLCO incurred by the Company for taxable years 2020 and 2021 shall be carried over as a deduction from gross income for the next five consecutive taxable years immediately following the year of such loss.

Deferred tax assets on NOLCO was not recognized since Management believes that future taxable income will not be available against which the deferred tax can be utilized.

The Company's interest income arising from cash in banks, cash equivalents and fixed-income securities, and realized gains on sale of listed equity securities are already subjected to final tax and are therefore excluded from the computation of taxable income subject to RCIT.

17. CONTINGENCIES

The Company has no pending legal cases as at December 31, 2023 and 2022 that may have a material effect on the Company's financial position and results of operations.

18. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk, which includes interest rate and equity price risks, credit risk and liquidity risk. The Fund Manager exerts best efforts to anticipate events that would negatively affect the value of the Company's assets and take appropriate actions to counter these risks. However, there is no guarantee that the strategies will work as intended. The policies for managing specific risks are summarized below.

Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates and prices of equity securities in the stock market. There has been no change on the manner in which the Company manages and measures these risks.

Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest.

The primary source of the Company's interest rate risk relates to cash and cash equivalents and fixed-income securities. Interest rates of the financial assets are disclosed in Notes 6 and 13.

The risk is managed by the Fund Manager by actively monitoring the prevailing interest rate environment. The duration of the portfolio is reduced during periods of rising rates and widening credit spreads to maximize interest income potential. Conversely, the same is increased during periods of falling rates and narrowing credit spreads.

A 50 basis points increase or decrease in the interest rates had been determined for sensitivity analysis based on the exposure to interest rates for financial assets at FVTPL at the end of each reporting period. The same is used for reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonable effect of the maximum possible movement in interest rates.

The following table details the increase or decrease in net profit after tax if interest rates had been 50 basis points higher or lower and all other variables are held constant for the periods ended 2023, 2022 and 2021:

| Change in Interest rates | Increase (Decrease) in Net Profit or Loss/Equity | | |
|--------------------------------------|--|-----------|------------|
| | 2023 | 2022 | 2021 |
| Attributable to shareholders: | | | |
| +50 basis | 2,791 | 2,790 | P 2,790 |
| -50 basis | (2,791) | (2,790) | (2,790) |
| Attributable to unit holders: | | | |
| +50 basis | (424,317) | (141,157) | (P468,682) |
| -50 basis | 449,090 | 150,599 | 499,126 |

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of the reporting period does not reflect the exposure during the period.

Equity price risk

The Company is exposed to equity price risks arising from investments in listed equity securities and investment in mutual fund. Investments in listed equity securities could either be held for strategic or trading purposes.

The risk is managed by the Fund Manager by actively monitoring the domestic equity market and movements in NAVPS of investment in mutual fund. Portfolios are traded based on a combination of regularly-carried out fundamental and technical analyses of stock prices.

Based on the exposure to equity price risks at the end of each reporting period, if equity prices and NAVPS of investment in mutual fund had been 2% higher or lower, profit or loss for the years ended December 31, 2023, 2022 and 2021 would have increased or decreased by:

| Change in equity price | Increase (Decrease) in Net Profit or Loss/Equity | | |
|--------------------------------------|--|-----------|------------|
| | 2023 | 2022 | 2021 |
| Attributable to shareholders: | | | |
| +/-200 basis | 1,082,049 | 1,052,783 | P1,035,004 |
| Attributable to unit holders | | | |
| +/-200 basis | 871,322 | 820,772 | 856,134 |

Other than equity price risk discussed above, there are no other market risks which significantly affect the Company's performance.

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent equity price risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing only with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults and transacts only with entities that are rated with equivalent of investment grade of "High" down to "Satisfactory". This information is supplied by independent rating agencies, when available. If the information is not available, the Company uses other publicly available financial information and its own trading records to rate its major counterparties. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The table below summarizes the current internal credit rating equivalence system of the Company.

| Summary rating | Internal credit rating | S&P rating |
|----------------|------------------------|--------------|
| High | AAA | AAA |
| High | AA | AA- to AA+ |
| High | A | A- to A+ |
| High | BBB | BBB- to BBB+ |
| Satisfactory | BB | BB- to B+ |
| Acceptable | B | B- to B+ |
| Low | CCC/C | CCC- to CCC+ |

The carrying amount of cash and cash equivalents, accrued interest receivable, and dividends receivable are recorded in the financial statements represents the Company's maximum exposure to credit risk. The Company determined that the credit quality of cash and cash equivalents, accrued interest receivable, and dividends receivable as high grade and low credit risk investments. Therefore, no ECL is recognized for these financial assets.

Liquidity risk

Liquidity risk arises when the Company encounters difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company aims to maintain an appropriate level of liquidity which means having sufficient liquidity to be able to meet all obligations promptly under foreseeable adverse circumstances, while not having excessive liquidity.

The Company maintains at least ten percent of the fund in liquid/semi-liquid assets in the form of cash and cash equivalents, listed equity securities, government securities and other collective schemes wholly invested in liquid/semi-liquid assets to assure necessary liquidity. This is also in compliance to Section 6.10 of the Implementing Rules and Regulations of the Investment Company Act series of 2018.

The Fund Manager manages liquidity risks by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities. The table had been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

| | Less than One Month | One Month to One Year | Total |
|--------------------------------------|------------------------|--------------------------|------------------|
| 2023 | | | |
| Attributable to unit holders: | | | |
| Accrued expenses and other payables | P 7,401 | P 178,779 | P186,180 |
| Payable to fund manager | 75,914 | - | 75,914 |
| | P 83,315 | P 178,779 | P 262,094 |
| 2022 | | | |
| Accrued expenses and other payables | P 9,014 | P163,728 | P172,742 |
| Due to brokers | 408,257 | - | 408,257 |
| Payable to fund manager | 67,912 | - | 67,912 |
| | P485,183 | P163,728 | P648,911 |

The difference between the carrying amount of accrued expenses and other payables disclosed in the statements of financial position and the amount disclosed in this note pertains to withholding taxes that are not considered financial liabilities.

There were no outstanding financial liabilities attributable to shareholders as at December 31, 2023 and 2022.

The following table details the Company's expected maturity for its financial assets. The table had been drawn up based on the contractual maturities of the financial assets including interest that will be earned on that asset, except when the Company anticipates that the cash flows will occur in a different period.

| | Average Effective Interest Rate | Less than One Year | One to Five Years | Five to Ten Years | More than Ten Years | Total |
|--------------------------------------|---------------------------------|--------------------|-------------------|-------------------|---------------------|--------------------|
| Attributable to shareholders: | | | | | | |
| 2023 | | | | | | |
| Cash in banks | 0.11% | P 697,721 | P - | P - | P - | P 697,721 |
| 2022 | | | | | | |
| Cash in banks | 0.07% | P 697,583 | P - | P - | P - | P 697,583 |
| Attributable to unit holders: | | | | | | |
| 2023 | | | | | | |
| Cash in banks | 0.11% | P 923,926 | P - | P - | P - | P 923,926 |
| Financial assets at FVTPL | 5.94% | 6,203 | 24,811 | 31,013 | 10,045,813 | 10,107,840 |
| Accrued interest receivable | | 219,898 | - | - | - | 219,898 |
| Dividends receivable | | 43,338 | - | - | - | 43,338 |
| | | P1,193,365 | P24,811 | P31,013 | P10,045,813 | P11,295,002 |
| 2022 | | | | | | |
| Cash in banks | 0.07% | P 781,324 | P - | P - | P - | P 781,324 |
| Cash equivalents | 1.89% | 1,527,574 | | | | 1,527,574 |
| Financial assets at FVTPL | 6.72% | 6,759 | 27,036 | 133,522 | 10,653,462 | 10,820,779 |
| Accrued interest receivable | | 224,696 | - | - | - | 224,696 |
| Dividends receivable | | 15,498 | - | - | - | 15,498 |
| | | P2,555,851 | P27,036 | P133,522 | P10,653,462 | P13,369,871 |

The Company expects to meet its obligations from operating cash flows and proceeds from maturing financial asset.

19. CAPITAL RISK MANAGEMENT

The Fund Manager manages the Company's capital to ensure that the Company will be able to continue as a going concern while maximizing the return to stakeholders through investments in high-quality debt securities.

The Company is guided by its Investment Policies and Legal Limitations. All the proceeds from the sale of shares, including the original subscription payments at the time of incorporation constituting the paid-in capital, is held by custodian banks.

The capital structure of the Company consists of issued capital as disclosed in Note 11.

The Fund Manager manages the Company's capital and NAVPS, as disclosed in Notes 11 and 12 to ensure that the Company's net asset value remains competitive and appealing to prospective investors.

The Company is also governed by the following fundamental investment policies:

- It does not issue senior securities;
- It does not intend to incur any debt or borrowing. In the event that borrowing is necessary, it can do so only if, at the time of its incurrence or immediately thereafter, there is asset coverage of at least 300% for all its borrowings;
- It does not participate in any underwriting or selling group in connection with the public distribution of securities, except for its own share capital;
- It generally maintains a diversified portfolio. Industry concentrations may vary at any time depending on the investment manager's view on the prospects;
- It does not invest more than twenty percent (20%) of its assets in real estate properties and developments, subject to investment restrictions and/or limitations under applicable law, if any;
- It does not purchase or sell commodity futures contracts;

- g. It does not engage in lending operations to related parties such as the members of the Board of Directors, officers of the Company and any affiliates, or affiliated corporations of the Company;
- h. The asset mix in each type of security is determined from time to time, as warranted by economic and investment conditions;
- i. The subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions;
- j. It may use various techniques to hedge investment risks; and
- k. It does not change its investment objectives without the prior approval of a majority of its shareholders and prior notice to the SEC.

The Investment Policies refer to the following:

- a. Investment Objective - to generate long-term capital appreciation through a portfolio of equities, fixed income securities and alternative financial instruments, adjusted accordingly as the target date of the Fund (Year 2038) approaches.
- b. Benchmark - the fund's performance is measured against 50% PSE Index and 48% Bloomberg Sovereign Bond Index 1 to 5 Year, net of tax and 2% Philippines Peso TD Rate 1 to 3 Months, net of tax.
- c. Asset Allocation Range - the Company allocates its funds available for investments among cash and other deposit substitute, fixed-income securities and equity securities based on certain proportion as approved by Management.

Other matters covered in the investment policy include the fees due to be paid to the Fund Manager with management and distribution fees each set at an annual rate of 1.25% of the net assets attributable to unit holders on each valuation day.

In compliance with SEC Memorandum Circular No. 21, Series of 2019 signed on September 24, 2019 in relation to independent Net Asset Value (NAV) calculation, SLAMCI (Fund Manager) engaged Citibank, N.A. Philippines to service its fund accounting functions including calculation of its NAV every dealing day. In December 2020, SLAMCI implemented the outsourced fund accounting to all Sun Life Prosperity Funds.

As at December 31, 2023 and 2022, the Company is in compliance with the above requirements and minimum equity requirement of the SEC of P50,000,000 pursuant to Section 3 of SEC Memorandum Circular No.33-2020.

The equity ratio at period-end is as follows:

| | 2023 | 2022 |
|--------------------------------------|---------------------|-------------|
| Attributable to shareholders: | | |
| Equity | P54,804,121 | P53,336,757 |
| Total assets | 54,804,121 | 53,336,757 |
| Equity ratio | 1.0000:1 | 1.0000:1 |
| Attributable to unit holders: | | |
| Equity | P 55,379,308 | P54,877,373 |
| Total assets | 55,654,735 | 55,536,710 |
| Equity ratio | 0.9951:1 | 0.9881:1 |

Management believes that the above ratios are within the acceptable range.

20. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE (BIR) UNDER REVENUE REGULATIONS NO. 15-2010

The following information on taxes, duties and license fees paid or accrued during the 2023 taxable period is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

Documentary stamp tax

Documentary stamp taxes incurred by the Company during 2023 amounted to P11,022 representing taxes in connection with the issuance of share certificates by the Company to its shareholders.

Other taxes and licenses

Details of taxes and licenses and permit fees paid or accrued in 2023 are as follows:

| Charged to operating expenses | |
|--------------------------------------|-----------------|
| Filing and registration fees | P 38,661 |
| Business permits | 19,124 |
| Residence or community tax | 1,700 |
| | P59,485 |

Withholding taxes

Withholding taxes paid and accrued and/or withheld consist of:

| | Paid | Accrued | Total |
|----------------------------|-----------------|-----------------|-----------------|
| Expanded withholding taxes | P 85,591 | P 12,459 | P 98,050 |

Deficiency tax assessments

The Company has no tax assessments and tax cases in 2023.

21. APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company were reviewed and endorsed by the Audit and Compliance Committee for the approval of the Board of Directors on March 25, 2024.

The Board of Directors approved the issuance of the financial statements also on March 25, 2024.

* * *

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

To the Board of Directors and Shareholders
SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
(An Open-end Investment Company)
Sun Life Centre, 5th Avenue corner Rizal Drive
Bonifacio Global City, Taguig City

We have audited the financial statements of Sun Life Prosperity Achiever Fund 2038, Inc. (the "Company") as at December 31, 2023 and 2022, and for the years ended December 31, 2023, 2022 and 2021, in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated April 8, 2024.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on the attached schedule showing the reconciliation of the retained earnings available for dividend declaration as at December 31, 2023 and other supplementary information shown in schedules A-H, as required by the Securities and Exchange Commission under the revised Securities Regulation Code Rule 68, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of Management and has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Navarro Amper & Co.
BOA Registration No. 0004, valid from June 7, 2021 to September 22, 2024
TIN 005299331

By:



Lloyd Ryan C. Morano
Partner
CPA License No. 0108235
TIN 226-565-008
BIR A.N. 08-002552-090-2023, issued on March 10 2023; effective until March 9, 2026
PTR No. A-6110718, issued on January 18, 2024, Taguig City

Taguig City, Philippines
April 8, 2024

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SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
As at December 31, 2023

| | Attributable to unitholders | Attributable to shareholders |
|--|--------------------------------|---------------------------------|
| Unappropriated Retained Earnings, beginning of reporting period | (7,835,070) | 386,581 |
| Add: Category A: Items that are directly credited to Unappropriated Retained Earnings | | |
| Reversal of Retained Earnings Appropriations | - | - |
| Effect of restatements or prior-period adjustments | - | - |
| Others (describe nature) | - | - |
| | - | - |
| Less: Category B: Items that are directly deducted to Unappropriated Retained Earnings | | |
| Dividend declaration during the reporting period | - | - |
| Retained Earnings appropriated during the reporting period | - | - |
| Effect of restatements or prior-period adjustments | - | - |
| Others (describe nature) | - | - |
| | - | - |
| Unappropriated Retained Earnings, as adjusted | (7,835,070) | 386,581 |
| Add/Less: Net income (loss) for the current year | 793,623 | 1,467,364 |
| Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax) | | |
| 1 Equity in net income of associate/joint venture, net of dividends declared | - | - |
| 1 Unrealized foreign exchange gain (except those attributable to Cash and Cash Equivalents) | - | - |
| 1 Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL) | 1,204,088 | 1,467,226 |
| 1 Unrealized fair value gain of Investment Property | - | - |
| 1 Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature) | - | - |
| Sub-total | 1,204,088 | 1,467,226 |
| Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax) | | |
| 1 Realized foreign exchange gain (except those attributable to Cash and Cash Equivalents) | - | - |
| 1 Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL) | - | - |
| 1 Realized fair value gain of Investment Property | - | - |
| 1 Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS | - | - |
| Sub-total | - | - |
| Add: Category C.3: Unrealized income recognized in the profit or loss in prior periods but reversed in the current reporting period (net of tax) | | |
| 1 Reversal of previously recorded foreign exchange gain (except those attributable to Cash and Cash Equivalents) | - | - |
| 1 Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL) | - | - |
| 1 Reversal of previously recorded fair value gain of Investment Property | - | - |
| 1 Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS | - | - |
| Sub-total | - | - |
| Adjusted Net Income/Loss | (410,465) | 138 |
| Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax) | | |
| 1 Depreciation on revaluation increment (after tax) | - | - |
| Sub-total | - | - |
| Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP (see Footnote 3) | | |
| 1 Amortization of the effect of reporting relief | - | - |
| 1 Total amount of reporting relief granted during the year | - | - |
| 1 Others (describe nature) | - | - |
| Sub-total | - | - |
| Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution | | |
| 1 Net movement of treasury shares (except for reacquisition of redeemable shares) | - | - |
| 1 Net movement of deferred tax asset not considered in reconciling items under the previous categories | - | - |
| 1 Net movement in deferred tax assets and liabilities related to same transactions, e.g., set up of ROU and lease liability, set up of asset and asset retirement obligation, and set-up of service concession asset and concession payable. | - | - |
| 1 Adjustments due to deviation from PFRS/GAAP - gain (loss) | - | - |
| 1 Others (describe nature) | - | - |
| Sub-total | - | - |
| Total Retained Earnings, end of the reporting period available for dividend | (8,245,535) | 386,719 |

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.

Schedule of Financial Soundness Indicators and Financial Ratios

As at December 31, 2023 and December 31, 2022

| | Formula | 2023 | | 2022 | |
|--|--|--------------|-------------|----------------|-------------|
| | | Shareholders | Unitholders | Shareholders | Unitholders |
| <i>Current/ Liquidity Ratios</i> | | | | | |
| a. Current ratio | Current Assets/Current Liabilities | N/A | 202.07 :1 | N/A | 84.23 :1 |
| b. Quick ratio | Quick Assets/Current Liabilities | N/A | 202.07 :1 | N/A | 84.23 :1 |
| c. Cash ratio | Cash/Current Liabilities | N/A | 3.35 :1 | N/A | 3.5 :1 |
| d. Days in receivable | Receivable/Revenue * No. of days | N/A | N/A | N/A | N/A |
| e. Working capital ratio | (Current Assets-Current Liabilities)/Current Liabilities | N/A | 201.07 :1 | N/A | 83.23 :1 |
| f. Net working capital to sales ratio | Working Capital / Total Revenue | 318628.61 :1 | 47.58 :1 | 83862.83 :1 | 142.2 :1 |
| g. Defensive Interval Ratio | 360* (Quick Assets / Proj. Daily Operating Expense) | N/A | 14405.48 :1 | 38402465.04 :1 | 14691.71 :1 |
| <i>Solvency Ratios</i> | | | | | |
| a. Long-term debt to equity ratio | Noncurrent Liabilities/Total Equity | N/A | N/A | N/A | N/A |
| b. Debt to equity ratio | Total Liabilities/Total Equity | N/A | 0.00 | N/A | 0.01 |
| c. Long term debt to total asset ratio | Noncurrent Liabilities/Total Assets | N/A | N/A | N/A | N/A |
| d. Total debt to asset ratio | Total Liabilities/Total Assets | N/A | 0.00 | N/A | 0.01 |
| Asset to equity ratio | Total Assets/Total Equity | 1.00:1 | 1.01:1 | 1.00:1 | 1.01:1 |
| Interest rate coverage ratio | Earning Before Income Tax/Interest Expense | N/A | N/A | N/A | N/A |
| <i>Profitability Ratio</i> | | | | | |
| a. Earnings before interest and taxes (EBIT) margin | EBIT/Revenue | 853138.37% | 82.27% | 139799.53% | -1409.11% |
| b. Earnings before interest, taxes and depreciation and amortization (EBITDA) margin | EBITDA/Revenue | 853138.37% | 82.27% | 139799.53% | -1409.11% |
| c. Pre-tax margin | EBT/Revenue | 853138.37% | 82.27% | 139799.53% | -1409.11% |
| d. Effective tax rate | Income Tax/EBIT | 0.00% | 17.12% | 0.01% | -3.17% |
| e. Post-tax margin | Net Income After Tax/Revenue | 853118.60% | 68.19% | 139779.56% | -1453.74% |
| f. Return on equity | Net Income After Tax/Average Common Equity | 2.71% | 1.44% | 1.68% | -10.18% |
| g. Return on asset | NIAT/Average Total Assets | 2.71% | 1.43% | 1.68% | -10.10% |
| Capital intensity ratio | Total Assets/Revenue | 318628.61 | 47.82 | 83862.83 :1 | 143.91 :1 |
| Fixed assets to total assets | Fixed assets/Total assets | N/A | N/A | N/A | N/A |
| Dividend payout ratio | Dividends paid/Net Income | N/A | N/A | N/A | N/A |

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
Schedule Required under SRC Rule 68

As : Percentage of Investment in a Single Enterprise to Net Asset Value

As at December 31, 2023 and December 31, 2022

| | Investment (Market Value) | 2023 Shareholders | | Investment (Market Value) | 2022 Shareholders | |
|---|------------------------------|----------------------|------------|------------------------------|----------------------|------------|
| | | Net Asset Value | % over NAV | | Net Asset Value | % over NAV |
| Equity | | | | | | |
| SUN LIFE PROSPERITY PESO STARTER FUND, INC. | 54,106,400 | 54,804,121 | 98.73% | 52,639,174 | 53,336,757 | 98.69% |

ii. Total Investment of the Fund to the Outstanding Securities of an Investee Company

As at December 31, 2023 and December 31, 2022

| | Total Investment | 2023 Shareholders | | Total Investment | 2022 Shareholders | |
|---|------------------|------------------------|-----------------|------------------|------------------------|-----------------|
| | | Outstanding Securities | % over Investee | | Outstanding Securities | % over Investee |
| SUN LIFE PROSPERITY PESO STARTER FUND, INC. | 39,335,805 | 15,086,334,187 | 0.26% | 39,335,805 | 19,997,577,177 | 0.20% |

iii Total Investment in Liquid or Semi-Liquid Assets to Total Assets

As at December 31, 2023 and December 31, 2022

| | 2023 | 2022 |
|--|------------|------------|
| Total Liquid and Semi-Liquid Assets | 54,804,121 | 53,336,757 |
| TOTAL ASSETS | 54,804,121 | 53,336,757 |
| Total Investment in Liquid or Semi-Liquid Assets to Total Assets | 100.00% | 100.00% |

iv. Total Operating Expenses to Total Net Worth

As at December 31, 2023 and December 31, 2022

| | 2023 | 2022 |
|---|---------------|------------|
| Total Operating Expenses | - | 500 |
| Average Daily Net Worth | 54,114,456.70 | 52,895,015 |
| Total Operating Expenses to Average Daily Net Worth | 0.000% | 0.001% |

v. Total Assets to Total Borrowings

As at December 31, 2023 and December 31, 2022

| | 2023 | 2022 |
|----------------------------------|------------|------------|
| Total Assets | 54,804,121 | 53,336,757 |
| Total Borrowings | - | - |
| Total Assets to Total Borrowings | N/A | N/A |

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
Schedule Required under SRC Rule 68

As a Percentage of Investment in a Single Enterprise to Net Asset Value
As at December 31, 2023 and December 31, 2022

| | 2023 | | | 2022 | | |
|--|---------------------------|-----------------------------|------------|---------------------------|-----------------------------|------------|
| | Investment (Market Value) | Unitholders Net Asset Value | % over NAV | Investment (Market Value) | Unitholders Net Asset Value | % over NAV |
| Treasury Notes (ISIN) - Republic of the Philippines | | | | | | |
| PIBD2039A232 | 7,079,820 | 55,379,308 | 12.78% | 6,336,000 | 54,877,373 | 11.55% |
| PIBD2041G241 | 3,127,652 | 55,379,308 | 5.65% | 2,764,760 | 54,877,373 | 5.04% |
| PIBD2535L086 | - | - | - | 636,732 | 54,877,373 | 1.16% |
| PIBD1029A644 | - | - | - | 101,974 | 54,877,373 | 0.19% |
| Equities | | | | | | |
| Aboitiz Equity Ventures Inc | 1,383,492 | 55,379,308 | 2.50% | 1,781,199 | 54,877,373 | 3.25% |
| Aboitiz Power Corporation | - | - | - | 602,685 | 54,877,373 | 1.10% |
| AC Energy Corporation | 471,419 | 55,379,308 | 0.85% | 673,837 | 54,877,373 | 1.23% |
| Alliance Global Group Inc. | 373,368 | 55,379,308 | 0.67% | 405,790 | 54,877,373 | 0.74% |
| AREIT Inc. | 587,840 | 55,379,308 | 1.06% | 453,120 | 54,877,373 | 0.83% |
| Ayala Corporation | 2,512,890 | 55,379,308 | 4.54% | 2,557,600 | 54,877,373 | 4.66% |
| Ayala Land Inc. | 2,922,394 | 55,379,308 | 5.28% | 2,809,884 | 54,877,373 | 5.12% |
| Bank of the Philippine Islands | 3,096,769 | 55,379,308 | 5.59% | 2,631,600 | 54,877,373 | 4.80% |
| BDO Unibank Inc. | 3,452,769 | 55,379,308 | 6.23% | 2,855,803 | 54,877,373 | 5.20% |
| Bloomberry Resorts Corporation | 428,040 | 55,379,308 | 0.77% | - | - | - |
| Century Pacific Food Inc. | 436,395 | 55,379,308 | 0.79% | - | - | - |
| Citicore Energy REIT Corporation | 143,360 | 55,379,308 | 0.26% | 151,140 | 54,877,373 | 0.28% |
| Converge ICT Solutions Inc. | 221,232 | 55,379,308 | 0.40% | 419,232 | 54,877,373 | 0.76% |
| DMCI Holdings Inc. | 397,639 | 55,379,308 | 0.72% | - | - | - |
| Emperador Inc. | 773,535 | 55,379,308 | 1.40% | 572,680 | 54,877,373 | 1.04% |
| FillInvest REIT Corporation | 91,074 | 55,379,308 | 0.16% | 177,650 | 54,877,373 | 0.32% |
| Globe Telecom Inc. | 638,120 | 55,379,308 | 1.15% | 797,880 | 54,877,373 | 1.45% |
| GT Capital Holdings Inc. | 661,390 | 55,379,308 | 1.19% | 483,285 | 54,877,373 | 0.88% |
| International Container Terminal Services Inc. | 3,018,364 | 55,379,308 | 5.45% | 2,416,000 | 54,877,373 | 4.40% |
| JG Summit Holdings Inc. | 1,348,564 | 55,379,308 | 2.44% | 1,763,971 | 54,877,373 | 3.21% |
| Jollibee Foods Corporation | 1,490,802 | 55,379,308 | 2.69% | 1,290,300 | 54,877,373 | 2.35% |
| LT Group, Inc. | 293,646 | 55,379,308 | 0.53% | 300,840 | 54,877,373 | 0.55% |
| Manila Electric Company | 1,380,540 | 55,379,308 | 2.49% | 971,100 | 54,877,373 | 1.77% |
| Megaworld Corporation | 788 | 55,379,308 | 0.00% | 244,800 | 54,877,373 | 0.45% |
| Metro Pacific Investments Corporation | - | - | - | 434,340 | 54,877,373 | 0.79% |
| Metropolitan Bank & Trust Company | 1,305,226 | 55,379,308 | 2.36% | 1,359,882 | 54,877,373 | 2.48% |
| Monde Nissin Corporation | 714,814 | 55,379,308 | 1.29% | 917,424 | 54,877,373 | 1.67% |
| MREIT Inc | 243,540 | 55,379,308 | 0.44% | 264,984 | 54,877,373 | 0.48% |
| Nickel Asia Corporation | 242,216 | 55,379,308 | 0.44% | - | - | - |
| PLDT, Inc | 1,195,865 | 55,379,308 | 2.16% | 1,264,320 | 54,877,373 | 2.30% |
| Puregold Price Club Inc. | 314,730 | 55,379,308 | 0.57% | 408,330 | 54,877,373 | 0.74% |
| RL Commercial REIT Inc. | 369,684 | 55,379,308 | 0.67% | 408,915 | 54,877,373 | 0.75% |
| Robinsons Land Corporation | - | - | - | 338,096 | 54,877,373 | 0.62% |
| San Miguel Corporation | 573,802 | 55,379,308 | 1.04% | 415,487 | 54,877,373 | 0.76% |
| Semirara Mining and Power Corporation | 359,975 | 55,379,308 | 0.65% | 396,750 | 54,877,373 | 0.72% |
| SM Investments Corporation | 5,811,880 | 55,379,308 | 10.49% | 6,160,500 | 54,877,373 | 11.23% |
| SM Prime Holdings Inc. | 4,036,830 | 55,379,308 | 7.29% | 4,423,300 | 54,877,373 | 8.06% |
| Universal Robina Corporation | 1,328,568 | 55,379,308 | 2.40% | 1,520,480 | 54,877,373 | 2.77% |
| Wilcon Depot Inc. | 336,490 | 55,379,308 | 0.61% | 474,950 | 54,877,373 | 0.87% |
| Unit Investment Trust Fund | | | | | | |
| BPI Invest Money Market Fund | 1,302,051 | 55,379,308 | 2.35% | - | - | - |
| Deposit | | | | | | |
| Rizal Banking Corporation | - | - | - | 1,527,574 | 54,877,373 | 2.78% |

ii. Total Investment of the Fund to the Outstanding Securities of an Investee Company
As at December 31, 2023 and December 31, 2022

| | 2023 | | | 2022 | | |
|--|------------------------|---|-----------------|------------------------|---|-----------------|
| | Investment of the Fund | Unitholders Outstanding Securities of an Investee Company | % over Investee | Investment of the Fund | Unitholders Outstanding Securities of an Investee Company | % over Investee |
| Treasury Notes (ISIN) - Republic of the Philippines | | | | | | |
| PIBD2039A232 | 6,600,000 | 31,504,000,000 | 0.02% | 6,600,000 | 31,504,000,000 | 0.02% |
| PIBD2041G241 | 3,410,000 | 16,799,000,000 | 0.02% | 3,410,000 | 16,799,000,000 | 0.02% |
| PIBD2535L086 | - | - | - | 600,000 | 163,216,530,000 | 0.00% |
| PIBD1029A644 | - | - | - | 100,000 | 40,000,000,000 | 0.00% |
| Equities | | | | | | |
| Aboitiz Equity Ventures Inc | 31,020 | 5,619,785,757 | 0.00% | 30,870 | 5,630,225,457 | 0.00% |
| Aboitiz Power Corporation | - | - | - | 17,700 | 7,358,604,307 | 0.00% |
| AC Energy Corporation | 107,630 | 39,677,394,773 | 0.00% | 88,430 | 39,677,394,773 | 0.00% |
| Alliance Global Group Inc. | 33,100 | 9,002,953,579 | 0.00% | 34,100 | 9,127,041,679 | 0.00% |
| AREIT Inc. | 17,600 | 2,368,606,573 | 0.00% | 12,800 | 1,508,910,810 | 0.00% |
| Ayala Corporation | 3,690 | 619,807,425 | 0.00% | 3,680 | 619,143,083 | 0.00% |

| | | | | | | |
|--|---------|----------------|-------|---------|----------------|-------|
| Ayala Land Inc. | 84,830 | 14,942,175,713 | 0.00% | 91,230 | 15,064,662,731 | 0.00% |
| Bank of the Philippine Islands | 29,834 | 5,259,201,283 | 0.00% | 25,800 | 4,513,128,255 | 0.00% |
| BDO Unibank Inc. | 26,458 | 5,268,357,304 | 0.00% | 27,018 | 4,386,642,196 | 0.00% |
| Bloomberry Resorts Corporation | 43,500 | 11,430,368,194 | 0.00% | - | - | - |
| Century Pacific Food Inc. | 14,100 | 3,542,258,595 | 0.00% | - | - | - |
| Citicore Energy REIT Corporation | 56,000 | 6,545,454,004 | 0.00% | 66,000 | 6,545,454,004 | 0.00% |
| Converge ICT Solutions Inc. | 26,400 | 7,266,573,061 | 0.00% | 26,400 | 7,266,573,061 | 0.00% |
| DMCI Holdings Inc. | 40,700 | 13,277,470,000 | 0.00% | - | - | - |
| Emperador Inc. | 37,100 | 15,736,471,238 | 0.00% | 27,800 | 15,736,471,238 | 0.00% |
| Fillinvest REIT Corporation | 35,300 | 24,249,759,506 | 0.00% | 32,300 | 4,892,777,994 | 0.00% |
| Globe Telecom Inc. | 371 | 144,228,604 | 0.00% | 366 | 144,060,544 | 0.00% |
| GT Capital Holdings Inc. | 1,121 | 215,284,587 | 0.00% | 1,111 | 215,284,587 | 0.00% |
| International Container Terminal Services Inc. | 12,230 | 2,031,988,603 | 0.00% | 12,080 | 2,030,340,949 | 0.00% |
| JG Summit Holdings Inc. | 35,349 | 7,520,983,658 | 0.00% | 35,069 | 7,520,983,658 | 0.00% |
| Jollibee Foods Corporation | 5,930 | 1,119,911,278 | 0.00% | 5,610 | 1,118,797,149 | 0.00% |
| LT Group, Inc. | 32,700 | 10,821,388,889 | 0.00% | 32,700 | 10,821,388,889 | 0.00% |
| Manila Electric Company | 3,460 | 1,127,098,705 | 0.00% | 3,250 | 1,127,098,705 | 0.00% |
| Megaworld Corporation | 400 | 31,183,251,872 | 0.00% | 122,400 | 31,485,239,872 | 0.00% |
| Metro Pacific Investments Corporation | - | - | - | 127,000 | 28,695,934,752 | 0.00% |
| Metropolitan Bank & Trust Company | 25,443 | 4,497,415,555 | 0.00% | 25,183 | 4,497,415,555 | 0.00% |
| Monde Nissin Corporation | 85,300 | 17,968,611,496 | 0.00% | 82,800 | 17,968,611,496 | 0.00% |
| MREIT Inc | 19,800 | 2,795,821,381 | 0.00% | 18,300 | 2,532,121,381 | 0.00% |
| Nickel Asia Corporation | 44,200 | 13,903,900,808 | 0.00% | - | - | - |
| PLDT, Inc | 935 | 216,055,775 | 0.00% | 960 | 216,055,775 | 0.00% |
| Puregold Price Club Inc. | 11,700 | 2,880,137,615 | 0.00% | 11,700 | 2,880,137,615 | 0.00% |
| RL Commercial REIT Inc. | 75,600 | 10,726,804,330 | 0.00% | 69,900 | 10,726,804,330 | 0.00% |
| Robinsons Land Corporation | - | - | - | 22,600 | 5,053,841,085 | 0.00% |
| San Miguel Corporation | 5,620 | 2,383,896,588 | 0.00% | 4,470 | 2,383,896,588 | 0.00% |
| Semirara Mining and Power Corporation | 11,900 | 4,250,547,620 | 0.00% | 11,500 | 4,250,547,620 | 0.00% |
| SM Investments Corporation | 6,665 | 1,222,023,358 | 0.00% | 6,845 | 1,222,023,358 | 0.00% |
| SM Prime Holdings Inc. | 122,700 | 28,879,231,694 | 0.00% | 124,600 | 28,879,231,694 | 0.00% |
| Universal Robina Corporation | 11,240 | 2,177,422,968 | 0.00% | 11,180 | 2,178,507,618 | 0.00% |
| Wilcon Depot Inc. | 16,100 | 4,099,724,116 | 0.00% | 16,100 | 4,099,724,116 | 0.00% |

Unit Investment Trust Fund

| | | | | | | |
|------------------------------|-------|-------------|-------|---|---|---|
| BPI Invest Money Market Fund | 4,661 | 124,575,990 | 0.00% | - | - | - |
|------------------------------|-------|-------------|-------|---|---|---|

Deposit

| | | | | | | |
|---------------------------|---|---|---|-----------|---|---|
| Rizal Banking Corporation | - | - | - | 1,527,574 | - | - |
|---------------------------|---|---|---|-----------|---|---|

iii Total Investment in Liquid or Semi-Liquid Assets to Total Assets

As at December 31, 2023 and December 31, 2022

| | 2023 | 2022 |
|--|------------|------------|
| Total Liquid and Semi-Liquid Assets | 55,654,735 | 55,536,710 |
| TOTAL ASSETS | 55,654,735 | 55,536,710 |
| Total Investment in Liquid or Semi-Liquid Assets to Total Assets | 100.00% | 100.00% |

iv. Total Operating Expenses to Total Net Worth

As at December 31, 2023 and December 31, 2022

| | 2023 | 2022 |
|---|---------------|------------|
| Total Operating Expenses | 1,390,839 | 1,360,850 |
| Average Daily Net Worth | 55,125,385.96 | 55,046,604 |
| Total Operating Expenses to Average Daily Net Worth | 2.52% | 2.47% |

v. Total Assets to Total Borrowings

As at December 31, 2023 and December 31, 2022

| | 2023 | 2022 |
|----------------------------------|------------|------------|
| Total Assets | 55,654,735 | 55,536,710 |
| Total Borrowings | 275,427 | 659,337 |
| Total Assets to Total Borrowings | 20206.71% | 8423.11% |

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

**Additional Requirements for Issuers of Securities to the Public
Required by the Securities and Exchange Commission
As at December 31, 2023**

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| C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements | <u>N.A.</u> |
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| E. Long-Term Debt | <u>N.A.</u> |
| F. Indebtedness to Related Parties | <u>3</u> |
| G. Guarantees of Securities of Other Issuers | <u>N.A.</u> |
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SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

SCHEDULE A - FINANCIAL ASSETS
As at December 31, 2023

| Name of Issuing Entity and Association of Each Issue | Number of Shares or Principal Amount of Bonds and Notes | Amount shown in the Balance Sheet | Income Received and Accrued |
|---|---|-----------------------------------|-----------------------------|
| Attributable to shareholders: Equity shares: | | | |
| Sun Life Prosperity Peso Starter Fund, Inc. | 39,335,805 | P54,106,400 | - |
| | | | |

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.

Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

SCHEDULE A - FINANCIAL ASSETS

As at December 31, 2023

| Name of Issuing Entity and Association of Each Issue | Number of Shares or Principal Amount of Bonds and Notes | Amount shown in the Balance Sheet | Income Received and Accrued |
|--|---|-----------------------------------|-----------------------------|
| Attributable to unit holders: | | | |
| Treasury Bonds and Notes Issued by the Nat'l. Government | 10,010,000 | P10,207,472 | P643,594 |
| Equity shares: | | | |
| Aboitiz Equity Ventures Inc | 31,020 | 1,383,492 | |
| AC Energy Corporation | 107,630 | 471,419 | |
| Alliance Global Group Inc. | 33,100 | 373,368 | |
| AREIT Inc. | 17,600 | 587,840 | |
| Ayala Corporation | 3,690 | 2,512,890 | |
| Ayala Land Inc. | 84,830 | 2,922,394 | |
| Bank of the Philippine Islands | 29,834 | 3,096,769 | |
| BDO Unibank Inc. | 26,458 | 3,452,769 | |
| Bloomberry Resorts Corporation | 43,500 | 428,040 | |
| Century Pacific Food Inc. | 14,100 | 436,395 | |
| Citicore Energy REIT Corporation | 56,000 | 143,360 | |
| Converge ICT Solutions Inc. | 26,400 | 221,232 | |
| DMCI Holdings Inc. | 40,700 | 397,639 | |
| Emperador Inc. | 37,100 | 773,535 | |
| FillInvest REIT Corporation | 35,300 | 91,074 | |
| Globe Telecom Inc. | 371 | 638,120 | |
| GT Capital Holdings Inc. | 1,121 | 661,390 | |
| International Container Terminal Services Inc. | 12,230 | 3,018,364 | |
| JG Summit Holdings Inc. | 35,349 | 1,348,564 | |
| Jollibee Foods Corporation | 5,930 | 1,490,802 | |
| LT Group, Inc. | 32,700 | 293,646 | |
| Manila Electric Company | 3,460 | 1,380,540 | |
| Megaworld Corporation | 400 | 788 | |
| Metropolitan Bank & Trust Company | 25,443 | 1,305,226 | |
| Monde Nissin Corporation | 85,300 | 714,814 | |
| MREIT Inc | 19,800 | 243,540 | |
| Nickel Asia Corporation | 44,200 | 242,216 | |
| PLDT, Inc | 935 | 1,195,865 | |
| Puregold Price Club Inc. | 11,700 | 314,730 | |
| RL Commercial REIT Inc. | 75,600 | 369,684 | |
| San Miguel Corporation | 5,620 | 573,802 | |
| Semirara Mining and Power Corporation | 11,900 | 359,975 | |
| SM Investments Corporation | 6,665 | 5,811,880 | |
| SM Prime Holdings Inc. | 122,700 | 4,036,830 | |
| Universal Robina Corporation | 11,240 | 1,328,568 | |
| Wilcon Depot Inc. | 16,100 | 336,490 | 1,239,836 |
| Unit Investment Trust Fund | | | |
| BPI Invest Money Market Fund | 4,661 | 1,302,051 | - |
| | 1,120,687 | 44,260,101 | 1,239,836 |
| TOTAL | 11,130,687 | P54,467,573 | P1,883,430 |

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

SCHEDULE F - INDEBTEDNESS TO RELATED PARTIES
As at December 31, 2023

| Name of Related Party | Relationship | Balance at beginning of period | Balance at end of period |
|---|--------------|--------------------------------|--------------------------|
| Attributable to unit holders: Sun Life Asset Management Company, Inc. | Fund Manager | P 67,912 | P 75,914 |
| TOTAL | | P 67,912 | P 75,914 |

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

SCHEDULE H - CAPITAL STOCK
As at December 31, 2023

| Title of Issue | Number of Shares Authorized | Number of Shares Issued and Outstanding | Number of Shares reserved for options, warrants, conversion and other rights | Number of Shares Held By | | |
|--------------------------------------|-----------------------------|---|--|--------------------------|-----------------------------------|----------|
| | | | | Related Parties | Directors, Officers and Employees | Others |
| Attributable to shareholders: | | | | | | |
| Ordinary Shares | 200,000,000 | 50,000,000 | - | 49,999,995 | 5 | - |
| Treasury Shares | - | - | - | - | - | - |
| TOTAL | 200,000,000 | 50,000,000 | - | 49,999,995 | 5 | - |

SUN LIFE PROSPERITY ACHIEVER FUND 2038, INC.
Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City

SCHEDULE H - CAPITAL STOCK
As at December 31, 2023

| Title of Issue | Number of Shares Authorized | Number of Shares Issued and Outstanding | Number of Shares reserved for options, warrants, conversion and other rights | Number of Shares Held By | | |
|--------------------------------------|-----------------------------|---|--|--------------------------|-----------------------------------|-------------------|
| | | | | Related Parties | Directors, Officers and Employees | Others |
| Attributable to unit holders: | | | | | | |
| Units | 100,000,000,000 | 65,375,869.70 | - | 50,000,000 | - | 15,375,870 |
| TOTAL | 100,000,000,000 | 65,375,869.70 | - | 50,000,000 | - | 15,375,870 |

COVER SHEET

C S 2 0 1 7 3 9 6 3 0

SEC Identification Number

S U N L I F E P R O S P E R I T Y A C H I E V E R
F U N D 2 0 3 8, I N C.

(Company's Full Name)

S U N L I F E C E N T R E 5TH A V E .
C O R . R I Z A L D R I V E , B O N I F A C I O
G L O B A L C I T Y , T A G U I G C I T Y

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

Anna Katrina C. Kabigting-Ibero

(Contact Person)

8555-8888 loc. 5699

(Company Telephone Number)

SEC 17-C

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

(Form Type)

4th Wed. of June

Month Day
 (Annual Meeting)

 (Secondary License Type, If Applicable)

 Dept. Requiring this Doc.

 Amended Articles Number/Section

 Total No. of Stockholders

Total Amount of Borrowings

 Domestic Foreign

To be accomplished by SEC Personnel concerned

 File Number


 LCU

 Document ID

 Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 10 March 2023
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201739630
3. BIR Tax Identification No. 009-942-763
4. Sun Life Prosperity Achiever Fund 2038, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 28 February 2023) |
|------------------------------|--|
| <u>Common (Unclassified)</u> | <u>50,000,000</u> |

10. Indicate the item numbers reported herein: Item 9 (b).

During the regular meeting of the Board of Directors of the Issuer held on 08 March 2023 at 11:30 a.m. at the Board Room, 6th Floor Sun Life Centre, 5th Avenue cor. Rizal Drive, Bonifacio Global City, Taguig City, where a quorum was present and acting throughout, the following matters were unanimously approved:

Item 9 (b) - Other Events.

1. 2022 Audited Financial Statements, as endorsed by its Audit and Compliance Committee
2. Related Party Transactions Operation Guideline, as revised, and as endorsed by its Audit and Compliance Committee
3. Holding of the Annual Stockholders' Meeting on 11 July 2023 via Zoom Video Communications ("Zoom")
4. Closing of the Issuer's Stock & Transfer Book on 30 April 2023 for the purpose of determining the stockholders entitled to notice of, to attend and vote at the Annual Stockholders' Meeting
5. Manual on Corporate Governance, as revised, and as endorsed by its Corporate Governance Committee
6. Amendments to the: (1) Fund Management Agreement and (2) Marketing and Distribution Agreement between Sun Life Asset Management Company, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Achiever Fund 2038, Inc.
Issuer



Anna Katrina C. Kabigting-Abro, Corporate Secretary
Signature and Title

Date: 10 March 2023

COVER SHEET

C S 2 0 1 7 3 9 6 3 0

SEC Identification Number

S U N L I F E P R O S P E R I T Y A C H I E V E R

F U N D 2 0 3 8, I N C.

(Company's Full Name)

S U N L I F E C E N T R E 5TH A V E .

C O R . R I Z A L D R I V E , B O N I F A C I O

G L O B A L C I T Y , T A G U I G C I T Y

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

Anna Katrina C. Kabigting-Ibero

(Contact Person)

8555-8888 loc. 5699

(Company Telephone Number)

SEC 17-C

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

(Form Type)

4th Wed. of June
 Month Day
 (Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic **Foreign**

To be accomplished by SEC Personnel concerned

File Number

_____ LCU

Document ID

_____ Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 11 April 2023
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201739630
3. BIR Tax Identification No. 009-942-763
4. Sun Life Prosperity Achiever Fund 2038, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 31 March 2023) |
|------------------------------|---|
| <u>Common (Unclassified)</u> | <u>50,000,000</u> |

10. Indicate the item numbers reported herein: **Item 4 (b) (i). Resignation, Removal or Election of Registrant's Directors or Officers.**

Effective 10 April 2023, Atty. Ma. Jemilyn S. Camania, has resigned from the Corporation and the following were unanimously appointed as interim officers, as follows:

- a. As Interim Compliance Officer: Atty. Maria Pia A. Urgello
- b. As Interim Money Laundering Reporting Officer: Atty. Maria Pia A. Urgello, and in her absence, Marie Desiree L. De Leon
- c. As Interim Data Protection Officer: Atty. Maria Pia A. Urgello

Please refer to Annex "A" for summary of their professional and business experience.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Achiever Fund 2038, Inc.
Issuer



Anna Katrina C. Kabigting Obeco, Corporate Secretary
Signature and Title

Date: 11 April 2023

MARIA PIA A. URGELLO

Interim Compliance Officer; Interim Money Laundering Reporting Officer;

Interim Data Protection Officer

(11 April 2023 to present)

Atty. Maria Pia A. Urgello, 49 years old, is the Interim Compliance Officer of Sun Life of Canada (Philippines), Inc.; Sun Life Grepa Financial, Inc. Sun Life Financial Plans, Inc.; Sun Life Financial-Philippines Foundation, Inc.; Grepalife Asset Management Corporation; the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation; Sun Life Asset Management Company, Inc.; and the eighteen (18) Sun Life Prosperity Funds (i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2048, Inc., Sun Life Prosperity Peso Voyager Feeder Fund, Inc., and Sun Life Prosperity World Income Fund, Inc.) (collectively, "Sun Life Philippines").

Atty. Urgello has served as the Deputy Business Unit Compliance Officer of Sun Life Philippines for the last 5 years (16 April 2018 to present).

Prior to joining Sun Life, Atty. Urgello is backed by 20 years of practice and specialization in the field of acquisitions; banking and finance; project finance; capital markets and securitization; corporate and regulatory compliance; contracts, corporate and commercial law, data privacy, labor and human resources; and partnership law. She came most recently from KPMG R.G Manabat & Co. as Director, Internal Legal Counsel and Data Protection Officer (DPO) (2011 to 2018). Prior to this, she held a senior counsel role at Tantoco Villanueva de Guzman & Llamas law firm (2006 to 2011).

Atty. Urgello obtained her Bachelor of Science Management, Major in Legal Management, and Juris Doctor degrees from the Ateneo de Manila University in 1994 and 1998, respectively. She was admitted to the Philippine Bar in 1999.

MARIE DESIREE L. DE DE LEON
Alternate Interim Money Laundering Reporting Officer
(11 April 2023 to present)

Marie Desiree L. De Leon, 48 years old, is currently the Anti-Money Laundering Head of Sun Life Philippines. She earned a Bachelor of Science Degree in Business Management in 1995 from St. Paul College University Manila. She joined Sun Life in May 1995 under the Operations team handling investigation of market conduct cases for over fifteen (15) years. She focused handling AML role in 2015 and started to build a team. With over eight (8) years of experience in handling and implementing Anti-Money Laundering (AML) requirements as set out in the AML regulations, she was assigned as the Alternate Money Laundering Reporting Officer for Sun Life of Canada (Philippines), Inc.; Sun Life Grepa Financial, Inc.; Sun Life Financial Plans, Inc.; Sun Life Financial-Philippines Foundation, Inc.; Grepalife Asset Management Corporation; the three (3) Grepalife Mutual Funds; Sun Life Asset Management Company, Inc.; and the eighteen (18) Sun Life Prosperity Funds.

At the moment, her team is composed of four (4) Specialists handling investigation of suspicious transaction cases and AML alerts generated from the AML system, assisting the first line business units (BUs) in implementing AML controls and processes, providing guidance to first line BUs (e.g., acceptability of identification documents, AML requirements for different types of applicants, handling of high risk clients, application of client due diligence), filing of covered and suspicious transactions, conducting training to function-specific staff and performing annual risk assessment.

Ms. De Leon is also involved in Sun Life's projects and initiatives, particularly, if the projects cover clients' onboarding process, new payment channels/facilities and disbursement process.

COVER SHEET

C S 2 0 1 7 3 9 6 3 0

SEC Identification Number

S U N L I F E P R O S P E R I T Y A C H I E V E R

F U N D 2 0 3 8, I N C.

(Company's Full Name)

S U N L I F E C E N T R E 5TH A V E .

C O R . R I Z A L D R I V E , B O N I F A C I O

G L O B A L C I T Y , T A G U I G C I T Y

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

Anna Katrina C. Kabigting-Ibero

(Contact Person)

8555-8888 loc. 5699

(Company Telephone Number)

SEC 17-C

1 2

Month Day
(Fiscal Year)

3 1

(Form Type)

4th Wed. of June

Month Day
(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

Total Amount of Borrowings

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 14 July 2023
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201739630
3. BIR Tax Identification No. 009-942-763
4. Sun Life Prosperity Achiever Fund 2038, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| | |
|---------------------|--|
| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 30 June 2023) |
|---------------------|--|

| | |
|------------------------------|-------------------|
| <u>Common (Unclassified)</u> | <u>50,000,000</u> |
|------------------------------|-------------------|

10. Indicate the item numbers reported herein: **Items 4 (b), 4 (b)(i), 9(b).**

A. During the Annual Stockholders' Meeting of the Issuer held on 11 July 2023 at 11:45 a.m. via Zoom Video Conference, during which 50,000,000 shares or 100% of the outstanding capital stock ("OCS") as of 30 April 2023 were present in person or by proxy, the following events transpired:

Item 4(b). Election of Directors. The issuer met the requirement of 50%+1 share of the OCS present in person or by proxy. Thus, the following have been duly elected as members of the Board of Directors:

- Benedicto C. Sison
- Valerie N. Pama
- Teresita J. Herbosa (independent)
- Aleli Angela G. Quirino (independent)
- Oscar S. Reyes (independent)

The Independent Directors will submit the required Certification within 30 days from date of the Annual Stockholders' Meeting.

Item 9(b). Other Events. The stockholders present or represented unanimously approved the following:

1. The minutes of the 2022 Annual Stockholders' Meeting;
2. All acts and proceedings of the Board and Corporate Officers (confirmation and ratification thereof);
3. Appointment of Navarro, Amper & Co. (Deloitte Touche Tohmatsu) as External Auditor for 2023;
4. Amendment of Article II paragraphs 8 (Secondary Purpose) of the Articles of Incorporation to clarify the wording (i.e., replace "business" with "activities")
5. Amendment of Article I, Sections 1 (Annual Meetings) and 2 (Special Meetings) of the By-Laws to allow for the holding of the stockholders meeting via remote communication; Section 2 (Special Meetings) to align with the Section 49 of the Revised Corporation Code
6. Amendment of Article I, Section 6 (Voting) of the By-Laws to provide for the use of remote communication or in absentia in the conduct of regular and special stockholders' meetings and on the manner of voting in accordance with the Revised Corporation Code
7. Amendment of Article II, Section 1 (Board of Directors) of the By-Laws to include the requirement that at least twenty percent (20%) of the Board of Directors must be composed of independent directors
8. Amendment of Article II, Section 4 (Compensation) of the By-Laws to expressly state that directors and prohibited from participating in the determination of their own per diems or compensation and to ensure that that director compensation is granted by the stockholders

9. Amendment of Article II, Section 5 (Vacancy) of the By-Laws to align with the Revised Corporation Code on the vacancies in the Board of Directors
10. Amendment of Article VI, Section 2 (Distribution Contracts) of the By-Laws to align with the Investment Company Act and its Implementing Rules and Regulations and to clean up the provisions
11. Amendment of Article VII, Section 6 (Closing of Transfer Books) of the By-Laws to align with the period specified in the Revised Corporation Code
12. Amendment of Article X, Section 1 (Procedure for Redemption) of the By-Laws to align with the grounds for suspension under the Investment Company Act and its Implementing Rules and Regulations
13. Amendment of Article X, Section 2 (Payment on Redemption) of the By-Laws to align with the Investment Company Act and its Implementing Rules and Regulations
14. Amendment of Article XI, Section 1 (Custodian) of the By-Laws to align the definition of a Custodian with the definition and qualifications provided by the Investment Company Act and other applicable issuance of the Securities and Exchange Commission
15. Amendment of Article II (Primary Purpose) and Article II, paragraph 1 (ii), and paragraph 6 (Secondary Purpose) of the Articles of Incorporation to align with the Investment Company Act and its Implementing Rules and Regulations
16. Amendment of Article II, paragraph 9 (Secondary Purpose) of the Articles of Incorporation to revise "Corporation Law" to "Revised Corporation Code"
17. Amendment of Article VII of the Articles of Incorporation to align the conditions for the redemption of shares by a shareholder with the Investment Company Act, its Implementing Rules and Regulations, and other applicable issuances of the Securities and Exchange Commission
18. Amendment of Article VIII of the Articles of Incorporation to add a description of the features of the Company's shares
19. Amendment of Article I, Section 3 (Notices) of the By-Laws to align the notice period for stockholders' meetings with the issuances of the Securities and Exchange Commission and to allow for the sending of the notices electronically
20. Amendment of Article II, Section 2 (Meetings) of the By-Laws to align the period for the notice of meeting of the directors with the Revised Corporation Code
21. Amendment of Article III, Sections 1 and 6 of the By-Laws in relation to the election of a Compliance Officer as one of the corporate officers
22. Amendment of Article IV, Section 1 (Committees) of the By-Laws to ensure compliance with applicable rules on the composition of committees, changing or discharging of its members, and filling in vacancies
23. Amendment of Article IV, Section 2 (Advisory Board) of the By-Laws on the deletion of the Advisory Board
24. Amendment of Article VI, Section 1 (b) (Management Contracts) of the By-Laws to align with the Investment Company Act and its Implementing Rules and Regulations
25. Amendment of Article VII, Section 3 (Lost or Destroyed Certificates) of the By-Laws to refer to the applicable section of the Revised Corporation Code
26. Amendment of Article VIII, Section 1 (Investment Policy) of the By-Laws to clarify that the Prospectus is as filed with and approved by the Securities and Exchange Commission
27. Amendment of Article VIII, Sections 2 (a) (b) and (c) (Restrictions) of the By-Laws to align with the Investment Company Act and its Implement Rules and Regulations
28. Amendment of Article IX, Section 1 (Net Asset Value) of the By-Laws to clarify that the Prospectus is as filed with and approved by the Securities and Exchange Commission
29. Amendment of Article XI, Section 2 (Auxiliary Custodian) of the By-Laws to align it with the Investment Company Act and its Implementing Rules and Regulations on outsourcing or delegation of functions of the Custodian
30. Amendment of Article XI, Section 3 (Auditors) to align it with the Investment Company Act and its Implementing Rules and Regulations and the Securities Regulation Code on the qualifications and appointment of an auditor
31. Amendment of Article XIV, Section 1 (Amendments) of the By-Laws to align with the applicable provision of the Revised corporation Code

B. During the continuation of the Joint Regular Meeting and the Organizational Meeting of the Board of Directors immediately after the annual stockholders' meeting, the following events transpired:

Item 4(b)(i). The following were unanimously elected/appointed by the Board:

| | |
|---|---------------------------------|
| Chairman: | Benedicto C. Sison |
| President: | Valerie N. Pama |
| Treasurer: | Jeanemar S. Talaman |
| Corporate Secretary: | Anna Katrina C. Kabigting-Ibero |
| Asst. Corp. Secretary: | Frances Ianna S. Canto |
| Interim Compliance Officer: | Maria Pia A. Urgello |
| Interim Data Protection Officer: | Maria Pia A. Urgello |
| Interim Money Laundering Reporting Officer: | Maria Pia A. Urgello |
| Risk Officer: | Ria V. Mercado |
| Internal Auditor: | Joel O. Bungabong |

Corporate Governance Committee: Oscar S. Reyes (Chairman), Benedicto C. Sison and Aleli Angela G. Quirino; and
Audit and Compliance Committee: Teresita J. Herbosa (Chairman), Aleli Angela G. Quirino and Oscar S. Reyes
Representatives to the Philippine Investment Funds Association, Inc.:
Primary: President/Valerie N. Pama
Alternate: Any one (1) of the following:
Treasurer
President (Sun Life Asset Management Company, Inc.)
General Counsel (Sun Life Financial Philippines)
Treasurer/Chief Financial Officer (SLAMCI)
Head (Bank and Alternative Distribution, SLAMCI)
Head (MF Agency Sales, SLAMCI)

Item 9(b). Other Events. The Board unanimously confirmed the continuation of the Management Agreement, Distribution Agreement and Transfer Agency Agreement with Sun Life Asset Management Company, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Achiever Fund 2038, Inc.

Issuer




Anna Katrina C. Kabigting-Ibero, Corporate Secretary

Signature and Title

Date: 14 July 2023

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 18 August 2023
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201739630
3. BIR Tax Identification No. 009-942-763
4. Sun Life Prosperity Achiever Fund 2038, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)
Industry Classification Code:
7. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 31 July 2023) |
|------------------------------|--|
| <u>Common (Unclassified)</u> | <u>50,000,000</u> |

10. Indicate the item numbers reported herein: **Item 4 (b) (i). Resignation, Removal or Election of Registrant's Directors or Officers.**

Effective 15 August 2023, Atty. Maria Pia A. Urgello, Interim Compliance Officer, Money Laundering Reporting Officer, and Data Protection Officer resigned from the Corporation. On 18 August 2023, Ms. Maria Teresa A. Co was unanimously appointed by the Board of Directors as the Corporation's Compliance Officer, Money Laundering Reporting Officer and Data Protection Officer with effectivity date on 15 August 2023.

Please refer to **Annex "A"** for a summary of her professional and business experience.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Achiever Fund 2038, Inc.
Issuer



Anna Katrina C. Kabigting-Ibero, Corporate Secretary
Signature and Title

Date: 18 August 2023



MARIA TERESA CO

Maria Teresa Co, 53 years old, has more than thirty years of work experience in the fields of Accounting, Operations, Compliance, and Internal Audit with multinational companies. Ms. Co is a Certified Public Accountant and a Securities and Exchange Commission (SEC) Certified Compliance Officer for Pre-need companies (education and pension plans).

Her career started with Citibank, N. A. under Philippines Operations before working with Sun Life Philippines from 2002 to 2007, overseeing life, asset management and pre-need compliance including exposure to Regional Internal Audit role.

Ms. Co's overseas career covered vast experiences as Regional Compliance professional in AXA China Insurance Limited, New York Life International, Prudential Corporation Asia Regional, Chubb (formerly ACE Life), and Group AIA, overseeing corporate and distribution compliance, regulatory developments, issues, and projects across Asia.

Before returning to Sun Life Philippines, Ms. Co was the Head of Compliance for Pru Life UK (Philippine Operations), responsible for various mandates in the fields of Regulatory and Sales Compliance, AML, Financial Crimes, Fraud, Anti-Bribery and Corruption, Data Privacy, and Quality Assurance reviews.


CERTIFICATION

I, Dino S. Macasaet, Head, Strategic Development, Training and Marketing of Sun Life Asset Management Company, Inc. (SLAMCI), a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number A199918034 and with principal office at 8/F Sun Life Centre, Rizal Drive cor. 5th Ave., Bonifacio Global City, Taguig City, on oath state:

- 1) That I have caused the following: **17Cs Re: Change in Redemption and Switch-out Settlement of Sun Life Prosperity Peso Equity-Laced and Bond Funds on 12 September 2023** to be prepared on behalf of Sun Life Asset Management Company, Inc. / Various Sun Life Prosperity Funds;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the companies Sun Life Prosperity Funds will comply with the requirements set forth in SEC Notice dated May 12, 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

SEP 13 2023

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of September 2023.

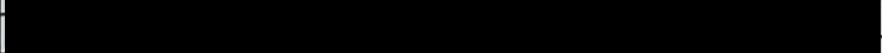

Dino S. Macasaet

Head, Strategic Development, Training and Marketing

MAKATI CITY

SEP 13 2023

SUBSCRIBED AND SWORN to me before this ____ day of September 2023, in Taguig City, Philippines.

| Name | Government ID No. | Date of Issue | Place of Issue |
|------------------|--|---------------|----------------|
| Dino S. Macasaet |  | | |

Doc. No. 485;
Page No. 28;
Book No. 68;
Series of 2023.

ATTY. ROMEO M. MONEFORT
Notary Public City of Makati
Until December 31, 2023
Appointment No. - 172 (2022-2023)
PTR NO. 9563521 Jan. 3, 2023 Makati City
IBP No. 1062634 - Jan. 3, 2018
MCLE NO. VI-0023417 Roll No. 27932
28 Amorsolo Street Legaspi Village
Makati City

COVER SHEET

C S 2 0 1 7 3 9 6 3 0

SEC Identification Number

S U N L I F E P R O S P E R I T Y A C H I E V E R

F U N D 2 0 3 8 , I N C .

(Company's Full Name)

S U N L I F E C E N T R E 5 T H A V E .

C O R . R I Z A L D R I V E , B O N I F A C I O

G L O B A L C I T Y , T A G U I G C I T Y

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

Dino S. Macasaet

(Contact Person)

8-555-8888

(Company Telephone Number)

SEC FORM 17-C

1 2

Month Day (Fiscal Year)

3 1

(Form Type)

Month Day (Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

Total Amount of Borrowings

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

ST A M P S

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2 (c) THEREUNDER

1. 12 September 2023
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201739630 3. BIR Tax Identification No. 009-942-763-000
4. Sun Life Prosperity Achiever Fund 2038, Inc.
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines 6. (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. 8th Floor, Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8-555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 31 August 2023) |
|------------------------------|--|
| <u>Common (Unclassified)</u> | <u>50,000,000 shares</u> <u>65,048,664.33 units</u> |

10. Indicate the item numbers reported herein: **Item 9 (b). Other Events.**

- The President of the Fund Manager, President of the Fund, and the Treasurer of the Fund have approved changes in the redemption and switch-out settlement schedules, effective 11 September 2023. This change reduces the settlement period from four (4) to three (3) business days (*T+4 to T+3*) for Peso Equity-Laced Funds and from three (3) to two (2) business days (*T+3 to T+2*) for Peso Bond Funds. This adjustment is in line with the announcement made by the Securities Clearing Corporation of the Philippines (SCCP) through Memo No. 01-0623 dated June 13, 2023, that stock market transactions from August 24, 2023, onwards will be settled after two (2) clearing days from the current three (3) clearing days settlement cycle.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Achiever Fund 2038, Inc.

Issuer

Date: 12 September 2023



Dino S. Macasaet

Head, Strategic Development, Training and Marketing

Signature and Title




Certification

I, Jeanemar S. Talaman, the Treasurer of Sun Life Prosperity Achiever Fund 2038, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS201739630 and with principal office at Sun Life Center, 5th Ave. Cor. Rizal Drive Bonifacio Global City, Taguig City, on oath state:

- 1) That I have caused this SEC Form 17-C to be prepared on behalf of Sun Life Prosperity Achiever Fund 2038, Inc.;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company Sun Life Prosperity Achiever Fund 2038, Inc. will comply with the requirements set forth in SEC Notice dated 14 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.

JUL 14 2023

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of July, 2023.


Jeanemar S. Talaman
 Treasurer

JUL 14 2023

MAKATI CITY

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2023, in _____ City, affiant exhibiting his/her government issued identification card:

| Name | Government ID No. | Valid until | Place of Issue |
|---------------------|-------------------|-------------|----------------|
| Jeanemar S. Talaman | | | |

Doc. No. 214
 Page No. 44
 Book No. 69
 Series of 2023.

ATTY. ROMEO M. MONFORT
 Notary Public City of Makati
 Until December 31, 2023
 Appointment No. - 172 (2022-2023)
 PTR NO. 9563524 Jan. 3, 2023 Makati City
 IBP No. 1062634 - Jan. 3, 2018
 MCLE NO. VI-0023417 Roll No. 27932
 26 Amorsolo Street Legaspi Village
 Makati City

COVER SHEET

CS201739630

S.E.C. Registration Number

| | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|--|--|
| S | U | N | L | I | F | E | P | R | O | S | P | E | R | I | T | Y | A | C | H | I | E | V | E | R | | |
| F | U | N | D | | 2 | 0 | 3 | 8 | I | N | C | | | | | | | | | | | | | | | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| S | U | N | L | I | F | E | C | E | N | T | R | E | 5 | T | H | A | V | E | C | O | R | N | E | R |
| R | I | Z | A | L | D | R | I | V | E | B | O | N | I | F | A | C | I | O | G | L | O | B | A | L |
| C | I | T | Y | T | A | G | U | I | G | C | I | T | Y | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |

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

Jeanemar S. Talaman
Contact Person

8555-8888
Company Telephone Number

| | | | |
|--------------|---|------------|---|
| 1 | 2 | 3 | 1 |
| <i>Month</i> | | <i>Day</i> | |

Fiscal Year

SEC Form 17-C
FORM TYPE

| | | | |
|--------------|--|------------|--|
| | | | |
| <i>Month</i> | | <i>Day</i> | |

Annual Meeting

Mutual Fund Company
Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. **14 July 2023**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **CS201739630**
3. BIR Tax Identification No. **009-942-763-000**
4. **Sun Life Prosperity Achiever Fund 2038, Inc.**
Exact name of issuer as specified in its charter
5. **Metro Manila, Philippines**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634**
Address of principal office Postal Code
8. **(632) 8555-8888**
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 30 June 2023) |
|-------------------------------------|---|
| <u>Common (Unclassified)</u> | <u>64,699,048</u> |

10. Indicate the item numbers reported herein: **Item 9, Other Events**

As of period ended 07 July 2023, percentage of the investments in aggregate issued by any single business group over the total net assets of the Fund exceeded the limit with respect to the investments to the following issuers.

| Issuer's Name | Total Book Value as of 26 June 2023 | Net Asset Value as of 26 June 2023 | % Over Net Asset Value |
|--------------------------------------|--|---------------------------------------|---------------------------|
| BDO UNIBANK, INC. (BDO) | P 3,656,797.20 | P 53,825,889.19 | 6.79% |
| SM INVESTMENTS CORPORATION (SM) | 6,205,057.50 | 53,825,889.19 | 11.53% |
| SM PRIME HOLDINGS, INC. (SMPH) | 3,958,790.00 | 53,825,889.19 | 7.36% |
| TOTAL - SINGLE BUSINESS GROUP | P 13,820,644.70 | P 53,825,889.19 | 25.68% |

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Achiever Fund 2038, Inc.
Issuer

Date: **14 July 2023**


Jeanette S. Valaman, Treasurer
Signature and Title

sunlife_sec_communications

From: ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>
Sent: Monday, April 8, 2024 10:04 AM
To: sunlife_sec_communications
Subject: Re: CGFD_Sun Life Prosperity Achiever Fund 2038, Inc._SEC Form 17-L_08April2024

CAUTION This email originated from outside the organization. Please proceed only if you trust the sender.

Thank you for reaching out to ictdsubmission@sec.gov.ph!

Your submission is subject for Verification and Review of the Quality of the Attached Document only for Secondary Reports. The Official Copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 7 working days via order through the SEC Express at <https://secexpress.ph/>. For further clarifications, please call (02) 8737-8888.

----- NOTICE TO
COMPANIES -----

Please be informed of the reports that shall be filed only through ictdsubmission@sec.gov.ph.

Pursuant to SEC MC Circular No. 3 s 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (pdf) through email at ictdsubmission@sec.gov.ph such as the following SECONDARY REPORTS:

1. 17-A 6. ICA-QR 11. IHAR 16. 39-AR 21. Monthly Reports
2. 17-C 7. 23-A 12. AMLA-CF 17. 36-AR 22. Quarterly Reports
3. 17-L 8. 23-B 13. NPM 18. PNFS 23. Letters
4. 17-Q 9. GIS-G 14. NPAM 19. MCG 24. OPC (Alternate Nominee)
5. ICASR 10. 52-AR 15. BP-FCLC 20. S10/SEC-NTCE-EXEMPT

Further, effective 01 July 2023, the following reports shall be submitted through <https://efast.sec.gov.ph/user/login>.

1. FORM MC 18 7. Completion Report
2. FORM 1 - MC 19 8. Certificate-SEC Form MCG- 2009
3. FORM 2- MC 19 9. Certificate-SEC Form MCG- 2002, 2020 ETC.
4. ACGR 10. Certification of Attendance in Corporate Governance
5. I-ACGR 11. Secretary's Certificate Meeting of Board Directors
(Appointment)
6. MRPT

Please be informed that the submission of the abovementioned eleven (11) reports through the ictdsubmission@sec.gov.ph shall no longer be accepted. For further information, please access this link Notice for guidance on the filing of reports:

Likewise, the following reports shall be filed through the Electronic Filing and Submission Tool (eFAST) at <https://efast.sec.gov.ph/user/login> :

1. AFS 7. IHFS 13. SSF

2. GIS 8. LCFS 14. AFS with Affidavit of No Operation
3. BDFS 9. LCIF 15. AFS with NSPO Form 1,2, and 3
4. FCFS 10. OPC_AO 16. AFS with NSPO Form 1,2,3 and 4,5,6
5. FCIF 11. PHFS 17. FS - Parent
6. GFFS 12. SFFS 18. FS – Consolidated

For the submission and processing of compliance in the filing of Memorandum Circular No. 28 Series of 2020, please visit this link – <https://apps010.sec.gov.ph/>

For your information and guidance.

Thank you.

Almer M Doring

From: sunlife_sec_communications
Sent: Monday, April 8, 2024 10:04 AM
To: ICTD Submission; CGFD Account
Cc: Jeanemar Talaman; PHIL-FIN_FAR2
Subject: CGFD_Sun Life Prosperity Achiever Fund 2038, Inc._SEC Form 17-L_08April2024
Attachments: Sun Life Prosperity Achiever Fund 2038, Inc._SEC Form 17-L_08April2024.pdf

To: CORPORATE GOVERNANCE AND FINANCE DEPARTMENT (CGFD)

Good day.

Please see attached SEC Form 17-L of Sun Life Prosperity Achiever Fund 2038, Inc.

Please let me know once you receive this e-mail and its attachment.

For any queries / additional comments, kindly contact us at the following e-mail addresses below.

Official email address: sunlife_sec_communications@sunlife.com

Alternative email address: sunlife_sec_communications2@sunlife.com

Official email address of authorized filer: almer.doring@sunlife.com

Thank you.

Almer M. Doring | Financial Accounting & Reporting | Finance

T: 632 8555 8888 | E: almer.doring@sunlife.com

5F Sun Life Centre, Fifth Ave. cor. Rizal Drive, Bonifacio Global City, Taguig 1634



Certification


I, Jeanemar S. Talamán, the Treasurer of Sun Life Asset Management Company, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number A199918034 and with principal office at Sun Life Center, 5th Ave. Cor. Rizal Drive Bonifacio Global City, Taguig City, on oath state:

- 1) That I have caused this SEC Form 17-L to be prepared on behalf of Sun Life Prosperity Funds (17 Mutual Fund Companies);
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the 17 Mutual Fund companies or the Sun Life Prosperity Funds will comply with the requirements set forth in SEC Notice dated 14 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to CGFD.


IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of April 2024.


Jeanemar S. Talamán
Affiant

SUBSCRIBED AND SWORN to before me this APR 05 2024 day of APRIL, 2024, in CITY OF MAKATI City, Philippines. Affiant exhibiting his/her government issued identification card:

| Name | Government ID No. | Valid Until | Place of Issue |
|---------------------|--|-------------|----------------|
| Jeanemar S. Talamán |  | | |

Doc. No. 62
Page No. 13
Book No. XIV
Series of 2024.


ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2024
IBP No. 05729- Lifetime Member
MCLE Compliance No. VII-0022734
valid until April 14, 2025
Appointment No. M-39 (2023-2024)
PTR No. 10073909 Jan. 2, 2024 / Makati
Makati City Roll No. 40091
101 Urban Ave. Campos Quezon Bldg.
Brgy. Pio Del Pilar, Makati City

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-L

NOTIFICATION OF INABILITY TO FILE ALL OR ANY PORTION OF SEC FORM 17-A OR 17-Q

GENERAL INSTRUCTIONS

1. This Form may be signed by an executive officer of the issuer or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the issuer by an authorized representative other than an executive officer, evidence of the representative's authority to sign on behalf of the issuer shall be filed with the Form.
2. One signed original and four conformed copies of this Form and attachments thereto must be completed and filed with the Commission and, where any class of the issuer's securities are listed on a Stock Exchange, one with that Stock Exchange, in accordance with SRC Rule 17-1. The information contained in or filed with the Form will be made a matter of the public record in the Commission's and the Exchange's files.
3. A manually signed copy of the Form and amendments thereto shall be filed with the Stock Exchange if any class of securities of the issuer is listed thereon.
4. One signed original and four conformed copies of amendments to the notifications must also be filed on SEC Form 17-L but need not restate information that has been correctly furnished. The Form shall be clearly identified as an amended notification.
5. If the deadline for filing SEC Form 17-A or 17-Q specified in paragraph 2(b)(ii) of SRC Rule 17-1 is not complied with, a fine will be imposed for each day thereafter that the Form is not filed.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-L

NOTIFICATION OF INABILITY TO FILE ALL OR ANY PORTION OF SEC FORM 17-A OR 17-Q

Check One:

Form 17-A [✓] Form 17-Q []

Period-Ended Date of required filing December 31, 2023

Date of this report April 05, 2024

Nothing in this Form shall be construed to imply that the Commission has verified any information contained herein.

If this notification relates to a portion or portions of the filing checked above, identify the item(s) to which the notification relates: SEC FORM 17-A

1. SEC Identification Number CS201739630 2. BIR Tax Identification No. : 009-942-763-000

3. Sun Life Prosperity Achiever Fund 2038, Inc.
Exact name of issuer as specified in its charter

4. Bonifacio Global City, Taguig City
Province, country or other jurisdiction of incorporation

5. Industry Classification Code: (SEC Use Only)

6. Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634

.....
Address of principal office

.....
Postal Code

7. (02) – 8555 8888
Issuer's telephone number, including area code

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

9. Are any of the issuer's securities listed on a Stock Exchange?

Yes [] No [X]

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
.....

Part I - Representations

If the subject report could not be filed without unreasonable effort or expense and the issuer seeks relief pursuant to SRC Rule 17-1, the following should be completed. (Check box if appropriate)

(a) The reasons described in reasonable detail in Part II of this Form could not be estimated without unreasonable effort or expense. []

(b) The subject annual report on SEC Form 17-A, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report on SEC Form 17-Q, or portion thereof, will be filed on or before the fifth day following the prescribed due date. [✓]

(c) The accountant's statement or other exhibit required by paragraph 3 of SRC Rule 17-1 has been attached if applicable. []

Part II - Narrative

State below in reasonable detail the reasons why SEC Form 17-A or SEC Form 17-Q, or portion thereof, could not be filed within the prescribed period. (Attach additional sheets if needed.)

The Company's SEC Form 17-A for the year ended December 31, 2023 could not be completed and filed within the prescribed period. The Company has yet to complete the review of its audited financial statements and required notes disclosures. The Company undertakes to submit the report within fifteen (15) calendar days after the prescribed deadline to the Securities and Exchange Commission.

Part III - Other Information

(a) Name, address and telephone number, including area code, and position/title of person to contact in regard to this notification

**Jeanemar S. Talaman
Treasurer, Sun Life Asset Management Company, Inc.
Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634
8555-8888**

(b) Have all other periodic reports required under Section 17 of the Code and under Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months, or for such shorter period that the issuer was required to file such report(s), been filed? If the answer is no, identify the report(s).

Yes [✓] No [] Reports:

(c) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes [] No [✓]

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

SIGNATURE

Pursuant to the requirements of the SRC Rule 17-1, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Life Prosperity Achiever Fund 2038, Inc.

Registrant's full name as contained in charter



JEANEMAR S. TALAMAN
Treasurer, Sun Life Asset Management Company, Inc.

Date: **April 05, 2024**