

# COVER SHEET

**A199908713**

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

Day

Fiscal Year

SEC Form 17-A

FORM TYPE

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Month

Day

Annual Meeting

Mutual Fund Company

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 I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes



# SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City  
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## Company Information

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**SEC Registration No.:** A199908713

**Company Name:** SUN LIFE OF CANADA PROSPERITY BALANCED FUND INC.

**Industry Classification:** J67000

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10430202583234983

**Document Type:** ANNUAL\_REPORT

**Document Code:** SEC\_Form\_17-A

**Period Covered:** December 31, 2024

**Submission Type:** Original Filing

**Remarks:** WITH FS

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

SEC Number: **A199908713**

File Number: \_\_\_\_\_

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**

(Company's Full Name)

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

-----  
(Company's Address)

**8555-8888**

-----  
(Telephone No.)

**December 31**

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(Fiscal Year Ending)  
(Month & Day)

**SEC FORM 17-A ANNUAL REPORT**

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Form Type

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Amendment Designation (If applicable)

**December 31, 2024**

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Period Ended Date

**OPEN-END INVESTMENT COMPANY**

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Secondary License Type and File Number

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, AS AMENDED

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

1. For the fiscal year ended December 31, 2024
2. SEC Identification Number A199908713 3. BIR Tax Identification No. 204-583-064-000
4. Exact name of registrant as specified in its charter

Sun Life of Canada Prosperity Balanced Fund, Inc.

5. Metro Manila Province, Country or other jurisdiction of  
incorporation or organization
6. (SEC Use Only) Industry Classification Code:
7. Sun Life Centre, 5<sup>th</sup> 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. Not Applicable  
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding <u>(as of December 31, 2024)</u>
<u>Common Shares, PHP0.01 Par Value</u>	<u>1,701,966,149 shares</u>

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

Yes  No

12. Check whether the issuer:

(a) Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports).

Yes  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 of Canada Prosperity Balanced Fund, 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 December 21, 1999 under SEC Registration No. A199908713. The Fund's investment objective is to provide moderate growth and a steady income stream through investments in high quality equity securities and high quality corporate and government debt securities.

Sun Life Asset Management Company, Inc. ("SLAMCI"), a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. ("SLOCP"), acts as the Fund Manager and Principal Distributor.

For 2024, income of the Fund is composed of the following:

Interest income from fixed income securities	57.34%
Dividend income	33.59%
Interest income from corporate loans	5.62%
Trading gains/losses	3.06%
Interest income from cash and cash equivalents	0.39%

The Fund was incorporated on December 21, 1999 with 200,000,000 registered shares at an initial par value of P1.00 per share. The SEC approved the change in the par value on October 10, 2008.

On May 13, 2005 and February 12, 2006, the shareholders and the Board of Directors, respectively, approved the reduction of the par value per share from P1.00 to P0.01.

On May 12, 2006, the shareholders approved the blanket increase of the Fund's authorized share capital up to 100,000,000,000 shares.

On April 24, 2007, the Board of Directors approved the first tranche of share capital increase by 3,800,000,000 (from 200,000,000 shares to 4,000,000,000 shares both with par value of P0.01). The SEC approved the increase on October 10, 2008 and the registration statements on November 24, 2010.

On March 22, 2013, the Board of Directors approved the second tranche of share capital increase by 1,000,000,000 (from 4,000,000,000 shares to 5,000,000,000 shares both with par value of P0.01).

On December 26, 2013, the Fund filed its application to increase its authorized share capital by 1,000,000,000 shares. Said application was favorably endorsed by the SEC's Corporate Finance Department to the Company Registration and Monitoring Department.

The SEC approved the increase of authorized share capital on January 14, 2014 and the registration statements on July 3, 2014.

As at December 31, 2024, the Fund has 1,701,966,149 issued and outstanding shares out of 5,000,000,000 ACS with a par value of P0.01 per share.

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

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 movements on financial assets are taken through the statement of comprehensive income. The change to marked-to-market thus provides equitable treatment between investors coming in and out of the Fund.

The Fund participates in the mutual funds sector which is a sub-sector of the financial services industry. In recent years, this industry has seen increased liberalization and an influx of competition principally begun during the Ramos administration but carried on with varying intensity during succeeding administrations. 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.

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 Shares. 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 Shares, 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 a risk of possible decline in the value of the Fund due to fluctuations in prices of the fund’s assets. Since the fund may in both equity and fixed income securities, it is subject to two types of market risks: (1) Interest Rate Risk applicable to fixed income securities 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 default on its interest and principal payments. In the event of default, the Fund’s value will be adversely affected and may result in a write-off of the concerned asset held by the Fund. To mitigate the 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. Further, the credit quality of the Issuer/Borrower/Counterparty is reviewed periodically to ensure that excellent credit standing is maintained.

**Fund Manager Risk:** The performance of the Fund 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 Issuer, however, shall ensure that all investment policies and restrictions enumerated in this Prospectus are strictly followed.

**Dilution Risk:** Being an open-end mutual fund, various investors may effectively subscribe to any amount of shares of the Fund. As such, investors face the risk of their investments being diluted as more investors subscribe to shares of the Fund. The influence that the investors can exert over the control and management of the Fund decreases proportionately.

**Liquidity Risk:** The Fund is usually able to service redemptions of investors within seven (7) banking days after receipt of the notice of redemption by paying out redemptions from available cash or near cash assets in its portfolio. However, when redemptions exceed the Funds available cash or near cash assets in its portfolio, the Fund will have to sell its other security holdings; and during periods of extreme market volatility, the Fund may not be able to find a buyer for such assets. Consequently, the Fund 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, the Fund maintains adequate highly liquid assets in the form of cash, cash equivalents and near cash assets in its portfolio. As the Fund's portfolio is composed of liquid assets, liquidity risk is deemed low.

**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 shares 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. The Fund may also impose an anti-dilution levy or fee for significant orders, to protect the interest of the remaining investors of the Fund, when necessary.

**Non-guarantee:** Unlike deposits made with banks, an investment in the Fund is neither insured nor guaranteed by the Philippine Deposit Insurance Corporation ("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 Fund's investments and operations are subject to various regulations affecting among others, accounting of assets and taxation. These regulations occasionally change and may result in lower returns or even losses borne by the investors. For example, a higher tax imposed on the sale or purchase of underlying assets of the Fund may result in lower net asset value of the Fund. To mitigate this risk, SLAMCI 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. 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 the 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 level of self-insurance, is maintained to provide protection against potential losses.

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:** In furtherance of its investment objective, that is, to generate income in Philippine Pesos consistent with prudent management of the Fund's assets, the Fund's portfolio may consist of fixed income and other related securities of the Philippine Government, and commercial papers issued by corporations within the Philippines, certificates of deposits, and other short-term instruments. Considering the nature of the aforementioned investments, the Fund is classified as a balanced risk investment.

## **Item 2. Properties**

The Fund has financial assets in the form of cash and cash equivalents, fixed income securities, listed equity securities, and corporate loans only. 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**

The Fund held its Annual Stockholders' Meeting on 16 July 2024 and the continuation thereof on 09 September 2024. The stockholders present or represented unanimously approved the following:

1. The minutes of the Annual Stockholders' Meeting held on 11 July 2023;
2. The minutes of the Continuation Meeting of the Stockholders held on 08 September 2023;
3. All acts and proceedings of the Board and Corporate Officers (confirmation and ratification thereof);
4. Appointment of Navarro, Amper & Co. (Deloitte Touche Tohmatsu) as External Auditor for 2024.

Due to the failure to meet the required quorum of at least 2/3 of the outstanding capital stock, the following items were not approved:

1. Amendment of Article VI of the Articles of Incorporation to increase the number of directors to six (6).
2. Amendment of Article III of the Articles of Incorporation on the principal office address;
3. 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
4. Amendment of Article II, paragraph 9 (Secondary Purpose) of the Articles of Incorporation to revise "Corporation Law" to "Revised Corporation Code."
5. 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
6. Amendment of Article VIII of the Articles of Incorporation to add a description of the features of the Company's shares.
7. Amendment of Article II paragraph 8 (Secondary Purpose) of the Articles of Incorporation to clarify the wording (i.e., replace "business with "activities").

Due to the failure to meet the requirement that 50%+1 share of the OCS should be present in person or by proxy, the following items were not approved by the stockholders:

1. Election of members of the Board of Directors for the term 2024-2025. Thus, the current set of directors shall continue to serve on a holdover capacity for the term 2024-2025.
2. Delegation of Power to Amend Articles I, II, III, IV and VI of the By-Laws to the Board of Directors.
3. 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 Section 49 of the Revised Corporation Code
4. 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.
5. 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
6. 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.
7. 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.
8. Amendment of Article IV, Section 2 (Advisory Board) of the By-Laws on the deletion of the Advisory Board
9. 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
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 3 (Lost or Destroyed Certificates) of the By-Laws to refer to the applicable section of the Revised Corporation Code
12. 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
13. 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
14. 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
15. 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
16. 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
17. 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
18. 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 issuances of the Securities and Exchange Commission

19. 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.
20. Amendment of Article XI, Section 3 (Auditors) of the By Laws 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.
21. Amendment of Article XIV, Section 1 (Amendments) of the By-Laws to align with the applicable provision of the Revised Corporation Code.
22. Amendment of Article II, Section 3 (Meetings) and 4 (Quorum) of the By-Laws to align the period for the notice of meeting of the directors with the Revised Corporation Code; (Note: This section is also for renumbering)
23. Amendment of Article II, Section 5 (Compensation) of the By-Laws to expressly state that directors are prohibited from participating in the determination of their own per diems or compensation; and to ensure that director compensation is granted by stockholders. (Note: This section is also for renumbering)
24. Amendment of Article II, Section 6 (Vacancy) of the By-Laws to align with the Revised Corporation Code on the vacancies in the Board of Directors. (Note: This section is also renumbering.)
25. Amendment of Article III, Sections 1 and 7 of the By-Laws in relation to the election of a Compliance Officer as one of the corporate officers
- 26.** Amendment of Article II, Section 2 (Nomination Committee) of the By-Laws is deleted to align with required Board-level committees per recent rules and regulations. A separate section in the By-Laws also provides the Board with the power to designate committees.

## **PART II - OPERATIONAL AND FINANCIAL INFORMATION**

### **Item 5. Market for Issuer'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 (NAVPS) of the Fund's common shares for each quarter within the last two calendar years:

	2024		2023	
	High	Low	High	Low
Q1	3.5800	3.4068	3.4944	3.3085
Q2	3.5848	3.3403	3.4309	3.3441
Q3	3.7765	3.3986	3.4225	3.2395
Q4	3.7922	3.4667	3.4221	3.2067

The Fund's NAVPS 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 five (5) recently completed fiscal years:

Year on year yield (1-year)	2.5298%
3 Year - Simple	-2.7123%
5Year - Simple	-9.5859%

## 2. Holders

The Fund has approximately 54,620 shareholders as of December 31, 2024.

On 7 March 2013, SEC *en banc* approved the confidential treatment of the list of Top 20 shareholders of the Fund, including its 5% and 10% beneficial owners. This is to protect the investors' privacy, which is a privilege they enjoy when they invest in other shared investment vehicles, such as unit investment trust funds, and when they invest in bank deposits.

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, 2024.

% Ownership of Institutional Investors	% Ownership of Retail Investors
38.35%	61.65%

Area	Percentage of Investments
LUZON	95%
VISAYAS	4%
MINDANAO	1%
TOTAL	100%

## 3. Dividends

The Fund has not declared cash or stock dividends to date, but it has no restrictions that may limit its ability to pay dividends in the future.

The Board of Directors of the Fund has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from the Fund's unrestricted retained earnings. The amount of such dividends (either in cash, stock, property or a combination of the foregoing) will depend on the Fund's profits, cash flows, capital expenditure, financial condition, and will follow SEC's guidelines on determining retained earnings available for dividend declaration. The existence of surplus profit arising from the operation of the Fund is needed before a dividend can be declared. The surplus profits or income must be a bona fide income founded upon actual earnings or profits. Actual earnings or profits shall be the net income for the year based on the audited financial statements, adjusted for unrealized items, which are considered not available for dividend declaration. Taking into account the Fund's cash flows, capital expenditure, investment objectives and financial condition, at least 10% of actual earnings or profits may be declared by the Board of Directors as dividends.

Cash dividends and property dividends may be declared by the Board of Directors and no stockholder approval is required. Stock dividends paid on the Offer Shares are subject to approval by both the Board of Directors and the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Fund at a stockholders' meeting called for such purpose.

Under the Revised Corporation Code, Corporations with surplus profit in excess of 100% of its paid-in capital stock are required to declare dividends (cash or stock) and distribute it to its stockholders.

Dividends so declared will be automatically reinvested in additional shares on behalf of the shareholders, without sales charges, at the NAVPS on the payment date established for such dividends. As such, shareholders realize their gains when shares are redeemed. Shareholders may also elect not to have dividends reinvested and receive payment in cash, net of tax.

## **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 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. **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.
3. **Assets Under Management (AUM).** These are the assets under the Fund's disposal. This measures investor confidence (increase/decrease brought about by investor subscriptions/redemptions) as well as the growth of the Fund (increase/decrease brought about by its operational income and market valuation of its assets and liabilities).
4. **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 Fund commits to purchase or sell the asset.

At initial recognition, the Fund 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 Fund 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*

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, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

### Equity instruments

Equity instruments do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Fund 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.

As at December 31, 2024 and 2023, the Company does not have financial assets classified as FVTOCI. Changes in the fair value of financial assets measured at FVTPL are recognized in the statements of profit or loss. These changes are reported as either net realized gains (losses) or unrealized gains (losses) on investments, as appropriate.

## **FINANCIAL MARKETS REVIEW (2024)**

### **INVESTMENT APPROACH**

The Fund is designed to provide optimum returns consisting of current income and capital growth through investment in a mix of fixed income and equity securities. The fund ended the year with an equity exposure of 51.91% while 48.09% was in cash and fixed income securities.

## PERFORMANCE REVIEW

### Equity Portion

The local stock market was strong to start the year as inflation dipped below 3% and foreign inflows were positive early on. The Philippine Stock Exchange Index (PSEI) moved higher in January and February but fell short of 7,000. A weak 2Q2024 saw the market hit below 6,200. There were concerns about rates as US Treasury Yields rose during that time. The Peso also depreciated and tested the support at P59, the same level that held in 2022. Risk assets globally were weak during 2Q2024 as the Fed was uncertain in cutting rates at that time.

The PSEI recovered in August and September while hitting an intra-year high of 7,604.61 in October. The BSP was able to deliver a 25-bps rate cut ahead of the Fed (the first since 2020) which was positive for risk assets. The Peso also recovered during this time as the Fed was expected to cut its own rates. Unfortunately, the PSEI failed to break past 7,500 and started to move lower in October. November was brutal for the PSEI after shedding 7.7%, its largest decline in over two years. Trump's victory in the US Presidential Elections led to risk off sentiment as fears of increased trade tariffs escalated.

For the year, PH Banks remained resilient while Property and Mining struggled. Locally, full year inflation came in at slightly above 3% while GDP came in below 6%. The BSP cut rates thrice by 25 bps each time in 2024.

The PSEI ended the year at 6,528.79, up by 1.2% YoY.

### Fixed Income Portion

As local inflation comfortably settled within the 2-4% target band, the Bangko Sentral ng Pilipinas (BSP) shifted its policy stance in the second half of 2024. The BSP delivered a 25-basis point (bp) rate cut last August, after keeping the benchmark rate on hold at 6.50% since November 2023. The move was followed by two more 25 bp rate cuts, slashing the benchmark rate to 5.75% by year-end. Overall, the dovish shift helped local government bonds rally by as much as 100-150 bps from their highs, allowing the Sun Life Prosperity Bond Fund to deliver positive returns for the year.

For the year, the Fund posted a 2.56% y-o-y gain in its NAVPS to PHP 3.4946 /share.

## OUTLOOK

### Equity portion

We expect the PSEI to remain flat during the start of the year as investors await the policies of US President Donald Trump. For the full year, the local bourse is seen to post a positive return given the country's strong fundamentals, and attractive valuations. Company earnings remain robust while valuations remain significantly below historical average. The US Fed and BSP are also expected to cut rates further in 2025.

### Fixed income portion

We hold the view that the BSP will deliver another 75 bps of rate cuts in 2025. At current yield levels, market participants are not pricing in any rate cuts for 2025. As such, we believe the Bond Fund will continue to deliver positive returns driven by accrual and capital gains of government securities.

## FINANCIAL STATEMENTS ANALYSIS

### Material Changes in the 2024 Financial Statements

#### Statement of Financial Position and Statements of Changes in Equity – 31 December 2024 and 31 December 2023

	31-Dec-24		31-Dec-23		Movement	Percentage (%)	MDAS	
	P	Audited	P	Audited				
Cash and cash equivalents	P	57,115,943	P	61,622,135	P	(4,506,192)	-7.31%	Liquidity requirements are still met.
Financial assets at fair value through profit or loss		5,686,366,438		6,333,150,697		(646,784,259)	-10.21%	The decrease was due to net disposals during the period.
Financial assets at amortized cost		189,755,411		280,240,356		(90,484,945)	-32.29%	Mainly due to collection of loan repayment during the period.
Due from brokers		7,378,700		48,501,636		(41,122,936)	-84.79%	This account refers to amounts receivable from brokers arising from the sale of investments processed on or before the reporting period, which are settled three days after the transaction date.
Accrued interest receivable		31,567,860		39,091,554		(7,523,694)	-19.25%	Collection of interest depends on the scheduled interest payments of each investment.
Dividends receivable		1,287,350		2,510,356		(1,223,006)	-48.72%	The collection of receivable is dependent on the scheduled payment dates of each listed stock from which dividends were received.
Other current assets		1,757,774		1,435,337		322,437	22.46%	This account pertains to prepaid taxes and CWT to be applied in the future income taxes payable of the Fund.
<b>Total Assets</b>		<b>5,975,229,476</b>		<b>6,766,552,071</b>		<b>(791,322,595)</b>	<b>-11.69%</b>	
Accrued expenses and other payables		9,915,470		8,821,588		1,093,882	12.40%	The increase mainly pertains to outstanding proceeds payable to investors for redemption of their investments processed on or before end of the reporting period, which are usually settled three (3) days after the transaction date.
Due to brokers		7,378,700		5,883,249		1,495,451	25.42%	This 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.
Payable to fund manager		11,831,462		12,740,152		(908,690)	-7.13%	Average decrease in AUM during the period where management and distribution fees are based.
<b>Total Liabilities</b>		<b>29,125,632</b>		<b>27,444,989</b>		<b>1,680,643</b>	<b>6.12%</b>	
Share capital		48,379,352		48,379,352		-	0.00%	
Additional paid in capital		12,254,184,380		12,264,228,552		(10,044,172)	-0.08%	
Retained earnings		5,259,119,441		5,075,332,510		183,786,931	3.62%	Net income for the period.
Treasury Shares		(11,615,579,329)		(10,648,833,332)		(966,745,997)	9.08%	Due to net acquisition of treasury shares during the period.
<b>Net Assets</b>		<b>5,946,103,844</b>		<b>6,739,107,082</b>		<b>(793,003,238)</b>	<b>-11.77%</b>	Net acquisition of treasury shares partially offset by the net income earned during the period.
<b>Net Assets Value per Share</b>	P	<b>3.4937</b>	P	<b>3.4081</b>	P	<b>0.0855</b>	<b>2.51%</b>	

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 Company.

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 2024 and 31 December 2023

	31-Dec-24		31-Dec-23		Movement	Percentage (%)	MDAS
	Audited		Audited				
Investment Income	P	287,479,952	P	238,644,508	P 48,835,444	20.46%	The increase is due to higher dividend income and realized gains and partially offset by decrease in interest income earned during the period.
Investment Expenses		6,582,408		13,661,423	(7,079,015)	-51.82%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses		159,409,815		171,519,604	(12,109,789)	-7.06%	This is due to the decrease in management and distribution fees brought by lower average AUM, custody fees, and taxes and licenses.
Net Unrealized Gains on Investments		103,651,098		145,540,790	(41,889,692)	-28.78%	The decrease is due to impact of unfavorable market condition during the period compared with prior period.
Provision for Income Tax		41,351,897		45,557,031	(4,205,134)	-9.23%	Final taxes of interest income earned from fixed-income investments, sales tax on trading of equities and corporate income tax for the period.
<b>Net Investment Income</b>		<b>P183,786,931</b>		<b>P153,447,240</b>	<b>P 30,339,691</b>	<b>19.77%</b>	

Average daily net asset value in 2024 and in 2023 are PHP 6,520,465,420 and PHP 7,035,782,404, 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 the period ended December 31, 2024. 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 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 net 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. The asset mix in each type of security is determined from time to time, as warranted by economic and investment conditions;
8. Subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions;
9. It may use various techniques to hedge investment risks; and
10. 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, 2024, 2023
2. Statements of Comprehensive Income, 2024, 2023, 2022
3. Statements of Changes in Equity, 2024, 2023, 2022
4. Statements of Cash Flows, 2024, 2023, 2022
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, 5<sup>th</sup> Avenue corner 26<sup>th</sup> Street, Bonifacio Global City, Taguig City, Philippines, has acted as external auditor of the Fund since the reporting year ended December 31, 2003.

There has been no disagreement with the accountants on any accounting and financial disclosures.

### External Audit Services/Audit and Audit-Related Fees

For 2024 and 2023, 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 PHP334,082 and PHP310,774 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 Dr. Cielito F. Habito (Committee Chairperson and independent director) Atty. Aleli Angela G. Quirino (independent director) and Mr. Oscar S. Reyes (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 of the Issuer

#### 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	64	July 2018 - present	7 terms
Valerie N. Pama	Filipino	Director/President	61	March 2022 – present	3 terms
Aleli Angela G. Quirino	Filipino	Independent Director	80	2010-present	15 terms
Oscar S. Reyes	Filipino	Independent Director	78	July 2018 - present	7 terms

Name	Citizenship	Position	Age	Term of Office	Period Served
Cielito F. Habito	Filipino	Independent Director	71	2019 – present	6 terms
Jeanemar S. Talaman	Filipino	Treasurer	43	September 2022 – April 2025	3 terms
Maria Teresa A. Co	Filipino	Chief Compliance Officer	55	August 2023 – present	1 term
Anna Katrina C. Kabigting-Ibero	Filipino	Corporate Secretary	45	April 2020 – present	5 terms
Frances Ianna S. Canto	Filipino	Assistant Corporate Secretary	36	September 2020 – March 2025	6 terms
Ria V. Mercado	Filipino	Risk Officer	49	2015-present	10 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). He is also the Chairman and Director of Sun Life Financial Philippine Holding Company, Inc. (06 December 2021 to present) and Sun Life Financial Plans, Inc. In addition, he is also a Director of 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).

Ms. Pama also serves as a Trustee and Vice President of Sun Life Financial-Philippines Foundation, Inc. (October 2020 and December 2022, respectively, to December 2024), 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 twelve (12) Sun Life Prosperity Funds, namely: 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 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 thirteen (13) 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 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 Philippines, Inc., Director of PXP Energy Corp. and Independent Director of Basic Energy Corporation, Pioneer Life Inc., D.M. Wenceslao & Associates Inc., Pioneer Insurance & Surety Corporation, Pioneer Intercontinental Insurance, Pioneer Life, Inc., Philippine Dealing System Holdings Corp., Philippine Dealing & Exchange Corporation, Philippine Depository & Trust Corporation, Team Energy Corporation, Mit-Pacific Infrastructure Holdings, Inc., Eramen Minerals Inc., 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.

**CIELITO F. HABITO**

Independent Director (2019 to present)

Dr. Cielito F. Habito is an Independent Director of Sun Life Prosperity GS Fund, Inc.; Sun Life of Canada Prosperity Balanced Fund, Inc.; Sun Life of Canada Prosperity Philippine Equity Fund, Inc.; Sun Life Prosperity Philippine Stock Index Fund, Inc.; Sun Life Prosperity Dollar Abundance Fund, Inc.; Sun Life Prosperity Dollar Advantage Fund, Inc.; Sun Life Prosperity World Voyager Fund, Inc.; and Sun Life Prosperity Achiever Fund 2048, Inc.; (2019 to present); Sun Life of Canada Prosperity Bond Fund, Inc. and Sun Life Prosperity Peso Starter Fund, Inc. (July 2021 to present) and Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022 to present).

He is Chairman and Founding Partner of Brain Trust Inc.; Chairman of Operation Compassion Philippines, Independent Director of First Gen Corporation, PHINMA Corporation and Manila Exposition Complex Inc; and Member of the Advisory Committee of the Japan International Cooperation Agency (JICA), and the World Bank-Philippines Civil Society Advisory Group. For 23 years until May 2024, he was a Professor of Economics at the Ateneo de Manila University, where he is also Senior Fellow of the Ateneo Center for Economic Research and Development.

He had also previously served in the Boards of Manila Water Company, Metropolitan Bank & Trust Company, Metrobank Card Corporation, Frontier Oil Corporation, Mutual Fund Company of the Philippines, One Wealthy Nation (OWN) Fund, Steel Corporation of the Philippines, Philsteel Holdings, Solidbank and Lepanto Consolidated Mining Co.

He served in the Cabinet of former President Fidel V. Ramos throughout his presidency in 1992-1998 as Secretary of Socioeconomic Planning, and Director-General of the National Economic and Development Authority (NEDA). Before joining government, he was Professor and Chairman at the Department of Economics of the University of the Philippines-Los Baños (UPLB). He also worked as Visiting Fellow of the Asian Development Bank Institute in Tokyo, Visiting Professor at the Asian Institute of Management and De La Salle Graduate School of Business, Visiting Research Fellow at the Center for Southeast Asian Studies in Kyoto University, Teaching Fellow at Harvard University and Research Consultant at the World Bank.

Dr. Habito is the recipient of numerous awards including the Presidential Award (2019) and Most Outstanding Alumnus Award (1993) of the UPLB Alumni Association, Philippine Legion of Honor (1998), The Outstanding Young Men (TOYM) of 1991, and the Gawad Lagablab (Outstanding Alumnus Award) of the Philippine Science High School (1991).

He graduated with a Bachelor of Science in Agriculture (Major in Agricultural Economics), Summa cum laude from the University of the Philippines-Los Baños in 1975. He earned a Master of Economics from the University of New England (Australia) in 1978 and Master of Arts in Economics (1981) and Ph.D. in Economics (1984) from Harvard University.

**JEANEMAR S. TALAMAN**

Treasurer (September 2022 to April 2025)

Ms. Jeanemar S. Talamani 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. Talaman 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. Talaman 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. Talaman 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. Talamán 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 Agustín (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.

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 March 2025)

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's 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:

- Caesar P. Altarejos, Jr.
- Henry Joseph Herrera
- Raoul Littaua
- Rizalina G. Mantaring
- Esther C. Tan
- Rolando A. Robles

## **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, or 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 directors do not receive any form of compensation from inception up to the present other than a PHP 20,000 per diem for meetings attended. Only the members of the Board who are "external directors", *i.e.*, those who are not officers and/or employees of SLOCPI, receive remuneration for their attendance in regular or special meetings of the Board at the rate of PHP 20,000 to each director for every meeting attended. Their contributed efforts to the Fund are on a voluntary basis only. Also, the directors or executive officers of the Fund will not participate in any bonus, profit sharing or other compensation plan, pension or retirement plan, contract or arrangement.

However, starting on January 01, 2010, each external director, as defined above, shall also receive a retainer's fee not to exceed PHP 15,000 per quarter. Please note that payment of such retainer's fee shall be shared by the Fund with the other Sun Life Prosperity Funds which the external director also serves, provided that each external director shall receive only a maximum of PHP 15,000 per quarter from all the Sun Life Prosperity Funds which he serves as director.

Total per diem received by the Fund's directors for the year 2024 and 2023 are PHP 254,905 and PHP 254,740, respectively.

The Board had four (4) regular quarterly meetings for 2024, 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 a per diem, the Fund forecasts a total directors' per diem of PHP 240,000 for the year 2025. The external directors are also forecasted to receive a total of PHP 14,905 retainer's fee for 2025.

**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, 2024**

On 7 March 2013, SEC *en banc* approved the confidential treatment of the list of Top 20 shareholders of the Fund, including its 5% and 10% beneficial owners. This is to protect the investors' privacy, which is a privilege they enjoy when they invest in other shared investment vehicles, such as unit investment trust funds, and when they invest in bank deposits.

**2. Security Ownership of Management as of December 31, 2024:**

Title of Class	Name of Beneficial Owner	Number of Shares <sup>1</sup>	Nature of Ownership	Citizenship	Percent of Class
Common	Benedicto C. Sison	1	Beneficial (B) and Record (R)	Filipino and American	0%
Common	Aleli Angela G. Quirino	1	B & R	Filipino	0%
Common	Valerie N. Pama	1	B & R	Filipino	0%
Common	Oscar S. Reyes	1	B & R	Filipino	0%
Common	Cielito F. Habito	1	B & R	Filipino	0%

The above individual owners can be reached at c/o the Corporate Secretary, 6<sup>th</sup> Floor, Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

**3. 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.

**4. 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 Fund is not involved in any related transactions.

<sup>1</sup> Number of shares held in their capacity as Director or Chairperson

## **PART IV - CORPORATE GOVERNANCE**

### **Item 13. Corporate Governance**

#### **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**

### **Item 14. Exhibits and Reports on SEC Form 17-C**

#### **A. Exhibits**

1. Statements of Financial Position, 2024, 2023
2. Statements of Comprehensive Income, 2024, 2023, 2022
3. Statements of Changes in Equity, 2024, 2023, 2022
4. Statements of Cash Flows, 2024, 2023, 2022
5. Notes to Financial Statements

#### **B. Reports on SEC Form 17-C**

**- SIGNATURE PAGE FOLLOWS -**

**SIGNATURES**

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of \_\_\_\_\_ on \_\_\_\_\_, 2025.

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**

Issuer

By:

[Signature Box]

**Valerie N. Pama**

Principal Executive Officer/President

[Signature Box]

**Gerald L. Bautista**

Principal Operating Officer / SLAMCI President

[Signature Box]

**Candy S. Esteban**

Principal Accounting Officer/CFO

[Signature Box]

**Jeanemar S. Talaman**

Principal Financial Officer/Treasurer/Comptroller

[Signature Box]

**Anna Katrina C. Kabigting-Ibero**

Corporate Secretary

**APR 28 2025**

**MAKATI CITY**

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2025, affiants exhibiting their government issued identification cards, as follows:

Name	Government ID No.	Valid Until	Place of Issue
Valerie N. Pama	[Redacted]	[Redacted]	[Redacted]
Gerald L. Bautista			
Candy S. Esteban			
Jeanemar S. Talaman			
Anna Katrina C. Kabigting-Ibero			

Doc. No. 30;  
 Page No. 9;  
 Book No. 59;  
 Series of 2025.

**ATTY. ROMEO M. MONFORT**  
 Notary Public, City of Makati  
 Until December 31, 2025  
 Appointment No. M-032 (2024-2025)  
 PTR No. 10466008 Jan. 2 2023/Makati City  
 IBP No. 488534 Dec. 27, 2024  
 MCLE NO. VII-0027570 Roll No. 27932  
 101 Urban Ave, Campos Rueda Bldg.  
 Brgy. Pio Del Pilar, Makati City

This document contains key information clients of Sun Life of Canada Prosperity Balanced Fund 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.

<b>Launch Date</b>	April 5, 2000	<b>Fund Structure</b>	Mutual Fund (Shares)	<b>Transfer Agency Fee</b>	0.15%
<b>Fund Size</b>	PHP 5,947,621,471.15	<b>Fund Classification</b>	Balanced Fund	<b>Minimum Holding Period</b>	None
<b>Net Asset Value Per Share</b>	3.4946	<b>Minimum Subscription</b>	PHP 1,000	<b>Early Redemption Fee</b>	None
<b>Benchmark</b>	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	<b>Minimum Subsequent</b>	PHP 1,000	<b>Redemption Settlement</b>	T+3 business days
		<b>Management and Distribution Fee</b>	2.00%	<b>Bloomberg Ticker</b>	SNCPBA PM Equity

## What does the Fund invest in?

The **Sun Life of Canada Prosperity Balanced Fund** aims to provide total returns consisting of current income and capital growth through investment in a mix of fixed income and equity securities.

The Fund is suitable for investors with a **balanced risk profile** and long-term investment horizon. This is for investors who want to enjoy the relative safety of fixed income securities without sacrificing the growth potential of equities.

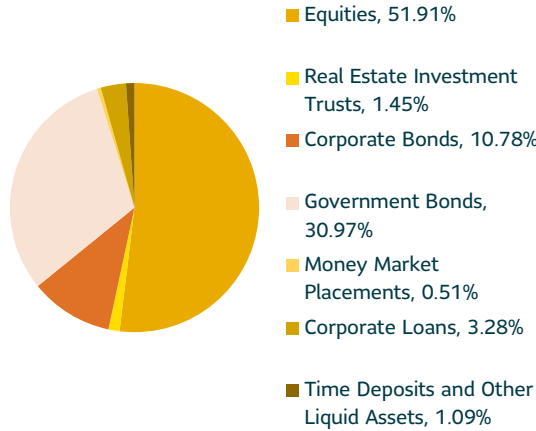
### Top Equity Holdings

1. SM Investments Corporation, 7.55%
2. International Container Terminal Services Inc., 7.15%
3. Bank of the Philippine Islands, 5.17%
4. BDO Unibank Inc., 5.13%
5. Jollibee Foods Corporation, 4.58%

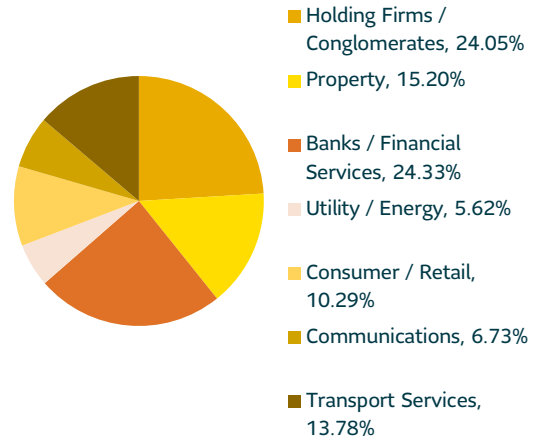
### Top Fixed Income Holdings

1. Treasury Bond 2029, 11.47%
2. Treasury Bond 2044, 6.33%
3. Treasury Bond 2034, 3.89%
4. Treasury Bond 2031, 3.24%
5. Treasury Bond 2039, 2.67%

### Investment Mix

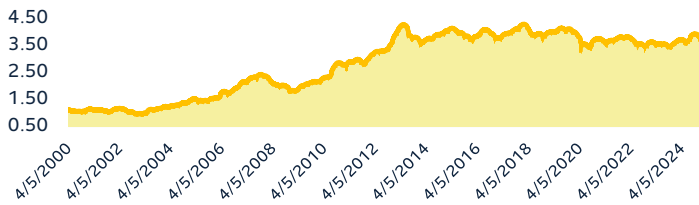


### Sector Allocation



## How has the Fund performed?

NAVPS Since Inception



### CUMULATIVE PERFORMANCE

	MoM	YTD	1-Year	3-Year	5-Year
<b>Fund</b>	-1.07%	2.56%	2.58%	-3.54%	-9.56%
<b>Benchmark*</b>	-0.60%	2.91%	2.81%	-0.48%	-0.88%

**Notes:**

- 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.
- Benchmark data were based on available information as of extraction date.

**\*Bond Benchmark Effectivity Date:**

HSBC Local Currency Bond Philippines Liquid Total Return: May 25, 2009 to April 30, 2016  
 Bloomberg Sovereign Bond Index, net of tax (adjusted by Sun Life): May 1, 2016 to February 28, 2017  
 Bloomberg Sovereign Bond Index 1 to 5 Year, net of tax (adjusted by Sun Life): March 1, 2017 to present

## Market Review and Outlook

- The Philippine Stock Exchange Index (PSEi) declined in December by 1.3% to close the year at the 6,528.79 level. This brought down the PSEi's full year gains for 2024 to just 1.2%. Nonetheless, this also marked the first yearly gain for the local bourse since 2019.
- Philippine government bond yields rose up to 20 basis points across the curve over the month of December, with only yields on the longest tenors (more than 20Y) falling by 5 basis points.
- Foreign funds continued to flow out of the Philippine equity market in December due to varying concerns. The outflow of US\$104 million in December brought the market's full year outflows to \$408 million. This was the seventh consecutive year of foreign outflows for the Philippines. Trading activity was also lower in December compared to the full year average.
- December inflation came in at 2.9% year-on-year, higher than the previous month's 2.5% year-on-year. The uptick was due to increase in transport, rental adjustments, electricity prices, and seasonal food items. Full year inflation ended at 3.2%. Given recent developments, the Bangko Sentral ng Pilipinas (BSP) now sees up to three rate cuts in 2025, less than what was indicated last August of four rate cuts.
- The Philippine Peso (PHP) appreciated in December but failed to lift the market higher. The Peso appreciated by 1.4% and closed the year at P57.84. For the full year of 2024, the Peso depreciated by 4.4%.
- The PSEi may continue to trade within its current range of 6400 to 6600 as investors await the inauguration of US President Donald Trump in January 2025. Meanwhile, local bond yields will track the movement of US Treasury yields.
- On a gross-of-fees basis, the Fund is ahead of the benchmark on a full year basis.

**DISCLAIMER:** Sun Life Asset Management Company, Inc. (SLAMC) 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 SLAMC; 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.

Sun Life Asset Management Company, Inc. is regulated by the Securities and Exchange Commission (SEC).

For client assistance, know about our process at sunlife.co/Sun-Life-CAMS or contact: 02-8849-9888 | sunlink@sunlife.com | Sun Life Centre, 5th Ave. cor Rizal Drive, BGC Taguig. For consumer concerns, contact SEC at +63 2 8818-5952; 5322-7696 loc. 114; or email CGFD@sec.gov.ph.

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<b>Launch Date</b>	April 5, 2000	<b>Fund Structure</b>	Mutual Fund (Shares)	<b>Transfer Agency Fee</b>	0.15%
<b>Fund Size</b>	PHP 6,060,691,135.93	<b>Fund Classification</b>	Balanced Fund	<b>Minimum Holding Period</b>	None
<b>Net Asset Value Per Share</b>	3.5325	<b>Minimum Subscription</b>	PHP 1,000	<b>Early Redemption Fee</b>	None
<b>Benchmark</b>	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	<b>Minimum Subsequent</b>	PHP 1,000	<b>Redemption Settlement</b>	T+3 business days
		<b>Management and Distribution Fee</b>	2.00%	<b>Bloomberg Ticker</b>	SNCPRBA PM Equity

## What does the Fund invest in?

The **Sun Life of Canada Prosperity Balanced Fund** aims to provide total returns consisting of current income and capital growth through investment in a mix of fixed income and equity securities.

The Fund is suitable for investors with a **balanced risk profile** and long-term investment horizon. This is for investors who want to enjoy the relative safety of fixed income securities without sacrificing the growth potential of equities.

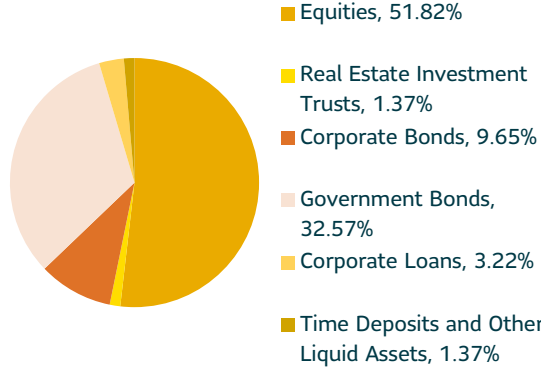
### Top Equity Holdings

1. SM Investments Corporation, 7.45%
2. International Container Terminal Services Inc., 5.84%
3. BDO Unibank Inc., 5.40%
4. Bank of the Philippine Islands, 5.29%
5. Ayala Land Inc., 4.81%

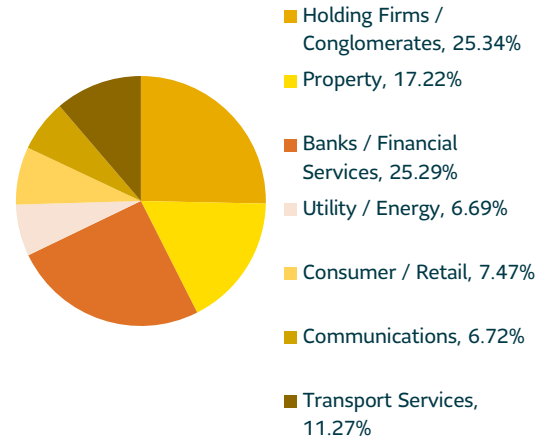
### Top Fixed Income Holdings

1. Treasury Bond 2029, 12.56%
2. Treasury Bond 2044, 6.31%
3. Treasury Bond 2034, 4.48%
4. Treasury Bond 2031, 3.21%
5. Treasury Bond 2039, 2.66%

### Investment Mix

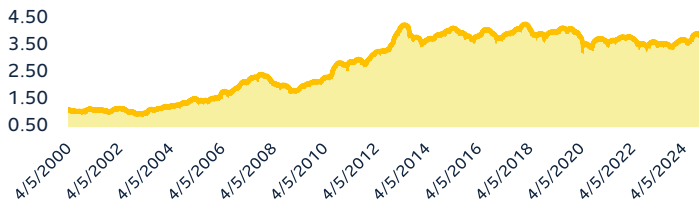


### Sector Allocation



## How has the Fund performed?

NAVPS Since Inception



### CUMULATIVE PERFORMANCE

	MoM	YTD	1-Year	3-Year	5-Year
<b>Fund</b>	-3.82%	3.67%	5.99%	-2.03%	-7.95%
<b>Benchmark*</b>	-3.76%	3.52%	5.42%	0.56%	0.32%

#### Notes:

- 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.
- Benchmark data were based on available information as of extraction date.

#### \*Bond Benchmark Effectivity Date:

HSBC Local Currency Bond Philippines Liquid Total Return: May 25, 2009 to April 30, 2016  
 Bloomberg Sovereign Bond Index, net of tax (adjusted by Sun Life): May 1, 2016 to February 28, 2017  
 Bloomberg Sovereign Bond Index 1 to 5 Year, net of tax (adjusted by Sun Life): March 1, 2017 to present

## Market Review and Outlook

- The Philippine Stock Exchange Index (PSEi) saw a huge sell-off following the win of Donald Trump in the US Presidential elections which caused risk aversion to Emerging Markets including the Philippines. The local bourse closed at 6,613.85, down 7.41% in November.
- On the other hand, Philippine government bond yields rose 10 to 40 basis points across the curve over the month of November, with the shorter end of the curve rising more.
- Foreign investors turned net sellers of the equity market to the tune of \$349 million, reversing previous month's net foreign inflow.
- November inflation came in at 2.5%, in-line with consensus estimates but higher than previous month's 2.3%.
- 9M24 corporate earnings grew 7%, with banks meeting expectations and some consumer and gaming names missing estimates.
- Market participants are still anticipating another rate cut from both the Bangko Sentral ng Pilipinas and US Federal Reserve during their last meetings in December which may provide some support to local stock prices.
- In the short-run, the PSEi may trade between 6,600 to 7,000 as investors await for the new fiscal and trade policies of incoming US President Trump.
- The Fund remains slight overweight on equities and overweight duration on fixed income.
- On a gross-of-fees basis, the Fund is ahead of the benchmark year-to-date.

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 For consumer concerns, contact SEC at +63 2 8818-5952; 5322-7696 loc. 114; or email CGFD@sec.gov.ph.

This document contains key information clients of Sun Life of Canada Prosperity Balanced Fund 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.

<b>Launch Date</b>	April 5, 2000	<b>Fund Structure</b>	Mutual Fund (Shares)	<b>Transfer Agency Fee</b>	0.15%
<b>Fund Size</b>	PHP 6,402,935,367.52	<b>Fund Classification</b>	Balanced Fund	<b>Minimum Holding Period</b>	None
<b>Net Asset Value Per Share</b>	3.6727	<b>Minimum Subscription</b>	PHP 1,000	<b>Early Redemption Fee</b>	None
<b>Benchmark</b>	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	<b>Minimum Subsequent</b>	PHP 1,000	<b>Redemption Settlement</b>	T+3 business days
		<b>Management and Distribution Fee</b>	2.00%	<b>Bloomberg Ticker</b>	SNCPBA PM Equity

## What does the Fund invest in?

The **Sun Life of Canada Prosperity Balanced Fund** aims to provide total returns consisting of current income and capital growth through investment in a mix of fixed income and equity securities.

The Fund is suitable for investors with a **balanced risk profile** and long-term investment horizon. This is for investors who want to enjoy the relative safety of fixed income securities without sacrificing the growth potential of equities.

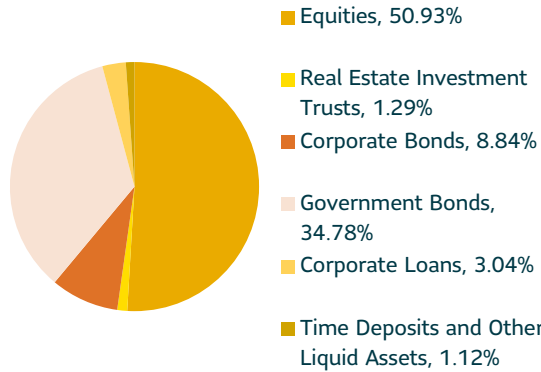
### Top Equity Holdings

1. SM Investments Corporation, 7.39%
2. International Container Terminal Services Inc., 5.92%
3. BDO Unibank Inc., 5.06%
4. Bank of the Philippine Islands, 4.75%
5. Ayala Land Inc., 4.48%

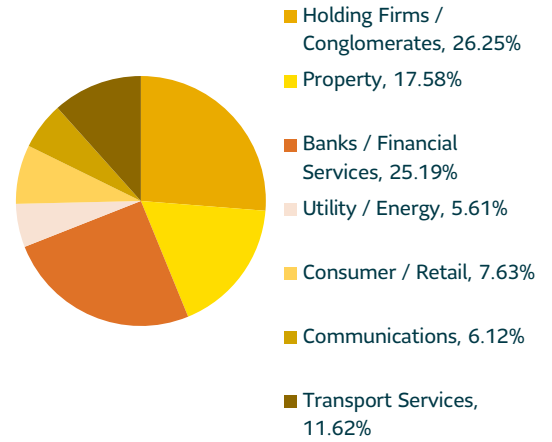
### Top Fixed Income Holdings

1. Treasury Bond 2029, 11.95%
2. Treasury Bond 2044, 6.70%
3. Treasury Bond 2034, 4.27%
4. Treasury Bond 2029, 3.55%
5. Treasury Bond 2031, 3.06%

### Investment Mix

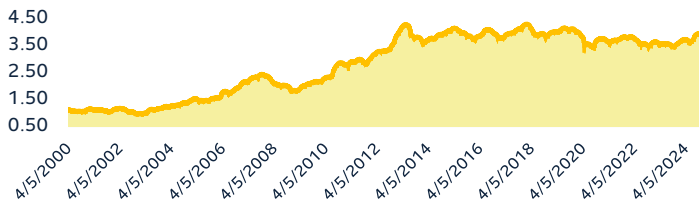


### Sector Allocation



## How has the Fund performed?

NAVPS Since Inception



### CUMULATIVE PERFORMANCE

	MoM	YTD	1-Year	3-Year	5-Year
<b>Fund</b>	-1.47%	7.79%	14.50%	2.63%	-6.14%
<b>Benchmark*</b>	-0.91%	7.67%	13.33%	5.11%	2.80%

**Notes:**

- 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.
- Benchmark data were based on available information as of extraction date.

**\*Bond Benchmark Effectivity Date:**

HSBC Local Currency Bond Philippines Liquid Total Return: May 25, 2009 to April 30, 2016  
 Bloomberg Sovereign Bond Index, net of tax (adjusted by Sun Life): May 1, 2016 to February 28, 2017  
 Bloomberg Sovereign Bond Index 1 to 5 Year, net of tax (adjusted by Sun Life): March 1, 2017 to present

## Market Review and Outlook

- The Philippine Stock Exchange Index (PSEi) hit an intra-year high of 7,554.68 before closing at 7,142.96 or -1.78% in October. On the other hand, Philippine government bond yields rose by 10 to 20 basis points during the month.
- October inflation increased to 2.3%, from 1.9% the previous month. Third quarter GDP printed at 5.2%, lower than expectation of 5.7%. Likewise, the peso depreciated by 3.56% during the month to close at 58.115 against the USD. These prompted investors to take profit after three consecutive months of gains.
- Despite these, the Bangko Sentral ng Pilipinas (BSP) cut its policy rate by another 25 basis points to 6% during its mid-October meeting as inflation is still expected to trend lower. Another 25-basis point cut is still expected during its December meeting.
- Third quarter corporate earnings were mostly in-line with expectation, growing by 10%, led by banks.
- For the remainder of the year, the PSEi may retest the 7,400 level given seasonally strong fourth quarter. However, continued foreign selling may cap the gains despite stable corporate earnings and generally lower inflation and interest rates expectations.
- The Fund remains slight overweight on equities and overweight duration on fixed income.
- On a gross-of-fees basis, the Fund is ahead of the benchmark year-to-date.

**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.

Sun Life Asset Management Company, Inc. is regulated by the Securities and Exchange Commission (SEC).

For client assistance, know about our process at sunlife.co/Sun-Life-CAMS or contact: 02-8849-9888 | sunlink@sunlife.com | Sun Life Centre, 5th Ave. cor Rizal Drive, BGC Taguig.  
 For consumer concerns, contact SEC at +63 2 8818-5952; 5322-7696 loc. 114; or email CGFD@sec.gov.ph.



# 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



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## Company Information

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**SEC Registration No.:** A199908713

**Company Name:** SUN LIFE OF CANADA PROSPERITY BALANCED FUND INC.

**Industry Classification:** J67000

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10415202583176149

**Document Type:** Financial Statement

**Document Code:** FS

**Period Covered:** December 31, 2024

**Submission Type:** Annual

**Remarks:** None

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

# COVER SHEET

for  
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	1	9	9	9	0	8	7	1	3
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Company Name

S	U	N		L	I	F	E		O	F		C	A	N	A	D	A		P	R	O	S	P	E	R	I	T	Y		
B	A	L	A	N	C	E	D		F	U	N	D		I	N	C	.													

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

S	U	N	L	I	F	E		C	E	N	T	R	E		S	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

<a href="mailto:sunlife_sec_communications@sunlife.com">sunlife_sec_communications@sunlife.com</a>
--

Company's Telephone Number/s

8555-8888
-----------

Mobile Number

0999-991-7178
---------------

No. of Stockholders

54,620
--------

Annual Meeting  
Month/Day

Every Fourth Monday of May
----------------------------

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

<a href="mailto:Jeanemar.Talaman@sunlife.com">Jeanemar.Talaman@sunlife.com</a>
--

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

**Note 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.

## Elyza Jane Endaya

---

**From:** eafs@bir.gov.ph  
**Sent:** Tuesday, April 15, 2025 12:58 AM  
**To:** PHIL-FIN.SLPBalanced  
**Cc:** PHIL-FIN.SLPBalanced  
**Subject:** Your BIR AFS eSubmission uploads were received

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

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Hi SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.,

### Valid files

- EAFS204583064TCRTY122024-02.pdf
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- EAFS204583064RPPTY122024.pdf
- EAFS204583064AFSTY122024.pdf
- EAFS204583064ITRTY122024.pdf

### Invalid file

- <None>

Transaction Code: **AFS-0-76HLKHK604XS3VTX1NRR1YY1W0NVYN1MW2**

Submission Date/Time: **Apr 15, 2025 12:58 AM**

Company TIN: **204-583-064**

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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

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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**

## FILING REFERENCE NO.

<b>TIN</b>	: 204-583-064-000
<b>Name</b>	: SUN LIFE OF CANADA PROSPERITY BALANCED : FUND INC
<b>RDO</b>	: 044
<b>Form Type</b>	: 1702
<b>Reference No.</b>	: <b>462500065331110</b>
<b>Amount Payable (Over Remittance)</b>	: -1,071,335.00
<b>Accounting Type</b>	: C - Calendar
<b>For Tax Period</b>	: 12/31/2024
<b>Date Filed</b>	: 04/14/2025
<b>Tax Type</b>	: IT

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

The Management of Sun Life of Canada Prosperity Balanced Fund, Inc. (the "Company") is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, as at December 31, 2024 and 2023, and for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein and submits the same to the Shareholders.

Navarro Amper & Co., the independent auditor appointed by the Shareholders for the years ended December 31, 2024 and 2023, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the Board of Directors and Shareholders has expressed its opinion on the fairness of presentation upon completion of such audit.

[Signature box]

**Benedicto C. Sison**, Chairman of the Board

[Signature box]

**Valerie N. Pama**, President

[Signature box]

**Jeanemar S. Talaman**, Treasurer

Signed this 25th day of March 2025.



MAR 25 2025

MAKATI CITY

Subscribed and sworn to me before this \_\_\_ day of \_\_\_\_\_ 2025 at \_\_\_\_\_, affiants exhibiting to me competent evidence of identity, as follows:

Name	Government Issued ID	Date/Place Issued
Benedicto C. Sison		
Valerie N. Pama		
Jeanemar S. Talaman		

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

Doc. No. 192  
Page No. 40  
Book No. 56  
Series of 2025.

ATTY. ROMEO M. MONFORT  
Notary Public City of Makati  
Until December 31, 2025  
Appointed by RA 11590 (2024-2025)  
PIR No. 1044, Series No. 2 2025/Makati City  
IFP No. 4022-Reg. 27, 2024  
MCLE No. 2024-2025 Roll No. 27932  
101 Green Ave. Campus Rueda Bldg.  
Brgy. Pio Del Pilar, Makati City

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders  
SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.  
(An Open-end Investment Company)  
Sun Life Centre, 5<sup>th</sup> 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 of Canada Prosperity Balanced Fund, Inc. (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2024, 2023 and 2022, 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, 2024 and 2023, and its financial performance and its cash flows for the years ended December 31, 2024, 2023 and 2022, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

#### *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.

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### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the Securities and Exchange Commission (SEC) Form 17-A Annual Report submission to the SEC, which is prepared by the Management and submitted after the issuance of the audited financial statements with our auditor's report attached thereon.

The SEC Form 17-A is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the other information identified above which have not yet been received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

In preparing the financial statements, Management is responsible for assessing the 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 23 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 audit 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/PRC ACR. No. 0004, valid until September 22, 2027



Lloyd Ryan C. Moraño  
Partner

CPA Certificate No.

TIN

BIR ACR. No.  March 10, 2023; effective until March 9, 2026

BOA/PRC ACR  lid until September 22, 2027

PTR No.  January 4, 2025, Taguig City

Taguig City, Philippines  
March 31, 2025



**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
(An Open-end Investment Company)

**STATEMENTS OF FINANCIAL POSITION**

		December 31	
	Notes	2024	2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	P 57,115,943	P 61,622,135
Financial assets at fair value through profit or loss	8	5,686,366,438	6,333,150,697
Financial assets at amortized cost	9	43,313,000	85,735,688
Due from brokers	10	7,378,700	48,501,636
Accrued interest receivable	7	31,567,860	39,091,554
Dividends receivable	8	1,287,350	2,510,356
Other current assets		1,757,774	1,435,337
Total Current Assets		5,828,787,065	6,572,047,403
<b>Non-current Asset</b>			
Financial assets at amortized cost	9	146,442,411	194,504,668
		<b>P5,975,229,476</b>	<b>P6,766,552,071</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Accrued expenses and other payables	11	P 9,915,470	P 8,821,588
Due to brokers	10	7,378,700	5,883,249
Payable to fund manager	12	11,831,462	12,740,152
Total Current Liabilities		29,125,632	27,444,989
<b>Equity</b>			
Share capital	13	48,379,352	48,379,352
Additional paid-in capital	14	12,254,184,380	12,264,228,552
Retained earnings		5,259,119,441	5,075,332,510
		17,561,683,173	17,387,940,414
Treasury shares	13	(11,615,579,329)	(10,648,833,332)
Total Equity		5,946,103,844	6,739,107,082
		<b>P5,975,229,476</b>	<b>P6,766,552,071</b>
<b>Net Asset Value Per Share</b>	15	P 3.4937	P 3.4081

*See Notes to Financial Statements.*

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
(An Open-end Investment Company)

**STATEMENTS OF COMPREHENSIVE INCOME**

**For the Years Ended December 31**

	Notes	2024	2023	2022
<b>Investment Income - net</b>				
Net realized gains (loss) on investments	8	P 8,797,244	(P 44,613,079)	(P 154,232,877)
Interest income	16	182,133,491	191,973,530	151,384,788
Dividend income	8	96,543,401	90,997,623	105,641,047
Other income		5,816	286,434	2,389
		<b>287,479,952</b>	238,644,508	102,795,347
<b>Investment Expenses</b>				
Commission	10	6,269,985	13,159,056	16,974,997
Clearing fees		312,423	502,367	672,793
		<b>6,582,408</b>	13,661,423	17,647,790
<b>Net Investment Income</b>		<b>280,897,544</b>	224,983,085	85,147,557
<b>Operating Expenses</b>				
Management and transfer fees	12	83,980,235	90,533,496	97,008,634
Distribution fees	12	73,026,291	78,722,950	84,295,168
Custodianship fees		994,582	1,141,166	1,598,527
Taxes and licenses		781,568	786,365	797,822
Professional fees		334,082	310,774	292,410
Directors fees	12	254,905	254,740	254,856
Reversal of expected credit losses	9, 21	(114,743)	(304,618)	(1,577,633)
Printing and supplies		67,668	28,654	30,799
Miscellaneous		85,227	46,077	53,550
		<b>159,409,815</b>	171,519,604	182,754,133
<b>Profit (Loss) Before Net Unrealized Gains (Losses) on Investments</b>		<b>121,487,729</b>	53,463,481	(97,606,576)
<b>Net Unrealized Gains (Loss) on Investments</b>	8	<b>103,651,098</b>	145,540,790	(450,210,232)
<b>Profit (Loss) Before Tax</b>		<b>225,138,828</b>	199,004,271	(547,816,808)
<b>Income Tax Expense</b>	19	<b>41,351,897</b>	45,557,031	39,098,306
<b>Total Comprehensive Income (Loss) for the Period</b>		<b>P 183,786,931</b>	P 153,447,240	(P 586,915,114)
<b>Basic Earnings (Loss) per Share</b>	17	<b>P 0.099</b>	P 0.073	(P 0.263)
<b>Diluted Earnings (Loss) per Share</b>	17	<b>P 0.099</b>	P 0.073	P (0.263)

See Notes to Financial Statements.

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
(An Open-end Investment Company)

**STATEMENTS OF CHANGES IN EQUITY**

**For the Years Ended December 31**

			<b>Share Capital</b>	<b>Additional Paid-in Capital</b>	<b>Retained Earnings</b>	<b>Treasury Shares</b>	<b>Total</b>
Balance, January 1, 2022	<b>13, 14</b>	P	48,379,352	P12,242,635,177	P5,508,800,384	(P9,621,324,519)	P8,178,490,394
Total Comprehensive Loss for the Year			-	-	(586,915,114)	-	(586,915,114)
Transactions with owners:	<b>13, 14</b>						
Acquisition of treasury shares during the year			-	-	-	(551,623,682)	(551,623,682)
Reissuance of treasury shares during the year			-	32,201,816	-	165,524,238	197,726,054
Total transactions with owners			-	32,201,816	-	(386,099,444)	(353,897,628)
Balance, December 31, 2022	<b>13, 14</b>		P48,379,352	P12,274,836,993	P4,921,885,270	(P10,007,423,963)	7,237,677,652
Net Income for the period			-	-	153,447,240	-	153,447,240
Transactions with owners:	<b>13, 14</b>						
Acquisition of treasury shares during the period			-	-	-	(794,350,394)	(794,350,394)
Reissuance of treasury shares during the period			-	(10,608,441)	-	152,941,025	142,332,584
Total transactions with owners			-	(10,608,441)	-	(641,409,369)	(652,017,810)
Balance, December 31, 2023	<b>13, 14</b>	P	48,379,352	P12,264,228,552	P5,075,332,510	(P10,648,833,332)	P6,739,107,082
Net income for the period			-	-	183,786,931	-	183,786,931
Transactions with owners:	<b>13, 14</b>						
Acquisition of treasury shares during the period			-	-	-	(1,160,147,463)	(1,160,147,463)
Reissuance of treasury shares during the period			-	(10,044,172)	-	193,401,466	183,357,294
Total transactions with owners			-	(10,044,172)	-	(966,745,997)	(976,790,169)
<b>Balance, December 31, 2024</b>	<b>13, 14</b>		<b>P48,379,352</b>	<b>P12,254,184,380</b>	<b>P5,259,119,441</b>	<b>(P11,615,579,329)</b>	<b>P5,946,103,844</b>

*See Notes to Financial Statements.*

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
(An Open-end Investment Company)

**STATEMENTS OF CASH FLOWS**

		<b>For the Years Ended December 31</b>		
	<b>Notes</b>	<b>2024</b>	2023	2022
<b>Cash Flows from Operating Activities</b>				
Profit (Loss) before tax		<b>P 225,138,828</b>	P 199,004,271	(P 547,816,808)
Adjustments for:				
Net unrealized (gains) losses on investments	<b>8</b>	<b>(103,651,098)</b>	(145,540,790)	450,210,232
Net realized (gains) losses on investments	<b>8</b>	<b>(8,797,244)</b>	44,613,079	154,232,877
Interest income	<b>16</b>	<b>(182,133,491)</b>	(191,973,530)	(151,384,788)
Dividend income	<b>8</b>	<b>(96,543,401)</b>	(90,997,623)	(105,641,047)
Reversal of expected credit losses	<b>9, 21</b>	<b>(114,743)</b>	(304,618)	(1,577,633)
Operating cash flows before working capital changes		<b>(166,101,150)</b>	(185,199,211)	(201,977,167)
Increase in:				
Other current assets		<b>(322,437)</b>	(319,580)	(356,696)
Increase (Decrease) in:				
Accrued expenses and other payables		<b>1,093,882</b>	(1,376,643)	(623,032)
Due to brokers		<b>1,495,451</b>		28,330,365
Payable to fund manager		<b>(908,690)</b>	(1,397,716)	(1,619,285)
Cash used in operations		<b>(164,742,944)</b>	(188,293,150)	(176,245,815)
Acquisitions of financial assets at fair value through profit or loss	<b>8</b>	<b>(4,341,954,534)</b>	(7,070,554,048)	(11,175,560,542)
Proceeds from disposal of financial assets at fair value through profit or loss		<b>5,142,310,072</b>	7,602,692,924	11,353,512,610
Interest received		<b>189,471,743</b>	186,036,253	143,788,661
Dividends received		<b>97,766,407</b>	89,831,245	106,321,845
Income taxes paid	<b>19</b>	<b>(41,351,897)</b>	(45,557,031)	(38,823,513)
Net cash generated from operating activities		<b>881,498,847</b>	574,156,193	212,993,246
<b>Cash Flows from Investing Activities</b>				
Investment in corporate loans		-	-	(38,000,000)
Proceeds from principal collections of loan receivables	<b>9</b>	<b>90,785,130</b>	33,032,107	174,360,107
Net cash generated from investing activities		<b>90,785,130</b>	33,032,107	136,360,107
<b>Cash Flows from Financing Activities</b>				
Proceeds from reissuance of treasury shares	<b>13</b>	<b>183,357,294</b>	142,332,584	197,726,054
Payments for acquisition of treasury shares	<b>13, 14</b>	<b>(1,160,147,463)</b>	(794,350,394)	(551,623,682)
Net cash used in financing activities		<b>(976,790,169)</b>	(652,017,810)	(353,897,628)
<b>Net Decrease in Cash and cash equivalents</b>		<b>(4,506,192)</b>	(44,829,510)	(4,544,275)
<b>Cash and cash equivalents, Beginning</b>		<b>61,622,135</b>	106,451,645	110,995,920
<b>Cash and cash equivalents, End</b>		<b>P 57,115,943</b>	P 61,622,135	P 106,451,645

**See Notes to Financial Statements.**

## **SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**

(An Open-end Investment Company)

### **NOTES TO FINANCIAL STATEMENTS**

**AS AT DECEMBER 31, 2024 AND 2023 AND FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 and 2022**

#### **1. CORPORATE INFORMATION**

Sun Life of Canada Prosperity Balanced Fund, Inc. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on December 21, 1999 and started commercial -operations on May 1, 2000. 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 engaged in the sale of redeemable shares and is designed to provide total returns consisting of current income and capital growth through investment in a mix of debt and equity securities from both domestic and foreign issuers. As an open-end investment company, its shares are redeemable anytime based on the Net Asset Value Per Share (NAVPS) at the time of redemption.

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 12.

The Company's registered office address and principal place of business is at the 2<sup>nd</sup> Floor, Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

The Company is considered a public company under Rule 3.1 of the Implementing Rules and Regulations of the Revised Securities Regulation Code (SRC), which, among others, defines a public corporation as any corporation with assets of at least P50,000,000 and having 200 or more shareholders, each of whom holds at least 100 shares of its equity securities.

As at December 31, 2024 and 2023, the Company has 54,620 shareholders and 54,120 shareholders, respectively, each holding at least 100 shares of the Company's common shares.

#### **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 the Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards include all applicable PFRS, Philippine Accounting Standards (PAS) and interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy 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 Amended Accounting Standards Effective in 2024**

In the current year, the Company has applied all amendments to PFRS Accounting Standards that are mandatorily effective for accounting periods beginning on or after January 1, 2024. Their adoption had no material impact on the disclosures or the amounts reported in these financial statements.

### **New and Revised Accounting Standards Effective after the Reporting Period Ended December 31, 2024**

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

Effective for annual period beginning or after January 1, 2025

- Amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

Effective for annual period beginning or after January 1, 2026

- Amendments to PFRS 9, *Financial Instruments* and PFRS 7, *Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
- Amendments to PFRS 9, *Financial Instruments* and PFRS 7 *Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity*

Effective for annual period beginning or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- PFRS 17, *Insurance Contracts*
- Amendments to PFRS 17, *Insurance Contracts*
- Amendment to PFRS 17, *Insurance Contracts - Initial Application* and PFRS 9, *Financial Instruments - Comparative Information*

Deferred effectivity

- 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 PFRS Accounting Standards in future periods will not have a material impact on the financial statements in the period of their initial adoption.

## **4. MATERIAL ACCOUNTING POLICIES**

### **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 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*

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, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

### Equity instruments

Equity instruments 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.

As at December 31, 2024 and 2023, the Company does not have financial assets classified as FVTOCI.

Changes in the fair value of financial assets measured at FVTPL are recognized in the statements of profit or loss. These changes are reported as either net realized gains (losses) or unrealized gains (losses) on investments, as appropriate.

### *Impairment of financial assets*

The Company recognizes a loss allowance for ECL on investments in debt instruments that are measured at amortized cost.

The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

### *Significant increase in credit risk*

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument (e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default;
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Company considers a financial asset to have low credit risk when the asset has external credit rating of investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

#### *Default*

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

#### *Presentation of allowance for ECL in the statement of financial position*

Loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of the assets.

#### 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 at FVTPL*

Financial liabilities at FVTPL are measured at fair value, with any gains/losses arising on remeasurement recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain/loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in OCI are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

In making the determination of whether recognizing changes in the liability's credit risk in OCI will create or enlarge an accounting mismatch in profit or loss, the Company assesses whether it expects that the effects of changes in the liability's credit risk will be offset in profit or loss by a change in the fair value of another financial instrument measured at FVTPL. This determination is made at initial recognition.

Since the company does not have financial liabilities classified at FVTPL, all financial liabilities are subsequently measured at amortized cost.

*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 Company's financial liabilities classified under this category include accrued expenses and other payables, due to brokers 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.

*Share capital*

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*

Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

*Repurchase, disposal and reissuance of share capital (treasury shares)*

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable cost, net of any tax effects, is recognized as a reduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognized as increase in equity, and the resulting surplus or deficit on the transaction is presented as additional paid-in capital.

**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.

Transaction price

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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 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.

### **Expense Recognition**

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. Operating expenses are costs attributable to the 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**

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. In 2024, The Company's current tax expense is calculated using 25% regular corporate income tax (RCIT) rate. In 2023, 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.

#### 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 measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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**

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

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

#### **Net Asset Value per Share (NAVPS)**

The Company computes its NAVPS 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 share subscriptions.

#### **Events After the Reporting Period**

The Company identifies events after the end of the reporting period as those events, both favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. The financial statements of the Company are adjusted to reflect those events that provide evidence of conditions that existed at the end of the reporting period. Non-adjusting events after the end of the reporting period are disclosed in the notes to the financial statements when material.

### **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 and that have the most significant effect on the amounts recognized in the financial statements.

### Business model assessment

Classification and measurement of financial assets depends 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.

The Company measures its financial assets at amortized cost if the financial asset qualifies for both SPPI and business model test. The Company's business model is to hold the asset and to collect its cash flows which are SPPI. All other financial assets that do not meet the SPPI and business model test are measured at FVTPL.

As at December 31, 2024 and 2023, the Company's financial assets measured at FVTPL amounted to P5,686,366,438 and P6,333,150,697, respectively, as disclosed in Note 8.

As at December 31, 2024 and 2023, the Company's financial assets measured at amortized cost amounted to P287,105,264 and P431,966,037, respectively, composed of cash and cash equivalents, accrued interest receivable, dividends receivable, financial assets at amortized cost and due from brokers, as disclosed in Notes 6, 7, 8, 9 and 10, respectively.

### Significant increase of credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. PFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the qualitative and quantitative criteria have been met as disclosed in Note 21.

### Models and assumptions used

The Company uses various models and assumptions in measuring the fair value of financial assets as well as in estimating ECL. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

The Company's model and assumptions used in measuring the fair value of financial assets and estimating ECL are disclosed in Notes 18 and 21, 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, 2024 and 2023, the recognized amount of share capital representing puttable shares in the statements of financial position amounted to P48,379,352 as disclosed in Note 13.

### **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 year.

#### Probability of default (PD)

PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As at December 31, 2024 and 2023, the Company assessed a probability of default of 0.14% and 0.13%, respectively, for all of its financial assets measured at amortized cost.

The assumptions used by the Company in estimating PD is disclosed in Note 21.

#### Loss Given Default (LGD)

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

The Company uses portfolio averages from external estimates sourced out from Standard and Poor's (S&P) as the LGD estimates. The categorization of LGD estimates per financial asset measured at amortized cost is disclosed in Note 21.

#### Estimating loss allowance for ECL

The measurement of the ECL allowance for financial assets measured at amortized cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior. Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 21 Credit Risk – ECL measurement, which also sets out the key sensitivities of the ECL to changes in these elements.

A number of significant judgments are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL; and
- Establishing the number and relative weightings of forward-looking scenarios and the associated ECL.

As at December 31, 2024 and 2023, the Company's estimated credit losses for financial instruments measured at amortized cost amounted to P256,589 and P371,332, respectively, as disclosed in Notes 9 and 21.

#### 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 assets to be utilized.

Based on Management's expectation of the Company's future taxable income, the Company did not recognize the deferred tax assets as at December 31, 2024 and 2023, as disclosed in Note 19.

#### Determining the fair value of investments in debt securities classified as financial assets at FVTPL

The Company carries its investments in traded debt securities at fair value, which requires the use of accounting estimates and judgment. Since market interest rate is a significant component of fair value measurement, fair value would differ if the Company applied a different set of reference rates in the valuation methodology. Any change in the fair value of these financial assets would affect profit or loss and equity.

As at December 31, 2024 and 2023, the carrying amounts of investments in debt securities classified as financial assets at FVTPL amounted to P5,686,366,438 and P6,333,150,697, respectively, as disclosed in Note 8.

## **6. CASH AND CASH EQUIVALENTS**

This account consists of cash in banks amounting to P57,115,943 and P61,622,135 as at December 31, 2024 and 2023.

Cash in banks earned interest amounting to P223,150, P247,577 and P407,709 at average rates of 0.38%, 0.11% and 0.07% in 2024, 2023 and 2022, respectively, as disclosed in Note 16.

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 earned interest amounting to P901,913, P13,393,338 and P4,983,877 at average rates of 7.75%, 19.11% and 14.22% in 2024, 2023 and 2022, respectively, as disclosed in Note 16.

## 7. ACCRUED INTEREST RECEIVABLE

This account consists of accrued interest on the following:

	Notes	2024	2023
Fixed-income securities	8	<b>P 29,605,672</b>	P 32,407,383
Corporate loans	9	<b>1,962,188</b>	6,684,171
		<b>P 31,567,860</b>	P 39,091,554

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This account consists of:

	2024	2023
Investments in listed equity securities	<b>P 3,204,405,950</b>	P 3,641,428,051
Investments in fixed-income securities	<b>2,481,960,488</b>	2,691,722,646
	<b>P 5,686,366,438</b>	P 6,333,150,697

Investments in listed-equity securities are composed of ordinary shares.

Investments in fixed income securities are composed of corporate bonds and treasury notes.

The Company recognized dividend income from investments in listed equity securities amounting to P96,543,401, P90,997,623 and P105,641,047 in 2024, 2023 and 2022, respectively. Dividends receivable amounted to P1,287,350 and P2,510,356 as at December 31, 2024 and 2023, respectively.

Interest income earned on fixed-income securities amounted to P164,848,084, P158,781,473 and P121,422,459 in 2024, 2023 and 2022, respectively, as disclosed in Note 16. Average interest rates earned on these investments are also disclosed in Note 16. Accrued interest receivable amounted to P29,605,672 and P32,407,383 as at December 31, 2024 and 2023, respectively, as disclosed in Note 7.

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

	2024	2023	2022
Net realized gains (losses) on investments in:			
Equity securities	<b>(P 4,277,213)</b>	P 6,455,568	(P 141,973,945)
Fixed-income securities	<b>13,074,457</b>	(51,068,647)	(12,258,932)
	<b>8,797,244</b>	(44,613,079)	(154,232,877)
Net unrealized gains (losses) on investments in:			
Equity securities	<b>134,263,021</b>	5,817,303	(314,966,562)
Fixed-income securities	<b>(30,611,923)</b>	139,723,487	(135,243,670)
	<b>103,651,098</b>	145,540,790	(450,210,232)
	<b>P 112,448,342</b>	P 100,927,711	(P 604,443,109)

Net gains and losses on investments in equity securities are composed of listed equity shares and UITFs while fixed-income securities are composed of corporate bonds and treasury notes.

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

	2024	2023	2022
Balance, January 1	<b>P 6,333,150,697</b>	P 6,816,144,279	P 7,571,984,919
Additions	<b>4,341,954,534</b>	7,040,207,035	11,175,560,542
Disposal	<b>(5,092,389,891)</b>	(7,668,741,407)	(11,481,190,950)
Unrealized gains (losses)	<b>103,651,098</b>	145,540,790	(450,210,232)
Balance, December 31	<b>P 5,686,366,438</b>	P 6,333,150,697	P 6,816,144,279

The following presents the breakdown of the maturity profile of the principal amounts of fixed-income securities:

	2024	2023
Due in one year or less	<b>P 55,570,000</b>	P 65,570,000
Due after one year through five years	<b>1,305,274,120</b>	1,372,246,120
Due after five years through ten years	<b>758,564,400</b>	765,715,000
Due after ten years	<b>509,200,000</b>	415,892,000
	<b>P 2,628,608,520</b>	P 2,619,423,120

#### 9. FINANCIAL ASSETS AT AMORTIZED COST - net

The account is composed of investments in the following securities:

	Note	2024	2023
<b>Corporate Loans</b>			
Current		<b>P 43,313,000</b>	P 85,735,688
Non-current		<b>146,699,000</b>	194,876,000
Allowance for impairment	21	<b>(256,589)</b>	(371,332)
		<b>P 189,755,411</b>	P 280,240,356

The following are the principal amounts and unamortized premium (discount):

	2024	2023
Principal amounts	<b>P 190,012,000</b>	P 280,582,400
Unamortized premium	-	29,288
	<b>P 190,012,000</b>	P 280,611,688

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

	Note	2024	2023	2022
Balance, January 1		<b>P 280,240,356</b>	P 312,839,810	P 447,618,992
Additions		-	-	38,000,000
Repayments		<b>(90,785,130)</b>	(33,032,107)	(174,360,107)
Amortization of discount		<b>185,442</b>	128,035	3,292
Reversal of estimated credit loss	21	<b>114,743</b>	304,618	1,577,633
Balance, December 31		<b>P 189,755,411</b>	P 280,240,356	P 312,839,810

Interest earned on financial assets at amortized cost amounted to P16,160,344, P19,551,142 and P24,570,743 in 2024, 2023 and 2022, respectively, as disclosed in Note 16. The average interest rates of financial assets at amortized cost investments are also disclosed in Note 16. Accrued interest receivable amounted to P1,962,188 and P6,684,171 as at December 31, 2024 and 2023, respectively, as disclosed in Note 7.

The amortization of discount of financial assets at amortized cost are summarized as follows:

	<b>2024</b>	2023	2022
Amortization of discount	<b>P185,442</b>	P 128,035	P 3,292

The following presents the breakdown of the maturity profile of the principal amounts of financial assets at amortized cost:

	<b>2024</b>	2023
Due in one year or less	<b>P 37,240,000</b>	P 85,706,400
Due after one year through five years	<b>56,772,000</b>	147,004,000
Due after five years through ten years	<b>96,000,000</b>	47,832,000
	<b>P 190,012,000</b>	P 280,582,400

The Company holds loans receivables from Angat Hydropower Corporation, Vista Land and Lifescapes, Inc., SM Development Corp., Megawide Constructions Corp. and SL Agritech Corporation that carry interest at variable rates. The weighted average interest rate on these securities is 6.79% and 6.43% as at 2024 and 2023, respectively.

The corporate loans have maturity dates ranging between one to ten years from the end of the reporting period. The counterparties have a minimum A credit rating. None of these assets had been past due or impaired at the end of the reporting period.

#### **10. DUE FROM/TO BROKERS**

Due from brokers account refers to amounts receivable from brokers arising from the sale of investments processed on or before the reporting period, which are settled three days after the transaction date.

Due from brokers amounted to P7,378,700 and P48,501,636 as at December 31, 2024 and 2023, respectively.

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 amounted to P7,378,700 and P5,883,249 as at December 31, 2024 and 2023, respectively.

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

Commission expense amounting to P6,269,985, P13,159,056 and P16,974,997 in 2024, 2023 and 2022, respectively, are paid to brokers when buying and selling shares.

#### **11. ACCRUED EXPENSES AND OTHER PAYABLES**

This account consists of:

	<b>2024</b>	2023
Due to investors	<b>P 8,628,965</b>	P 7,311,667
Withholding and documentary stamp taxes	<b>1,026,061</b>	1,111,104
Professional fees	<b>173,465</b>	310,774
Custodianship fees	<b>55,274</b>	88,043
Others	<b>31,705</b>	-
	<b>P 9,915,470</b>	P 8,821,588

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. Other payables are non-interest bearing and are normally settled within one year.

## 12. RELATED PARTY TRANSACTIONS

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

The details of transactions with the related parties and the amounts paid or payable are set out below.

Nature of Transaction	Transactions During the Year			Outstanding Payable		Terms	Condition	Notes
	2024	2023	2022	2024	2023			
SLAMCI - Fund Manager Management Distribution and Transfer fees	<b>P157,006,526</b>	P169,256,446	P181,303,802	<b>P11,831,462</b>	P12,740,152	Non-interest bearing; Annual rate of 2.15% of average daily net assets; settled in cash on or before the 15 <sup>th</sup> day of the following month	Unsecured; unguaranteed;	a
Key Management Personnel Directors' fees	<b>254,905</b>	254,740	254,856	-	-	Payable on demand; Settled in cash	Unsecured; Unguaranteed;	b

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 2% (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% (exclusive of VAT) of the net assets attributable to shareholders on each valuation day.

On January 22, 2024, the Board of Directors of the Company and SLAMCI jointly approved to continue its MDA and Transfer Agency Agreements 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 to 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 charged by SLAMCI to the Company in 2024, 2023 and 2022 amounted to P157,006,526, P169,256,446 and P181,303,802, respectively. Accrued management fees as at December 31, 2024 and 2023 amounting to P11,831,462 and P12,740,152, 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 P254,905, P254,740 and P254,856 in 2024, 2023 and 2022, respectively, which are usually paid to directors based on the number of meetings held and attended. There were no accrued directors' fees as at December 31, 2024 and 2023.

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.

### 13. EQUITY

Movements are as follows:

	2024		2023		2022	
	Shares	Amount	Shares	Amount	Shares	Amount
Authorized: P0.01 par value						
At January 1	<b>5,000,000,000</b>	<b>P 50,000,000</b>	5,000,000,000	P 50,000,000	5,000,000,000	P 50,000,000
Issued and fully paid: At December 31	<b>4,837,935,154</b>	<b>P 48,379,352</b>	4,837,935,154	P 48,379,352	4,837,935,154	P 48,379,352
Treasury shares: At January 1	<b>2,860,577,353</b>	<b>P 10,648,833,332</b>	2,664,216,848	P10,007,423,963	2,560,432,100	P9,621,324,519
Acquired during the year	<b>326,619,505</b>	<b>1,160,147,463</b>	236,897,250	794,350,394	161,543,191	551,623,682
Reissuance	<b>(51,227,853)</b>	<b>(193,401,466)</b>	(40,536,745)	(152,941,025)	(57,758,443)	(165,524,238)
At December 31	<b>3,135,969,005</b>	<b>P 11,615,579,329</b>	2,860,577,353	P10,648,833,332	2,664,216,848	P10,007,423,963

Fully paid ordinary shares with a par value of P0.01 carry one vote per share and a right to dividends.

#### *Incorporation*

The Company was incorporated on December 21, 1999 with 200,000,000 registered shares at an initial par value of P1.00 per share. The SEC approved the change in the par value on October 10, 2008.

#### *Approved changes*

On May 13, 2005 and February 12, 2006, the shareholders and the Board of Directors, respectively, approved the reduction of the par value per share from P1.00 to P0.01.

On May 12, 2006, the shareholders approved the blanket increase of the Company's authorized share capital up to 100,000,000,000 shares.

On April 24, 2007, the Board of Directors approved the first tranche of share capital increase by 3,800,000,000 (from 200,000,000 shares to 4,000,000,000 shares both with par value of P0.01). The SEC approved the increase on October 10, 2008 and the registration statements on November 24, 2010.

On March 22, 2013, the Board of Directors approved the second tranche of share capital increase by 1,000,000,000 (from 4,000,000,000 shares to 5,000,000,000 shares both with par value of P0.01).

On December 26, 2013, the Company filed its application to increase its authorized share capital by 1,000,000,000 shares. Said application was favorably endorsed by the SEC's Corporate Finance Department to the Company Registration and Monitoring Department.

The SEC approved the increase in authorized share capital on January 14, 2014 and the registration statements on July 3, 2014.

### Current state

As at December 31, 2024, the Company has 1,701,966,149 issued and outstanding shares out of 5,000,000,000 authorized share capital with a par value of P0.01 per share.

The annual summary of the transactions of the Company's outstanding shares is as follows:

Year	NAVPS, end	Issuances	Redemptions	Balances
2010	P2.6305	4,527,863,543	(1,285,564,252)	3,242,299,291
2011	P2.7223	1,042,495,296	(1,099,860,810)	3,184,933,777
2012	P3.4129	1,174,767,734	(861,565,785)	3,498,135,726
2013	P3.3652	501,572,025	-	3,999,707,751
2014	P3.7603	1,259,270,040	(819,345,180)	4,439,632,611
2015	P3.5886	515,695,765	(694,975,648)	4,260,352,728
2016	P3.4914	504,693,229	(1,011,826,420)	3,753,219,537
2017	P3.9963	327,154,676	(854,493,293)	3,225,880,920
2018	P3.6514	507,974,199	(663,354,112)	3,070,501,007
2019	P3.8635	136,914,200	(637,313,671)	2,570,101,536
2020	P3.5733	103,149,322	(274,704,661)	2,398,546,197
2021	P3.5910	95,597,706	(216,640,849)	2,277,503,054
2022	P3.3296	57,758,443	(161,543,191)	2,173,718,306
2023	P3.4081	40,536,745	(236,897,250)	1,977,357,801
2024	P3.4937	51,227,853	(326,619,505)	1,701,966,149

The total number of shareholders as at December 31, 2024, 2023 and 2022 are 54,620, 54,120 and 53,601, respectively.

### 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.

## 14. ADDITIONAL PAID - IN CAPITAL

Additional paid-in capital of P12,254,184,380, P12,264,228,552 and P12,274,836,993 as at December 31, 2024, 2023 and 2022, respectively, pertains to excess payments over par value from investors and from reissuance of treasury shares.

**15. NET ASSET VALUE PER SHARE**

NAVPS is computed as follows:

	Note	2024	2023
Total equity		<b>P 5,946,103,844</b>	P 6,739,107,082
Outstanding shares	13	<b>1,701,966,149</b>	1,977,357,801
NAVPS		<b>P 3.4937</b>	P 3.4081

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

**16. INTEREST INCOME**

This account consists of interest income on the following:

	Notes	2024	2023	2022
Fixed-income securities	8	<b>P164,848,084</b>	P158,781,473	P121,422,459
Financial asset at amortized cost	9	<b>16,160,344</b>	19,551,142	24,570,743
Cash equivalents	6	<b>901,913</b>	13,393,338	4,983,877
Cash in banks	6	<b>223,150</b>	247,577	407,709
		<b>P182,133,491</b>	P 191,973,530	P 151,384,788

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 and cash in banks in 2024, 2023 and 2022 are as follows:

	Notes	2024	2023	2022
Fixed-income securities	8	<b>7.75%</b>	6.17%	5.94%
Financial asset at amortized cost	9	<b>6.88%</b>	6.43%	5.32%
Cash equivalents	6	<b>1.68%</b>	19.11%	14.22%
Cash in banks	6	<b>0.38%</b>	0.11%	0.07%

**17. EARNINGS (LOSS) PER SHARE**

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

	2024	2023	2022
Total comprehensive income (loss) for the year	<b>P 183,786,931</b>	P 153,447,240	(P 586,915,114)
Weighted average number of shares:			
Issued and outstanding	<b>1,856,695,988</b>	2,100,938,889	2,231,371,273
Basic earnings (loss) per share	<b>P 0.099</b>	P 0.073	(P 0.263)

As at December 31, 2024 and 2023, the Company has no dilutive potential ordinary shares.

## 18. 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
<b>December 31, 2024</b>		
Investment in listed equity securities	8	<b>P 3,204,405,950</b>
Fixed-income securities	8	<b>2,481,960,488</b>
		<b>P 5,686,366,438</b>
<b>December 31, 2023</b>		
Investments in listed equity securities	8	P 3,641,428,051
Fixed-income securities	8	2,691,722,646
		P 6,333,150,697

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

The fair values of fixed-income securities classified as Level 1 are based on quoted prices of either done deals or bid rates.

Investments in mutual fund and in UITFs are valued at their published Net Assets Values Per Unit (NAVPU) as at reporting date.

*Financial assets and liabilities not measured at fair value*

The following financial assets and financial liabilities are not measured at fair values on recurring basis but the fair value disclosure is required:

	Note	Carrying Amounts	Fair Values			Total
			Level 1	Level 2	Level 3	
<b>December 31, 2024</b>						
<b>Financial Assets</b>						
Financial asset at amortized cost	9	<b>P189,755,411</b>	P-	P -	<b>P189,755,411</b>	<b>P189,755,411</b>
December 31, 2023						
Financial Assets						
Financial asset at amortized cost	9	P280,240,356	P-	P-	P286,505,763	P286,505,763

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

The fair values of corporate loans were determined based on the discounted cash flow analysis using the Company's estimated cost of borrowing of 6.79% and 6.43% in 2024 and 2023, respectively.

There were no transfers between Levels 1, 2 and 3 in 2024 and 2023.

## 19. INCOME TAXES

Details of income tax expense are as follows:

	2024	2023	2022
Final tax	<b>P 40,866,164</b>	P 45,102,955	P38,668,675
MCIT	<b>485,733</b>	454,076	429,631
	<b>P 41,351,897</b>	P 45,557,031	P39,098,306

The reconciliation between tax expense and the product of accounting profit (loss) multiplied by 25% in 2024, 2023 and 2022 is as follows:

	2024	2023	2022
Accounting profit (loss) before tax	<b>P 225,138,828</b>	P 199,004,271	(P547,816,808)
Tax expense (benefit) at 25%	<b>P 56,284,707</b>	P 49,751,068	(P136,954,202)
Adjustment for income subject to lower tax rate	<b>5,474,730</b>	8,817,313	14,425,690
Tax effects of:			
Net realized losses (gains) on investments	<b>(2,199,311)</b>	11,153,270	38,558,219
Net unrealized losses (gains) on investments	<b>(25,912,775)</b>	(36,385,198)	112,552,558
Unrecognized Net Operating Loss Carry-over (NOLCO)	<b>31,383,349</b>	34,592,063	36,891,080
Dividend income exempt from tax	<b>(24,135,850)</b>	(22,749,406)	(26,410,262)
Unrecognized MCIT	<b>485,733</b>	454,076	429,631
Provision for (Reversal of) estimated credit losses	<b>(28,686)</b>	(76,155)	(394,408)
	<b>P 41,351,897</b>	P 45,557,031	P 39,098,306

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. 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 of Incurrence	Year of Expiry	Beginning Balance	Addition	Expired	2024 Balance
2022	2025	P 147,564,321	P -	P -	<b>P 147,564,321</b>
2023	2026	138,368,250	-	-	<b>138,368,250</b>
2024	2027	-	125,533,397	-	<b>125,533,397</b>
		P 285,932,571	P 125,533,397	P -	<b>P 411,465,968</b>

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

Year of Incurrence	Year of Expiry	Beginning Balance	Addition	Expired	2024 Balance
2020	2025	P 113,789,577	P -	P -	<b>P 113,789,577</b>
2021	2026	134,138,266	-	-	<b>134,138,266</b>
		P 247,927,843	P -	P -	<b>P 247,927,843</b>

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.

Details of MCIT are as follows:

Year Incurred	Year of Expiry	Amount	Change in tax rate	Applied Current Year	Expired	Unapplied
2021	2024	P 541,764	P -	P -	P -	P 541,764
2022	2025	429,631	-	-	-	429,631
2023	2026	454,076	-	-	-	454,076
2024	2027	485,733	-	-	-	485,733
		P 1,911,204	P -	P -	P -	P 1,911,204

Deferred tax assets on NOLCO and MCIT were not recognized since Management believes that future taxable income will not be available against which the deferred tax asset 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 and MCIT.

## 20. CONTINGENCIES

The Company has no pending legal cases as at December 31, 2024 and 2023 that may have a material effect on the Company's financial position and results of operations.

## 21. 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 share market and movements in NAVPU of investments in UITF. There has been no change in the manner in which the Company manages and measures the risk.

### *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 in banks, cash equivalents, fixed-income securities and corporate loans. Interest rates of the financial assets are disclosed in Notes 6 and 16.

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 and loans and receivables 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 years ended 2024, 2023 and 2022:

Change in Interest rates	Increase (Decrease) in Net Profit or Loss/Equity		
	2024	2023	2022
+50 basis	<b>(55,756,549)</b>	(P54,009,253)	(P43,049,498)
-50 basis	<b>58,006,305</b>	58,860,623	44,441,953

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 year.

#### Equity price risk

The Company is exposed to equity price risks arising from investments in listed equity securities and investments in UITF. 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 NAVPU of investments in UITF. Portfolios are traded based on a combination of regularly-carried out fundamental and technical analyses of share prices.

Based on the exposure to equity price risks at the end of each reporting period, if equity prices and NAVPU of investments in UITF had been 2% higher or lower, profit or loss for the years ended December 31, 2024, 2023 and 2022 would have increased or decreased by P62,544,877, P71,074,849 and P82,472,360, respectively.

Other than interest and equity price risks discussed above, there are no other market risks which will 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 the equivalent of investment grade of "High" down to "Low". 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 among approved counterparties.

The carrying amounts of financial assets recorded in the financial statements represent the Company's maximum exposure to credit risk:

	Notes	2024	2023
Cash in banks	6	<b>P 57,115,943</b>	P 61,622,135
Financial assets at FVTPL	8	<b>2,481,960,488</b>	2,691,722,646
Financial assets at amortized cost - net	9	<b>189,755,411</b>	280,240,356
Due from brokers	10	<b>7,378,700</b>	48,501,636
Accrued interest receivable	7	<b>31,567,860</b>	39,091,554
Dividends receivable	8	<b>1,287,350</b>	2,510,356
		<b>P 2,769,065,752</b>	P 3,123,688,683

### *ECL measurement*

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

PFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition. The Company's current credit risk grading framework comprises the following categories:

<b>Category</b>	<b>Description</b>	<b>Basis for recognizing expected credit losses</b>
Stage 1	The counterparty has a low risk of default and does not have any past-due amounts or that the financial instrument is not credit-impaired on initial recognition	12 month ECL
Stage 2	There has been a significant increase in credit risk since initial recognition but not yet deemed to be credit-impaired	Lifetime ECL - not credit-impaired
Stage 3	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery or that the financial instrument is credit-impaired	Lifetime ECL - credit-impaired

### *Measuring ECL – Explanation of inputs, assumptions and estimation techniques*

The ECL is determined by projecting the PD, LGD and exposure at default (EAD) for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

Given that the Company currently has no history of default on their portfolio, a model which incorporates internal default experience is not feasible. For the 12M and Lifetime PD, the Company uses external benchmarking of current internal credit ratings to Standard and Poor's using one-year transition matrices in S&P's Annual Global Corporate Default Study and Rating Transition reports. From the transition matrices, cumulative PDs are identified. The overall PD for a specific time horizon is calculated from the cumulative PD, by determining the marginal PD and taking the conditional probability of default given that it has not yet defaulted prior to the said time horizon. The resulting overall PDs are the values that will act as components in ECL calculation. The Lifetime PD is developed by analysis of the transition matrices over the maximum life of active loans, which is 9 years.

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

<b>Summary rating</b>	<b>S&amp;P rating</b>	<b>Internal credit rating</b>
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 12M and lifetime EADs are determined based on the contractual repayments owed by the borrower over the 12month or lifetime basis. This will also be adjusted for any expected overpayments made by the borrower. The Company does not have an undrawn component for any of its debt instruments.

For the 12M and lifetime LGDs, considering the availability of related information, the Company used the external estimates sourced from S&P's.

The table below summarized the LGD value for each category of financial assets at amortized costs.

<b>Category</b>	<b>LGD value</b>
Loans	27%

*Forward-looking information incorporated in the ECL models*

The assessment of significant increase in credit rating and the calculation of ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and ECL for each portfolio. The Company assessed that the key economic variables are unemployment rates for 2024 and 2023.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are based on the economic data from the International Monetary Fund (IMF) from year 2023 until 2027. The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of EAD and LGD.

In addition to the base economic scenario, the best value economically spanning from the historical years is taken (upside forecasts). A similar approach applies for the downside forecasts. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The per-scenario Forward Looking Adjustments were assigned probability weights of 70% for the base scenario and 15% for each of the upside and downside forecast in 2024 and 2023.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes and has analyzed the non-linearities and asymmetries within the Company's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The following table details the credit quality of the Company's financial assets and other items, as well as the Company's maximum credit exposure to credit risk by credit risk rating grades as at December 31, 2024 and 2023:

	Notes	Internal Credit rating	Category	12m or lifetime ECL?	Gross carrying amount	Loss allowance	Net carrying amount
<b>2024</b>							
Cash in banks	6	AAA	Stage 1	12-month ECL	P 57,115,942.00	P -	P 57,115,942.00
Financial asset at AC	9	A	Stage 1	12-month ECL	133,240,000.00	133,063	133,106,937.00
Financial asset at AC	9	AA, A	Stage 2	Lifetime ECL	56,772,000.00	143,526	56,628,474.00
Due from brokers	10	AAA	Stage 1	12-month ECL	7,378,700.00	-	7,378,700.00
Accrued interest receivable	7	AAA	Stage 1	12-month ECL	31,567,860.00	-	31,567,860.00
Dividends receivable	8	AAA	Stage 1	12-month ECL	1,287,350.00	-	1,287,350.00
					<b>P287,361,853.00</b>	<b>P276,589</b>	<b>P 287,085,264.00</b>
<b>2023</b>							
Cash in banks	6	AAA	Stage 1	12-month ECL	P 61,622,135	P -	P 61,622,135
Financial asset at AC	9	A	Stage 1	12-month ECL	160,984,288	169,542	160,814,746
Financial asset at AC	9	AA, A	Stage 2	Lifetime ECL	119,627,400	201,790	119,425,610
Due from brokers	10	AAA	Stage 1	12-month ECL	48,501,636	-	48,501,636
Accrued interest receivable	7	AAA	Stage 1	12-month ECL	39,091,554	-	39,091,554
Dividends receivable	8	AAA	Stage 1	12-month ECL	2,510,356	-	2,510,356
					<b>P 432,337,369</b>	<b>P 371,332</b>	<b>P 431,966,037</b>

The movements in the ECL recognized for the year are summarized as follows:

	Gross Carrying Amount			ECL		
	Stage 1	Stage 2	Total	Stage 1	Stage 2	Total
January 1, 2023	P 174,816,759	P 138,699,000	P 313,515,760	P 225,893	P 450,057	P 675,950
Additions	-	-	-	-	-	-
Disposals	(13,832,471)	(19,071,600)	(32,904,072)	(56,351)	(248,267)	(304,618)
Transfers between stages	-	-	-	-	-	-
December 31, 2023	P 160,984,288	P 119,627,400	P 280,611,688	P 169,542	P 201,790	P 371,332
Additions	-	-	-	-	-	-
Disposals	(27,744,288)	(62,855,400)	(90,599,688)	(56,479)	(58,264)	(114,743)
Transfers between stages	-	-	-	-	-	-
December 31, 2024	133,240,000	56,772,000	190,012,000	113,063	143,526	256,589

### 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, special savings deposits, listed equity securities, government debt securities, accrued interest receivable, dividend receivable, 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 risk 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
<b>2024</b>			
Accrued expenses and other payables	<b>P 8,628,965</b>	<b>P 260,444</b>	<b>P 8,889,409</b>
Due to brokers	<b>7,378,700</b>	-	<b>7,378,700</b>
Payable to fund manager	<b>11,831,462</b>	-	<b>11,831,462</b>
	<b>P 27,839,126</b>	<b>P 260,444</b>	<b>P 28,099,570</b>
<b>2023</b>			
Accrued expenses and other payables	P 7,311,667	P 398,817	P 7,710,484
Due to brokers	5,883,249	-	5,883,249
Payable to fund manager	12,740,152	-	12,740,152
	P 25,935,068	P 398,817	P 26,333,885

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 and documentary stamp taxes that are not considered financial liabilities.

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 those assets, 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
<b>2024</b>						
Cash in banks	0.37%	57,115,942	-	-	-	57,115,942
Financial assets at FVTPL	6.57%	18,330,000	1,248,502,120	662,564,400	509,200,000	2,438,596,520
Financial assets at AC	4.18%	43,313,000	106,763,000	39,936,000	-	190,012,000
Due from brokers		7,378,700	-	-	-	7,378,700
Accrued interest receivable		31,567,861	-	-	-	31,567,861
Dividends receivable		1,287,350	-	-	-	1,287,350
		<b>158,992,853</b>	<b>1,355,265,120</b>	<b>702,500,400</b>	<b>509,200,000</b>	<b>2,725,958,373</b>
<b>2023</b>						
Cash in banks	0.11%	P 61,622,135	P -	P -	P -	P 61,622,135
Financial assets at FVTPL	6.17%	67,191,367	1,377,598,454	768,698,783	417,429,201	2,630,917,805
Financial asset at AC	6.43%	98,611,698	18,375,831	54,203,228	-	171,190,757
Due from brokers		48,501,636	-	-	-	48,501,636
Accrued interest receivable		39,091,554	-	-	-	39,091,554
Dividends receivable		2,510,356	-	-	-	2,510,356
		<b>P 317,528,746</b>	<b>P 1,395,974,285</b>	<b>P 822,902,011</b>	<b>P 417,429,201</b>	<b>P 2,953,834,243</b>

The Company expects to meet its obligations from operating cash flows and proceeds from maturing financial assets and sale of financial assets at FVTPL.

## 22. 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 the optimization of the mix of high-quality debt and equity securities from domestic issuers.

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 the pertinent custodian banks.

The capital structure of the Company consists of issued capital as disclosed in Note 13.

The Fund Manager manages the Company's capital and NAVPS, as disclosed in Notes 13, 14 and 15 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 net 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;
- The asset mix in each type of security is determined from time to time, as warranted by economic and investment conditions;
- Subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions;

- i. It may use various techniques to hedge investment risks; and
- j. 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 provide moderate growth and a steady income stream through investments in high quality equity securities and high quality corporate and government debt securities.
- b. Benchmark - the fund's performance is measured against 50% PSE Index and 48% Bloomberg Sovereign Bond Index 1-5 Year, net of tax (adjusted by Sun Life) and 2% Philippine Peso Time Deposit Rate 1 Month 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 2% of the net assets attributable to shareholders 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, 2024 and 2023, 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 year-end is as follows:

	<b>2024</b>	2023
Equity	<b>P 5,946,103,844</b>	P 6,739,107,082
Total assets	<b>5,975,229,476</b>	6,766,552,071
Equity ratio	<b>0.9951:1</b>	0.9959:1

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

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

The following information on taxes and license fees paid or accrued during the 2024 taxable year is presented for purposes of filing with the BIR and are not a required part of the basic financial statements.

*Documentary stamp tax*

Documentary stamp taxes incurred by the Company during 2024 amounted to P41,334 representing taxes in connection with the issuance of share certificates by the Company to its shareholders. The documentary stamp tax paid by the Company to the BIR includes those charged against the shareholders' investment for share certificate issuances in excess of ten (10) inter-fund transfers per calendar year.

*Other taxes and licenses*

Details of other taxes and licenses and permit fees paid or accrued in 2024 are as follows:

<b>Charged to Operating Expenses</b>	
Business tax	<b>P 694,659</b>
Filing and registration fees	<b>35,075</b>
Residence or community tax	<b>10,500</b>
	<b>P 740,234</b>

*Withholding taxes*

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

	<b>Paid</b>	<b>Accrued</b>	<b>Total</b>
Expanded withholding taxes	<b>P 11,568,945</b>	<b>P 1,023,351</b>	<b>P 12,592,296</b>

*Deficiency tax assessments*

The Company has no tax assessments and tax cases in 2024.

**24. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements of the Company have been approved and authorized for issuance by the Board of Directors on March 25, 2025.

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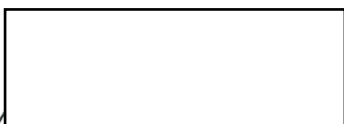
## INDEPENDENT AUDITOR'S REPORT ON RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

To the Board of Directors and Shareholders  
SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.  
(An Open-end Investment Company)  
Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive  
Bonifacio Global City, Taguig City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Sun Life of Canada Prosperity Balanced Fund, Inc. (the Company) as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022, and have issued our report thereon dated March 31, 2025. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information shown in the Reconciliation of the Company's Retained Earnings Available for Dividend Declaration is the responsibility of the Management. The schedule is presented for purposes of complying with the Revised Securities Regulation (SRC) Code Rule 68, and are not part of the basic financial statements. The schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

### Navarro Amper & Co.

BOA/PRC ACR. No. 0004, valid until September 22, 2027



Lloyd Ryan C. Moraño

Partner

CPA Certificate No.

TIN

BIR ACR. No.  March 10, 2023; effective until March 9, 2026

BOA/PRC ACR  d until September 22, 2027

PTR No.  January 4, 2025, Taguig City

Taguig City, Philippines

March 31, 2025

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**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
**RECONCILIATION OF RETAINED EARNINGS**  
**AVAILABLE FOR DIVIDEND DECLARATION**  
As at December 31, 2024

2024

<b>Unappropriated Retained Earnings, beginning of reporting period</b>	<b>(5,747,810,060)</b>
<b>Add: Category A: Items that are directly credited to Unappropriated Retained Earnings</b>	
Reversal of Retained Earnings Appropriations	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
<hr/>	
<b>Less: Category B: Items that are directly deducted to Unappropriated Retained Earnings</b>	
Dividend declaration during the reporting period	-
Retained Earnings appropriated during the reporting period	-
Effect of restatements or prior-period adjustments	-
Others (describe nature)	-
<hr/>	
<b>Unappropriated Retained Earnings, as adjusted</b>	<b>(5,747,810,060)</b>
<b>Add/Less: Net income (loss) for the current year</b>	<b>183,786,931</b>
<b>Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>	
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)	103,651,098
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)	-
<hr/>	
<b>Sub-total</b>	<b>103,651,098</b>
<b>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)</b>	
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	-
<hr/>	
<b>Sub-total</b>	<b>-</b>
<b>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)</b>	
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)	31,196,568
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	-
<hr/>	
<b>Sub-total</b>	<b>31,196,568</b>
<b>Adjusted Net Income/Loss</b>	<b>111,332,401</b>
<b>Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</b>	
1 Depreciation on revaluation increment (after tax)	-
<hr/>	
<b>Sub-total</b>	<b>-</b>
<b>Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP</b>	
1 Amortization of the effect of reporting relief	-
1 Total amount of reporting relief granted during the year	-
1 Others (describe nature)	-
<hr/>	
<b>Sub-total</b>	<b>-</b>
<b>Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</b>	
1 Net movement of treasury shares (except for reacquisition of redeemable shares)	(966,745,997)
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)	-
<hr/>	
<b>Sub-total</b>	<b>(966,745,997)</b>
<hr/>	
<b>Total Retained Earnings, end of the reporting period available for dividend</b>	<b>(6,603,223,656)</b>

## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES


To the Board of Directors and Shareholders  
SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.  
(An Open-end Investment Company)  
Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive  
Bonifacio Global City, Taguig City

We have audited the financial statements of Sun Life of Canada Prosperity Balanced Fund, Inc. (the Company) as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022, in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated March 31, 2025.

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 schedules A-H, as required by the Securities and Exchange Commission under the revised Securities Regulation Code (SRC) Rule 68, are 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/PRC ACR. No. 0004, valid until September 22, 2027


  
Lloyd Ryan C. Moraño

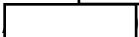
Partner

CPA Certificate No. 

TIN 

BIR ACR. No.  023, March 10, 2023; effective until March 9, 2026

BOA/PRC ACR , valid until September 22, 2027

PTR No. , January 4, 2025, Taguig City

Taguig City, Philippines

March 31, 2025

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**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**

Schedule of Financial Soundness Indicators and Financial Ratios

December 31, 2024 and December 31, 2023

	Formula	2024	2023
<i>Current/ Liquidity Ratios</i>			
a. Current ratio	Current Assets/Current Liabilities	<b>200.13:1</b>	239.46:1
b. Quick ratio	Quick Assets/Current Liabilities	<b>198.58:1</b>	236.02:1
c. Cash ratio	Cash/Current Liabilities	<b>1.96:1</b>	2.25:1
d. Days in receivable	Receivable/Revenue * No. of days	<b>N/A</b>	N/A
e. Working capital ratio	(Current Assets - Current Liabilities)/Current Liabilities	<b>199.13:1</b>	238.46:1
f. Net working capital to sales ratio	Working Capital / Total Revenue	<b>20.17:1</b>	27.42:1
g. Defensive Interval Ratio	360* (Quick Assets / Proj. Daily Operating Expense)	<b>13061.54:1</b>	13595.39:1
<i>Solvency Ratios</i>			
a. Long-term debt to equity ratio	Noncurrent Liabilities/Total Equity	<b>N/A</b>	N/A
b. Debt to equity ratio	Total Liabilities/Total Equity	<b>0.01</b>	0.01
c. Long term debt to total asset ratio	Noncurrent Liabilities/Total Assets	<b>N/A</b>	N/A
d. Total debt to asset ratio	Total Liabilities/Total Assets	<b>0.01</b>	0.01
Asset to equity ratio	Total Assets/Total Equity	<b>1:1</b>	1.01:1
Interest rate coverage ratio	Earning Before Income Tax/Interest Expense	<b>0.00</b>	N/A
<i>Profitability Ratio</i>			
a. Earnings before interest and taxes (EBIT) margin	EBIT/Revenue	<b>78.31%</b>	83.39%
b. Earnings before interest, taxes and depreciation and amortization (EBITDA) margin	EBITDA/Revenue	<b>78.31%</b>	83.39%
c. Pre-tax margin	EBT/Revenue	<b>78.31%</b>	83.39%
d. Effective tax rate	Income Tax/EBIT	<b>18.37%</b>	22.89%
e. Post-tax margin	Net Income After Tax/Revenue	<b>63.93%</b>	64.30%
f. Return on equity	Net Income After Tax/Average Common Equity	<b>2.90%</b>	2.20%
g. Return on asset	NIAT/Average Total Assets	<b>2.88%</b>	2.18%
Capital intensity ratio	Total Assets/Revenue	<b>20.78:1</b>	28.35:1
Fixed assets to total assets	Fixed assets/Total assets	<b>N/A</b>	N/A
Dividend payout ratio	Dividends paid/Net Income	<b>N/A</b>	N/A

Sun Life of Canada Prosperity Balanced Fund Inc.

i. Percentage of Investment in a Single Enterprise to Net Asset Value

As of December 31, 2024 and December 31, 2023

	2024			2023		
	Investment (Market Value)	Net Asset Value	% over NAV	Investment (Market Value)	Net Asset Value	% over NAV
<b>Treasury Notes (ISIN) - Republic of the Philippines</b>						
PH000058133	231,213,620	5,946,103,844	3.89%	-	-	-
PH000058281	682,179,629	5,946,103,844	11.47%	-	-	-
PH000058125	52,111,280	5,946,103,844	0.88%	-	-	-
PIID0527L140	76,013	5,946,103,844	0.00%	75,715	6,739,107,082	0.00%
PIID0527C159	-	5,946,103,844	0.00%	311,682,226	6,739,107,082	4.62%
PIBD0326H014	-	5,946,103,844	0.00%	2,866,055	6,739,107,082	0.04%
PIID0528H160	-	5,946,103,844	0.00%	274,095,600	6,739,107,082	4.07%
PIBD1029A644	39,833,600	5,946,103,844	0.67%	224,591,488	6,739,107,082	3.33%
PIID0528B176	-	5,946,103,844	0.00%	88,355,460	6,739,107,082	1.31%
PH000057218	43,274,088	5,946,103,844	0.73%	76,911,467	6,739,107,082	1.14%
PIBD0729J687	49,828,714	5,946,103,844	0.84%	50,467,195	6,739,107,082	0.75%
PIBD2535I071	-	5,946,103,844	0.00%	140,871,445	6,739,107,082	2.09%
PIBD2042K253	-	5,946,103,844	0.00%	149,062,310	6,739,107,082	2.21%
PIBD2535L086	-	5,946,103,844	0.00%	71,030,854	6,739,107,082	1.05%
PIBD2039A232	158,537,197	5,946,103,844	2.67%	115,540,517	6,739,107,082	1.71%
PIBD0526D772	-	5,946,103,844	0.00%	131,427,679	6,739,107,082	1.95%
PIBD0726B627	-	5,946,103,844	0.00%	63,111,488	6,739,107,082	0.94%
PIBD2027I140	-	5,946,103,844	0.00%	67,547,801	6,739,107,082	1.00%
PH000058786	376,265,232	5,946,103,844	6.33%	-	-	0.00%
PIBD0729E673	16,342,185	5,946,103,844	0.27%	-	-	0.00%
PIBD2031G171	192,452,118	5,946,103,844	3.24%	-	-	0.00%
PH000057374	-	5,946,103,844	0.00%	349,122,032	6,739,107,082	5.18%
<b>Bonds</b>						
SAN MIGUEL CORP SMCMP 5.2704 03/04/27	17,290,729	5,946,103,844	0.29%	18,112,351	6,739,107,082	0.27%
INTL FINANCE CORP 6.3448% 22MAR2033	79,167,330	5,946,103,844	1.33%	88,860,737	6,739,107,082	1.32%
BNPP 7.34% 18NOV2027	110,414,058	5,946,103,844	1.86%	108,445,626	6,739,107,082	1.61%
ING 7.38% 27DEC2028	98,525,579	5,946,103,844	1.66%	101,674,637	6,739,107,082	1.51%
PHILIP 577 06/20/2024 (NOM CLN)	-	5,946,103,844	0.00%	65,629,013	6,739,107,082	0.97%
SM PRIME HOLDINGS INC 5.0583% 25MAR2027	77,878,691	5,946,103,844	1.31%	76,981,297	6,739,107,082	1.14%
ABOITIZ POWER APPM 5.2757 10/14/26	76,018,020	5,946,103,844	1.28%	75,643,620	6,739,107,082	1.12%
SM INVESTMENTS CORP 3.5915 02/18/25	18,255,727	5,946,103,844	0.31%	17,681,613	6,739,107,082	0.26%
NOMURA BK INTL 7.25% 20JUN2029	60,636,000	5,946,103,844	1.02%	-	-	0.00%
CONVERGE ICT SOL CNVRPM 5.5942 04/08/27	21,630,503	5,946,103,844	0.36%	21,934,421	6,739,107,082	0.33%
AYALA LAND INC ALIPM 6.1334 11/13/34	19,107,096	5,946,103,844	0.32%	-	-	-
SMC TOLLWAY SMCITOL 6.7026 12/05/31	60,923,079	5,946,103,844	1.02%	-	-	-
<b>Equities</b>						
Aboitiz Equity Ventures Inc.	-	5,946,103,844	0.00%	55,805,304	6,739,107,082	0.83%
ABOITIZ POWER CORP PHP1	66,421,745	5,946,103,844	1.12%	-	-	0.00%
ACEN CORP	-	5,946,103,844	0.00%	-	-	0.00%
Alliance Global Group Inc.	-	5,946,103,844	0.00%	29,298,672	6,739,107,082	0.43%
Ayala Corporation	184,188,307	5,946,103,844	3.10%	214,986,933	6,739,107,082	3.19%
Ayala Land Inc. PHP1	253,360,288	5,946,103,844	4.26%	354,057,808	6,739,107,082	5.25%
Bank of the Philippine Islands	307,534,550	5,946,103,844	5.17%	264,670,797	6,739,107,082	3.93%
BDO Unibank Inc.	305,128,224	5,946,103,844	5.13%	318,530,403	6,739,107,082	4.73%
Bloomberry Resorts Corporation	-	5,946,103,844	0.00%	54,522,358	6,739,107,082	0.81%
Century Pacific Food Inc.	19,048,656	5,946,103,844	0.32%	101,131,601	6,739,107,082	1.50%
CONVERGE ICT SOLUTIONS INC	35,855,010	5,946,103,844	0.60%	-	-	0.00%
Globe Telecom Inc.	103,274,808	5,946,103,844	1.74%	83,509,440	6,739,107,082	1.24%
GT Capital Holdings Inc.	109,408,292	5,946,103,844	1.84%	158,327,090	6,739,107,082	2.35%
International Container Terminal Services Inc.	425,488,958	5,946,103,844	7.16%	314,063,612	6,739,107,082	4.66%
JG Summit Holdings Inc.	329	5,946,103,844	0.00%	73,454,620	6,739,107,082	1.09%
Jollibee Foods Corporation	272,187,650	5,946,103,844	4.58%	123,527,904	6,739,107,082	1.83%
Manila Electric Company	106,960,816	5,946,103,844	1.80%	116,213,538	6,739,107,082	1.72%
Manila Water Company	-	5,946,103,844	0.00%	-	-	-
Metropolitan Bank & Trust Company	138,481,992	5,946,103,844	2.33%	119,787,090	6,739,107,082	1.78%
Monde Nissin Corporation	26,544,760	5,946,103,844	0.45%	34,921,136	6,739,107,082	0.52%
PLDT Inc.	68,804,645	5,946,103,844	1.16%	96,214,054	6,739,107,082	1.43%
Robinsons Land Corporation	-	5,946,103,844	0.00%	33,525,008	6,739,107,082	0.50%
Security Bank Corporation	-	5,946,103,844	0.00%	20,020	6,739,107,082	0.00%
Semirara Mining & Power Corp.	-	5,946,103,844	0.00%	3,934,073	6,739,107,082	0.06%
SM Investments Corporation	448,870,700	5,946,103,844	7.55%	549,490,800	6,739,107,082	8.15%
SM Prime Holdings Inc.	216,059,173	5,946,103,844	3.63%	399,574,514	6,739,107,082	5.93%
Universal Robina Corporation	-	5,946,103,844	0.00%	141,861,275	6,739,107,082	2.11%
AREIT INC	45,441,330	5,946,103,844	0.76%	-	-	-
Wilcon Depot Inc.	-	5,946,103,844	0.00%	-	-	-
RL COMMERCIAL REIT INC	40,887,405	5,946,103,844	0.69%	-	-	-
<b>Investments in UITF</b>						
SLM PHP MT-CLS MNY MRKT FN C	30,458,312	5,946,103,844	0.51%	-	-	-
<b>Corporate Loans</b>						
ANGAT HYDROPOWER CORPORATION	95,886,937	5,946,103,844	1.61%	104,837,892	6,739,107,082	1.56%
.VLL 7.125 07/19/2024	-	5,946,103,844	0.00%	18,404,288	6,739,107,082	0.27%
.SMDC 5.213 01/27/2027	56,628,474	5,946,103,844	0.95%	56,627,210	6,739,107,082	0.84%
MWIDE 08.24.2024	-	5,946,103,844	0.00%	62,798,400	6,739,107,082	0.93%
SL AGRITECH 7.3278 09/12/2025	37,240,000	5,946,103,844	0.63%	37,572,567	6,739,107,082	0.56%

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

As of December 31, 2024 and December 31, 2023

	2024			2023		
	Investment of the Fund in Shares	Outstanding Securities of an Investee Company	% over Investee	Investment of the Fund in Shares	Outstanding Securities of an Investee Company	% over Investee
<b>Treasury Notes (ISIN) - Republic of the Philippines</b>						
PH000058133	230,132,000	35,000,000,000	0.66%	-	-	-
PH000058281	679,225,000	584,861,260,000	0.12%	-	-	-
PH000058125	52,141,000	35,000,000,000	0.15%	-	-	-
PH0527L140	78,000	360,025,370,000	0.00%	78,000	360,025,370,000	0.00%
PH0527C159	-	-	0.00%	318,700,000	457,798,870,000	0.07%
PH0527H014	-	-	0.00%	2,896,000	45,000,000,000	0.01%
PH0528I160	-	-	0.00%	276,000,000	420,448,620,000	0.07%
PH0528A644	38,900,000	40,000,000,000	0.10%	217,600,000	40,000,000,000	0.54%
PH0528B176	-	-	0.00%	87,550,000	283,763,660,000	0.03%
PH000057218	42,900,000	24,793,000,000	0.17%	75,450,000	24,793,000,000	0.30%
PH0729J687	48,480,000	24,125,000,000	0.00%	48,480,000	24,125,000,000	0.20%
PH0729K071	-	-	0.00%	122,627,000	62,220,400,000	0.20%
PH0729L253	-	-	0.00%	123,915,000	27,597,000,000	0.45%
PH0729M086	-	-	0.00%	61,640,000	163,216,530,000	0.04%
PH0729N232	153,040,000	31,504,000,000	0.00%	107,710,000	31,504,000,000	0.34%
PH0729O772	-	-	0.00%	137,300,000	35,000,000,000	0.39%
PH0729P627	-	-	0.00%	62,810,000	35,000,000,000	0.18%
PH0729Q140	-	-	0.00%	62,913,000	7,521,930,000	0.84%
PH000058240	-	-	0.00%	-	-	0.00%
PH000058786	356,160,000	22,717,000,000	1.57%	-	-	0.00%
PH0729E673	16,150,000	20,108,000,000	0.08%	-	-	0.00%
PH0729G171	178,109,000	255,837,150,000	0.07%	-	-	0.00%
PH000057374	-	-	0.00%	335,733,000	30,000,000,000	1.12%
<b>Bonds</b>						
SAN MIGUEL CORP SMCPC 5.2704 03/04/27	18,500,000	**	-	18,500,000	**	-
INTL FINANCE CORP 6.3448% 22MAR2033	79,142,400	**	-	88,452,000	**	-
BNPP 7.34% 18NOV2027	106,980,000	**	-	106,980,000	**	-
ING 7.38% 27DEC2028	99,989,120	**	-	99,989,120	**	-
PHILIP 577 06/20/2024 (NOM CLN)	-	**	-	65,570,000	**	-
SM PRIME HOLDINGS INC 5.0583% 25MAR2027	80,000,000	**	-	80,000,000	**	-
ABOITIZ POWER APPM 5.2757 10/14/26	78,000,000	**	-	78,000,000	**	-
SM INVESTMENTS CORP 3.5915 02/18/25	18,330,000	**	-	18,330,000	**	-
NOMURA BK INTL 7.25% 20JUN2029	60,000,000	**	-	-	**	-
CONVERGE ICT SOL CNVRPM 5.5942 04/08/27	22,200,000	**	-	22,200,000	**	-
AYALA LAND INC ALIPM 6.1334 11/13/34	19,140,000	**	-	-	**	-
SMC TOLLWAY SMCCTOL 6.7026 12/05/31	61,000,000	**	-	-	**	-
<b>Equities (in shares)</b>						
Aboitiz Equity Ventures Inc.	-	-	0.00%	1,251,240	5,619,785,757	0.02%
ABOITIZ POWER CORP PHP1	1,761,850	7,205,854,307	0.02%	-	-	0.00%
ACEN CORP	-	-	0.00%	-	-	0.00%
Alliance Global Group Inc.	-	-	0.00%	2,597,400	9,002,953,579	0.03%
Ayala Corporation	307,493	623,596,775	0.05%	315,693	619,807,425	0.05%
Ayala Land Inc.	-	-	0.00%	10,277,440	14,942,175,713	0.07%
Bank of the Philippine Islands	2,520,775	5,272,095,143	0.05%	2,549,815	5,259,201,283	0.05%
BDO Unibank Inc.	2,118,946	5,272,257,961	0.04%	2,440,846	5,268,357,304	0.05%
Bloomerry Resorts Corporation	-	-	0.00%	5,540,890	11,430,368,194	0.05%
Century Pacific Food Inc.	454,080	3,542,258,595	0.01%	3,267,580	3,542,258,595	0.09%
CONVERGE ICT SOLUTIONS INC	2,221,500	7,266,573,061	0.03%	-	-	0.00%
Globe Telecom Inc.	47,287	144,380,334	0.03%	48,552	144,228,604	0.03%
GT Capital Holdings Inc.	166,274	215,284,587	0.08%	268,351	215,284,587	0.12%
International Container Terminal Services Inc.	1,102,303	2,027,215,203	0.05%	1,272,543	2,031,988,603	0.06%
JG Summit Holdings Inc.	16	7,520,983,658	0.00%	1,925,416	7,520,983,658	0.03%
Jollibee Foods Corporation	1,011,850	1,119,090,609	0.09%	491,360	1,119,911,278	0.04%
Manila Electric Company	219,182	1,127,092,509	0.02%	291,262	1,127,098,705	0.03%
Manila Water Company	-	-	0.00%	-	-	-
Metropolitan Bank & Trust Company	1,923,361	4,497,415,555	0.04%	2,335,031	4,497,415,555	0.05%
Monde Nissin Corporation	3,086,600	17,968,611,496	0.02%	4,167,200	17,968,611,496	0.02%
PLDT Inc.	53,131	216,055,775	0.02%	75,226	216,055,775	0.03%
Robinsons Land Corporation	-	-	0.00%	2,103,200	4,839,141,486	0.04%
Security Bank Corporation	-	-	0.00%	280	753,538,887	0.00%
Semirara Mining & Power Corp.	-	-	0.00%	130,052	4,250,547,620	0.00%
SM Investments Corporation	499,300	1,222,023,358	0.04%	630,150	1,222,023,358	0.00%
SM Prime Holdings Inc.	8,590,822	28,879,231,694	0.03%	12,145,122	28,879,231,694	0.00%
Universal Robina Corporation	-	-	0.00%	1,200,180	2,177,422,968	0.00%
AREIT INC	1,197,400	3,209,865,985	0.04%	-	-	-
Wilcon Depot Inc.	-	-	0.00%	-	-	-
RL COMMERCIAL REIT INC	6,989,300	15,714,445,508	0.04%	-	-	-
<b>Investments in UITF</b>						
SLM PHP MF-CLS MNY MRKT FN C	29,194,203	2,821,700,539	1.03%	-	-	-
<b>Corporate Loans</b>						
ANGAT HYDROPOWER CORPORATION	96,000,000	**	-	104,960,000	**	-
.VLL 7.125 07/19/2024	-	**	-	18,375,000	**	-
.SMDC 5.213 01/27/2027	56,772,000	**	-	56,829,000	**	-
MWIDE 08.24.2024	-	**	-	62,798,400	**	-
SL AGRITECH 7.3278 09/12/2025	37,240,000	**	-	37,620,000	**	-

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

As of December 31, 2024 and December 31, 2023

	2024	2023
Total Liquid and Semi-Liquid Assets	5,783,716,291	6,484,876,378
Total Assets	5,975,229,476	6,766,552,071
Total Investment in Liquid or Semi-Liquid Assets to Total Ass	96.79%	95.84%

**iv. Total Operating Expenses to Total Net Worth**

As of December 31, 2024 and December 31, 2023

	2024	2023
Total Operating Expenses	159,409,815	171,519,604
Average Daily Net Worth	6,520,465,420	7,035,782,405
Total Operating Expenses to Total Net Worth	2.44%	2.44%

**Total Assets to Total Borrowings**

As of December 31, 2024 and December 31, 2023

	2024	2023
Total Assets	5,975,229,476	6,766,552,071
Total Borrowings	29,125,632	27,444,989
Total Assets to Total Borrowings	20515.36%	24654.96%

\*\*Data not available

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, 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, 2024**

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B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties)	<b>N.A.</b>
C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	<b>N.A.</b>
D. Intangible Assets - Other Assets	<b>N.A.</b>
E. Long-Term Debt	<b>N.A.</b>
F. Indebtedness to Related Parties	<b>3</b>
G. Guarantees of Securities of Other Issuers	<b>N.A.</b>
H. Capital Stock	<b>4</b>

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
**Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City**

**SCHEDULE A - FINANCIAL ASSETS**  
**As at December 31, 2024**

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
<b>Treasury Notes Issued by the Nat'l. Government</b>	1,795,315,000	P 1,842,113,675	P128,951,920
<b>Investments in UITF</b>			
SLM PHP MT-CLS MNY MRKT FN C	29,194,203	30,458,312	
	29,194,203	30,458,312	
<b>Equity shares</b>			
ABOTTIZ POWER CORP PHP1	1,761,850	66,421,745	
Ayala Corporation	307,493	184,188,307	
Ayala Land Inc. PHP1	9,670,240	253,360,288	
Bank of the Philippine Islands	2,520,775	307,534,550	
BDO Unibank Inc.	2,118,946	305,128,224	
Century Pacific Food Inc.	454,080	19,048,656	
CONVERGE ICT SOLUTIONS INC	2,221,500	35,855,010	
Globe Telecom Inc.	47,287	103,274,808	
GT Capital Holdings Inc.	166,274	109,408,292	
International Container Terminal Services Inc.	1,102,303	425,488,958	
JG Summit Holdings Inc.	16	329	
Jollibee Foods Corporation	1,011,850	272,187,650	
Manila Electric Company	219,182	106,960,816	
Metropolitan Bank & Trust Company	1,923,361	138,481,992	
Monde Nissin Corporation	3,086,600	26,544,760	
PLDT Inc.	53,131	68,804,645	
SM Investments Corporation	499,300	448,870,700	
SM Prime Holdings Inc.	8,590,822	216,059,173	
AREIT INC	1,197,400	45,441,330	
RL COMMERCIAL REIT INC	6,989,300	40,887,405	
	43,941,710	3,173,947,638	96,543,401
<b>Corporate Bonds and Loans</b>			
SAN MIGUEL CORP SMCPM 5.2704 03/04/27	18,500,000	17,290,729	
INTL FINANCE CORP 6.3448% 22MAR2033	79,142,400	79,167,330	
BNPP 7.34% 18NOV2027	106,980,000	110,414,058	
ING 7.38% 27DEC2028	99,989,120	98,525,579	
SM PRIME HOLDINGS INC 5.0583% 25MAR2027	80,000,000	77,878,691	
ABOTTIZ POWER APPM 5.2757 10/14/26	78,000,000	76,018,020	
SM INVESTMENTS CORP 3.5915 02/18/25	18,330,000	18,255,727	
NOMURA BK INTL 7.25% 20JUN2029	60,000,000	60,636,000	
CONVERGE ICT SOL CNVRPM 5.5942 04/08/27	22,200,000	21,630,503	
AYALA LAND INC ALIPM 6.1334 11/13/34	19,140,000	19,107,096	
SMC TOLLWAY SMCTOL 6.7026 12/05/31	61,000,000	60,923,079	
ANGAT HYDROPOWER CORPORATION	96,000,000	95,886,937	
.SMDC 5.213 01/27/2027	56,772,000	56,628,474	
SL AGRITECH 7.3278 09/12/2025	37,240,000	37,240,000	
	833,293,520	829,602,224	52,043,972
<b>TOTAL</b>	<b>2,701,744,433</b>	<b>5,876,121,849</b>	<b>277,539,293</b>

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
**Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City**

**SCHEDULE F - INDEBTEDNESS TO RELATED PARTIES**  
**As at December 31, 2024**

Name of Related Party	Relationship	Balance at beginning of period	Balance at end of period
Sun Life Asset Management Company, Inc.	Fund Manager	P12,740,152	P11,831,462
<b>TOTAL</b>		<b>P12,740,152</b>	<b>P11,831,462</b>

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
**2nd Floor Sun Life Centre, 5th Avenue, Corner Rizal Drive, Bonifacio Global, Taguig City**

**SCHEDULE H - CAPITAL STOCK**  
**As at December 31, 2024**

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
Share Capital						
Ordinary Shares	5,000,000,000	4,837,935,154	-	528	5	4,837,934,621
Treasury Shares	-	(3,135,969,005)	-	-	-	(3,135,969,005)
<b>TOTAL</b>	<b>5,000,000,000</b>	<b>1,701,966,149</b>	<b>-</b>	<b>528</b>	<b>5</b>	<b>1,701,965,616</b>

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**  
**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR**  
**FEE-RELATED INFORMATION**  
**As at December 31, 2024**

	2024	2023
<b>Total Audit Fees</b>	<b>P 286,815</b>	P 242,550
<b>Non-Audit Service Fees:</b>	-	-
Other assurance service fees	-	-
Tax services	-	-
All other services	-	-
<b>Total Non-audit Fees</b>	-	-
<b>Total Audit and Non-audit Fees</b>	<b>P 286,815</b>	P 242,550

	2024	2023
<b>Audit and Non-audit Fees of Other Related Entities</b>		
Audit Fees	<b>P 0</b>	P 0
Non-Audit Service Fees:		
Other assurance service fees	-	-
Tax services	-	-
All other services	-	-
<b>Total Audit and Non-audit Fees of Other Related Entities</b>	<b>P 0</b>	P 0

**Fee Dependency**

For the years ended December 31, 2024 and 2023, the total fees received by Navarro Amper & Co., the audit firm, from Sun Life of Canada Prosperity Balanced Fund, Inc., the Company, represent not more than 15% of the total fees received by the audit firm.

Delete Archive Reply Reply all Forward Zoom Read / Unread Categorize Flag / Unflag Print

Re: CGFD\_Sun Life of Canada Prosperity Balanced Fund, Inc.\_SEC Form 17-C\_26March2024

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**COVER SHEET**

A 1 9 9 9 0 8 7 1 3

SEC Identification Number

S U N L I F E O F C A N A D A P R O S P E R I T Y  
 B A L A N C E D F U N D , I N C .  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

(Company's Full Name)

\_\_\_\_\_ S U N L I F E C E N T R E 5<sup>TH</sup> 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 Monday of May**  
 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

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 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. 25 March 2024  
Date of Report (Date of earliest event reported)
2. SEC Identification Number A199908713      3. BIR Tax Identification No. 204-583-064-000
4. Sun Life of Canada Prosperity Balanced Fund, 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, 5<sup>th</sup> 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 29 February 2024)
<u>Common (Unclassified)</u>	<u>1,933,095,274</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 25 March 2024 at 11 a.m. at the Board Room, 11<sup>th</sup> Floor Sun Life Centre, 5<sup>th</sup> 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. 2023 Audited Financial Statements, as endorsed by its Audit and Compliance Committee
2. Holding of the Annual Stockholders' Meeting on 16 July 2024 via Zoom Video Communications ("Zoom")
3. Closing of the Issuer's Stock & Transfer Book on 30 April 2024 for the purpose of determining the stockholders entitled to notice of, to attend and vote at the Annual Stockholders' Meeting
4. Corporate Governance Committee Charter, without changes
5. Audit and Compliance Committee Charter, without changes
6. Manual on Corporate Governance, as revised, and as endorsed by its Corporate Governance Committee
7. Amendments to the Fund Prospectus
8. Nominations to the Board of Directors for the term 2024-2025.

**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 of Canada Prosperity Balanced Fund, Inc.  
Issuer

Anna Katrina C. Kabungco, Corporate Secretary  
Signature and Title

Date: 25 March 2024

**CERTIFICATION**

I, **ANNA KATRINA C. KABIGTING-IBERO**, Corporate Secretary of **Sun Life of Canada Prosperity Balanced Fund, Inc.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number **A199908713** and with principal office at Sun Life Centre, 5<sup>th</sup> Avenue corner 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 of Canada Prosperity Balanced Fund, Inc.**;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That **Sun Life of Canada Prosperity Balanced Fund, Inc.** will comply with the requirements set forth in SEC Notice dated 12 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 MAR 25 2024

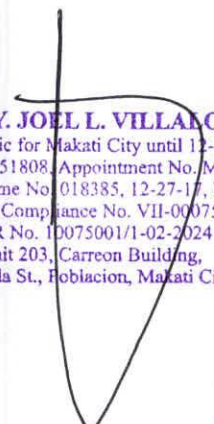


**ANNA KATRINA C. KABIGTING-IBERO**  
Affiant

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ day of MAR 25 2024 in the City of Makati affiant exhibiting to me her Driver's License with ID No.  valid until 01 September 2032.

Doc. No. 186;  
Page No. 39;  
Book No. 40;  
Series of 2024.

**ATTY. JOEL L. VILLALON**  
Notary Public for Makati City until 12-31-2024  
Roll No. 51808, Appointment No. M-069  
IBP Lifetime No. 018385, 12-27-17, PPLM  
MCLE Compliance No. VII-0007561  
PTR No. 19075001/1-02-2024  
Unit 203, Carreon Building,  
2746 Zensida St., Poblacion, Makati City 1210



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Re: CGFD\_Sun Life of Canada Prosperity Balanced Fund, Inc.\_SEC Form 17-C\_19July2024

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COVER SHEET

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SEC Identification Number

S U N L I F E O F C A N A D A P R O S P E R I T Y
B A L A N C E D F U N D , 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 City/Town/Province)

Anna Katrina C. Kabigting-Ibero

(Contact Person)

8555-8888 loc. 5699

(Company Telephone Number)

SEC 17-C

1 2

Month

(Fiscal Year)

3 1

Day

(Form Type)

0 7

Month

1 6

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. 19 July 2024  
Date of Report (Date of earliest event reported)
2. SEC Identification Number A199908713      3. BIR Tax Identification No. 204-583-064-000
4. Sun Life of Canada Prosperity Balanced Fund, 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, 5<sup>th</sup> 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 2024)
---------------------	--

<u>Common (Unclassified)</u>	<u>1,855,136,732</u>
------------------------------	----------------------

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

A. During the Annual Stockholders' Meeting of the Issuer held on 16 July 2024 at 2:00 p.m. via Zoom Video Conference, during which 232,706,808 shares or 12.26% of the outstanding capital stock ("OCS") as of 30 April 2024 were present in person or by proxy, the following events transpired:

**Item 4(b). Election of Directors.** Due to the failure to meet the requirement that 50%+1 share of the OCS should be present in person or by proxy, no election of members of the Board of Directors could be held. The following shall continue to serve as directors until the continuation of the Annual Stockholders' Meeting on 09 September 2024, 9:00 a.m. via Zoom Video Conference, and until their successors have been duly elected and qualified:

- Benedicto C. Sison
- Valerie N. Pama
- Cielito F. Habito (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 Annual Stockholders' Meeting held on 11 July 2023;
2. The minutes of the Continuation Meeting of the Stockholders held on 08 September 2023;
3. All acts and proceedings of the Board and Corporate Officers (confirmation and ratification thereof); and
4. Appointment of Navarro, Amper & Co. (Deloitte Touche Tohmatsu) as External Auditor for 2024.

Due to the failure to meet the requirement that 50%+1 share of the OCS should be present in person or by proxy, the following items were not approved by the stockholders:

1. Delegation of Power to Amend Articles I, II, III, IV and VI of the By-Laws to the Board of Directors.

2. 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 Section 49 of the Revised Corporation Code
3. 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.
4. 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
5. 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.
6. 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.
7. Amendment of Article IV, Section 2 (Advisory Board) of the By-Laws on the deletion of the Advisory Board
8. 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
9. 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.
10. 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
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 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
13. 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
14. 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
15. 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
16. 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
17. 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 issuances of the Securities and Exchange Commission
18. 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.
19. Amendment of Article XI, Section 3 (Auditors) of the By Laws 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.
20. Amendment of Article XIV, Section 1 (Amendments) of the By-Laws to align with the applicable provision of the Revised Corporation Code.
21. Amendment of Article II, Section 3 (Meetings) and 4 (Quorum) of the By-Laws to align the period for the notice of meeting of the directors with the Revised Corporation Code; (Note: This section is also for renumbering)
22. Amendment of Article II, Section 5 (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 director compensation is granted by stockholders. (Note: This section is also for renumbering)
23. Amendment of Article II, Section 6 (Vacancy) of the By-Laws to align with the Revised Corporation Code on the vacancies in the Board of Directors. (Note: This section is also for renumbering.)
24. Amendment of Article III, Sections 1 and 7 of the By-Laws in relation to the election of a Compliance Officer as one of the corporate officers
25. Amendment of Article II, Section 2 (Nomination Committee) of the By-Laws is deleted to align with required Board-level committees per recent rules and regulations. A separate section in the By-Laws also provides the Board with the power to designate committees.

Due to the failure to meet the requirement that 2/3 of the OCS should be present in person or by proxy, the following items were not approved by the stockholders:

1. Amendment of Article VI of the Articles of Incorporation to increase the number of directors to six (6).

2. Amendment of Article III of the Articles of Incorporation on the principal office address
3. 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
4. Amendment of Article II, paragraph 9 (Secondary Purpose) of the Articles of Incorporation to revise "Corporation Law" to "Revised Corporation Code."
5. 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
6. Amendment of Article VIII of the Articles of Incorporation to add a description of the features of the Company's shares.
7. Amendment of Article II paragraph 8 (Secondary Purpose) of the Articles of Incorporation to clarify the wording (i.e., replace "business with "activities").

The foregoing shall be resubmitted for approval in the continuation of the Annual Stockholders' Meeting on 09 September 2024 at 9:00 AM via Zoom Video Conference.

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 9(b). Other Events.** The following were unanimously approved by the Board:

1. Continuation of the (1) Fund Management Agreement; (2) Distribution Agreement; and (3) Transfer Agency Agreement between Sun Life Asset Management Company, Inc; and
2. Related Party Transactions Operating Guidelines, as revised and endorsed by the Audit and Compliance Committee

**Item 4(b)(ii).** 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
Chief Compliance Officer:	Maria Teresa A. Co
Data Protection Officer:	Maria Teresa A. Co
Money Laundering Reporting Officer:	Maria Teresa A. Co
Chief Risk Officer:	Ria V. Mercado
Internal Auditor:	Joel O. Bungabong
Corporate Governance Committee:	Aleli Angela G. Quirino (Chairman), Benedicto C. Sison and Oscar S. Reyes
Audit and Compliance Committee:	Cielito F. Habito (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)

#### 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 of Canada Prosperity Balanced Fund, Inc.

Issuer 



Anna Katrina C. Kabigting-Ibero, Corporate Secretary  
Signature

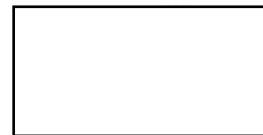
Date: 19 July 2024

**CERTIFICATION**

I, **ANNA KATRINA C. KABIGTING-IBERO**, Corporate Secretary of **Sun Life of Canada Prosperity Balanced Fund, Inc.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number **A199908713** and with principal office at Sun Life Centre, 5<sup>th</sup> Avenue corner 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 of Canada Prosperity Balanced Fund, Inc.**;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That **Sun Life of Canada Prosperity Balanced Fund, Inc.** will comply with the requirements set forth in SEC Notice dated 12 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 JUL 19 2024.

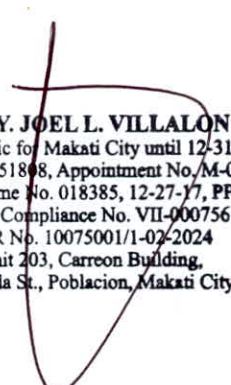


**ANNA KATRINA C. KABIGTING-IBERO**  
Affiant

**SUBSCRIBED AND SWORN** to before me this 19 July 2024 in the City of Makati affiant exhibiting to me her Driver's License with ID No.  valid until 01 September 2032.

Doc. No. 477  
Page No. 97  
Book No. 50  
Series of 2024.

**ATTY. JOEL L. VILLALON**  
Notary Public for Makati City until 12-31-2024  
Roll No. 51808, Appointment No. M-069  
IBP Lifetime No. 018385, 12-27-17, PPLM  
MCLE Compliance No. VII-0007561  
PTR No. 10075001/1-02-2024  
Unit 203, Carreon Building,  
2746 Zenaida St., Poblacion, Makati City 1210



Delete Archive Reply Reply all Forward Zoom Read / Unread Categorize Flag / Unflag Print

CGFD\_Sun Life of Canada Prosperity Balanced Fund, Inc\_SEC Form 17-C\_12September2024

Sun Lif...r2024.pdf Sun Lif...r2024.pdf

sunlife\_sec\_communications To: ICTD Submission <ictdsubmission@sec.gov.ph> Thu 9/12/2024 4:10 PM

Cc: Anna Katrina C Kabigting-Ibero; Paolo P Macapagal; PHIL-CorpSecTeam; Frances Ianna Canto; Karen Ann Merza

Sun Life of Canada Prosperit... 776 KB Sun Life of Canada Prosperit... 1 MB

2 attachments (2 MB) Save all to OneDrive - Sun Life Financial Download all

Gentlemen:

We respectfully submit the attached Current Report (SEC Form 17-C) of **Sun Life of Canada Prosperity Balanced Fund, Inc.** We likewise submit our Online Certification, pursuant to SEC Notice dated 12 May 2021 with the subject "Revised Guidelines on the Submission of Documents, Issuance of Payment Assessment Form, Other Requests and Compliance."

Please let me know if you have questions or concerns.

Thank you and best regards,

Atty. Anna Katrina C. Kabigting-Ibero | Counsel | Legal Department | [Sun Life Financial](#)

632 555 8888 loc. 5699 | [AnnaKatrina.Kabigting-Ibero@sunlife.com](mailto:AnnaKatrina.Kabigting-Ibero@sunlife.com)

6F Sun Life Centre Fifth Ave. cor. Rizal Drive, Bonifacio Global City, Taguig 1634

Reply Reply all Forward

COVER SHEET

A 1 9 9 9 0 8 7 1 3

SEC Identification Number

S U N L I F E O F C A N A D A P R O S P E R I T Y
B A L A N C E D F U N D , 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 City/Town/Province)

Anna Katrina C. Kabigting-Ibero

(Contact Person)

8555-8888 loc. 5699

(Company Telephone Number)

SEC 17-C

1 2

Month

(Fiscal Year)

3 1

Day

(Form Type)

0 7

Month

1 6

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. 12 September 2024  
Date of Report (Date of earliest event reported)
2. SEC Identification Number A199908713
3. BIR Tax Identification No. 204-583-064-000
4. Sun Life of Canada Prosperity Balanced Fund, 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, 5<sup>th</sup> 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 August 2024)
<u>Common (Unclassified)</u>	<u>1,810,253,101</u>

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

During the continuation of the Annual Stockholders' Meeting of the Issuer held on 09 September 2024 at 9:00 a.m. via Zoom Video Conference, during which 243,684,333 shares or 12.84% of the outstanding capital stock ("OCS") as of 30 April 2024 were present in person or by proxy, the following events transpired:

**Item 4(b). Election of Directors.** Due to the failure to meet the requirement that 50%+1 share of the OCS should be present in person or by proxy, no election of members of the Board of Directors could be held. The following shall continue to serve as Directors in a holdover capacity:

- Benedicto C. Sison
- Valerie N. Pama
- Cielito F. Habito (independent)
- Aleli Angela G. Quirino (independent)
- Oscar S. Reyes (independent)

**Item 9(b). Other Events.** Due to the failure to meet the requirement that 50%+1 share of the OCS should be present in person or by proxy, the following items were not approved by the stockholders:

1. Delegation of Power to Amend Articles I, II, III, IV and VI of the By-Laws to the Board of Directors.
2. 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 Section 49 of the Revised Corporation Code
3. 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.

4. 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
5. 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.
6. 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.
7. Amendment of Article IV, Section 2 (Advisory Board) of the By-Laws on the deletion of the Advisory Board
8. 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
9. 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.
10. 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
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 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
13. 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
14. 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
15. 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
16. 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
17. 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 issuances of the Securities and Exchange Commission
18. 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.
19. Amendment of Article XI, Section 3 (Auditors) of the By Laws 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.
20. Amendment of Article XIV, Section 1 (Amendments) of the By-Laws to align with the applicable provision of the Revised Corporation Code.
21. Amendment of Article II, Section 3 (Meetings) and 4 (Quorum) of the By-Laws to align the period for the notice of meeting of the directors with the Revised Corporation Code; (Note: This section is also for renumbering)
22. Amendment of Article II, Section 5 (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 director compensation is granted by stockholders. (Note: This section is also for renumbering)
23. Amendment of Article II, Section 6 (Vacancy) of the By-Laws to align with the Revised Corporation Code on the vacancies in the Board of Directors. (Note: This section is also for renumbering.)
24. Amendment of Article III, Sections 1 and 7 of the By-Laws in relation to the election of a Compliance Officer as one of the corporate officers
25. Amendment of Article II, Section 2 (Nomination Committee) of the By-Laws is deleted to align with required Board-level committees per recent rules and regulations. A separate section in the By-Laws also provides the Board with the power to designate committees.

Due to the failure to meet the requirement that 2/3 of the OCS should be present in person or by proxy, the following items were not approved by the stockholders:

1. Amendment of Article VI of the Articles of Incorporation to increase the number of directors to six (6).
2. Amendment of Article III of the Articles of Incorporation on the principal office address
3. 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

4. Amendment of Article II, paragraph 9 (Secondary Purpose) of the Articles of Incorporation to revise "Corporation Law" to "Revised Corporation Code."
5. 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
6. Amendment of Article VIII of the Articles of Incorporation to add a description of the features of the Company's shares.
7. Amendment of Article II paragraph 8 (Secondary Purpose) of the Articles of Incorporation to clarify the wording (i.e., replace "business with "activities").

The foregoing shall be carried over to the agenda of the next Annual Stockholders' Meeting for approval.

**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 of Canada Prosperity Balanced Fund, Inc.

Issuer



Anna Katrina C. Kabigting-Rivero, Corporate Secretary  
Signature

Date: 12 September 2024

COVER SHEET

A 1 9 9 9 0 8 7 1 3

SEC Identification Number

SUN LIFE OF CANADA PROSPERITY  
BALANCED FUND, INC.

(Company's Full Name)

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

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

Dino S. Macasaet

(Contact Person)

8-555-8888

(Company Telephone Number)

SEC FORM 17-C

1 2 3 1

Month Day  
(Fiscal Year)

(Form Type)

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. 22 January 2024  
Date of Report (Date of earliest event reported)
2. SEC Identification Number A199908713      3. BIR Tax Identification No. 204-583-064-000
4. Sun Life of Canada Prosperity Balanced Fund, Inc.  
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines      6.  (SEC Use Only)  
Province, country or other jurisdiction of      Industry Classification Code:  
incorporation
7. 8<sup>th</sup> Floor, Sun Life Centre, 5<sup>th</sup> 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 December 2023)
<u>Common (Unclassified)</u>	<u>1,997,357,801</u>

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

The Fund notarized its amended Fund Management, and Marketing and Distribution Agreements on January 22, 2024 to reflect amendments approved by the Boards of Sun Life Asset Management Company, Inc. and the Sun Life of Canada Prosperity Balanced Fund, Inc., with details below.

Attached as well are the newly executed Fund Management, and Marketing Distribution Agreements.

Fund Management Agreement

Existing Provision/s	Approved Amended Provision/s	Reason for Change: SEC Comments Dated November 23, 2022 (Arising from World Income Fund)
SLAMCI may disburse funds of the Fund to cover payment for investments made by SLAMCI for Fund's account pursuant to Section 4(B) above according to such signatory requirements as the Fund's Board of Directors may from time to time require.	SLAMCI may disburse funds of the Fund to cover payment for investments made by SLAMCI for Fund's account pursuant to Section 3(A) above according to such signatory requirements as the Fund's Board of Directors may from time to time require.	<p style="text-align: center;"><u>Duties, Responsibilities and Extent of Services of Fund Manager</u></p> Paragraph 3(C)(4) of "I. Duties, Responsibilities and Extent of Services of Fund Manager" - Please double check reference made to Section 4(B) and consider changing it to Section 3(A).

	<p>[Note: Section 3(A)]  SLAMCI and the Fund agree to the following investment procedures:</p> <p>SLAMCI may, without need of prior approval of or prior notification to the Fund, purchase and sell securities and otherwise make or dispose of investments for the Fund's account, within the limits of the investment objective, policies or guidelines which the Fund's Board of Directors may from time to time prescribe and subject to the provisions of the Investment Company Act and registration statements of the Fund.)</p>	
<p>The following expenses shall be deemed covered by the compensation paid under this section and shall therefore be for the account of SLAMCI, to wit:</p> <p>Salaries, bonuses, allowances and other compensation of the personnel hired by SLAMCI to perform the services referred to in Section 1(A) above, including the cost of bonding SLAMCI's salesmen, personnel and officers, as may be required by law or by rules and regulations of the Securities and Exchange Commission ("SEC");  Expenses of providing...</p>	<p>The following expenses shall be deemed covered by the compensation paid under this section and shall therefore be for the account of SLAMCI, to wit:</p> <p>Salaries, bonuses, allowances and other compensation of the personnel hired by SLAMCI to perform the services referred to in Section 2(B) above, including the cost of bonding SLAMCI's salesmen, personnel and officers, as may be required by law or by rules and regulations of the Securities and Exchange Commission ("SEC");  Expenses of providing...</p> <p>[Note: Section 2(B)]  In addition to the foregoing, SLAMCI shall provide and maintain the following:</p> <ul style="list-style-type: none"> <li>a. Office space and other administrative facilities as the Fund shall reasonably require in the ordinary conduct of its business.</li> <li>c. A staff of executive officers and other trained personnel for the performance of its functions under the preceding Section.</li> </ul>	<p><b><u>Fees, Remuneration and Other Expenses</u></b></p> <p><b>Paragraph 1(A) of "II. Fees, Remuneration and Other Expenses" –</b>  Please double check reference made to Section 1(A) and consider changing to Section 2(B) of "I. Duties, Responsibilities and Extent of Services of Fund Manager"</p>

<p>The following expenses shall be deemed covered by the compensation paid under this section and shall therefore be for the account of SLAMCI, to wit:</p> <p>Salaries, bonuses ... Expenses of providing the office space and other administrative facilities referred to in Section 1(B) above, including office rentals, cost of office equipment and supplies, cost of utilities, such as telephone, light and water facilities; and</p>	<p>The following expenses shall be deemed covered by the compensation paid under this section and shall therefore be for the account of SLAMCI, to wit: Salaries, bonuses ...</p> <p>Expenses of providing the office space and other administrative facilities referred to in Section 2(A) above, including office rentals, cost of office equipment and supplies, cost of utilities, such as telephone, light and water facilities; and</p> <p>[Note: Section 2(A)] In addition to the foregoing, SLAMCI shall provide and maintain the following:</p> <ol style="list-style-type: none"> <li>a. Office space and other administrative facilities as the Fund shall reasonably require in the ordinary conduct of its business.</li> <li>b. A staff of executive officers and other trained personnel for the performance of its functions under the preceding Section.</li> </ol>	<p><b><u>Fees, Remuneration and Other Expenses</u></b></p> <p><b>Paragraph 1(B) of "II. Fees, Remuneration and Other Expenses"</b> – Please double check reference made to Section 1(B) and consider changing to Section 2(A) of "I. Duties, Responsibilities and Extent of Services of Fund Manager"</p>
<p>The Fund Manager shall be responsible for the preparation and submission of the following reports: ...</p> <p>General Information Sheet – Within 30 days after the annual/actual shareholder’s meetings</p>	<p>The Fund Manager shall be responsible for the preparation and submission of the following reports: ...</p> <p>General Information Sheet - Within 30 days after the annual/actual shareholder’s meetings Amended GIS containing new information – Within seven (7) days after such change in GIS information occurred or became effective.</p> <p>...</p>	<p><b><u>Reporting Obligations of the Fund Manager</u></b></p> <p><b>V. Reporting Obligations of the Fund Manager</b> – Please include under the due date for submission of General Information Sheet (GIS) the submission of <b>Amended GIS containing new information</b> within seven (7) days after such change in GIS information occurred or became effective.</p>

Existing Provision	Approved Amended Provision	Reason for Change
<p><b><u>Duties, Responsibilities and Extent of Services of Fund Manager</u></b></p> <p>There is no explicit provision on compensation for any valuation error and administrative penalties.</p>	<p><b>new paragraph:</b></p> <p><b><u>5. Pay for its own account the administrative penalties imposed upon the Fund to which it is managing especially in connection with the reporting requirements of the Investment Company to the Commission;</u></b></p> <p><b><u>6. Pay for its own account the compensation for any valuation error or incorrect pricing of the</u></b></p>	<p>To align with the provisions of ICA-IRR on Responsibilities of a Fund Manager.</p>

	<p>net asset value ("NAV") when it is at fault.</p>	
<p><b>Duties, Responsibilities and Extent of Services of Fund Manager</b></p> <p>Paragraph 3 "SLAMCI and the Fund agree to the following investment procedures:"</p> <p>a. SLAMCI may, without need of prior approval of or prior notification to the Fund, purchase and sell securities and otherwise make or dispose of investments for the Fund's account, within the limits of the investment objective, policies or guidelines which the Fund's Board of Directors may from time to time prescribe and subject to the provisions of the Investment Company Act and registration statements of the Fund.</p> <p>b. SLAMCI shall exercise due diligence and prudence in connection with the investment or re-investment of the Fund's assets; but except for willful misfeasance, bad faith, gross negligence or reckless disregard of its duties, SLAMCI shall not be liable for any loss or depreciation in the value of any assets of the Fund arising from any of such investments or re-investments, provided that</p>	<p><b>New section:</b></p> <p>SLAMCI may, without need of prior approval of or prior notification to the Fund, purchase and sell securities and otherwise make or dispose of investments for the Fund's account, within the limits of the investment objective, policies or guidelines which the Fund's Board of Directors may from time to time prescribe and subject to the provisions of the Investment Company Act and registration statements of the Fund.</p> <p><u>Negotiate, enter into, purchase, sell and/or execute Derivatives transactions; open, maintain and close accounts, complete on-boarding forms, provide financial and other information (including disclosures), receive investment and other disclosures, negotiate, approve, issue, amend, enter into, exchange, execute and/or deliver trade tickets and confirmations (electronic or otherwise) (collectively, "Confirmations") and carry out related activity to, with or from such counterparties, futures commission merchants, brokers or other Parties ("Counterparties") as Investment Manager reasonably considers necessary or appropriate to facilitate Derivatives transactions.</u></p> <p><u>Negotiate, approve, amend, enter into, terminate, execute and/or deliver such agreements with Counterparties as Investment Manager reasonably considers necessary or appropriate to facilitate Derivatives transactions and, if permitted by the Investment Guidelines, repurchase, reverse repurchase and securities lending transactions, including without limitation ISDA Master Agreements, Credit Support Annexes, Global Master Repurchase Agreements, Global Master Securities Lending Agreements, agreements with</u></p>	<p>To explicitly include in the contract to authorize SLAMCI to negotiate agreements on derivatives instruments.</p>

SLAMCI acted in good faith and in accordance with the investment objective, policies or guidelines prescribed by the Fund's Board of Directors and other applicable laws.

- c. The securities, as well as the appurtenant certificates and other evidences of title to assets within the investment portfolio of the Fund, shall be under the custody of a custodian, subject to the authority of SLAMCI to dispose of such securities pursuant to subparagraph (A) above, and, for this purpose, SLAMCI shall cause such securities, certificates and other evidences of title to assets to be delivered directly to the custodian. SLAMCI shall, either directly or through said custodians, take charge of the collection of interests, dividends or other payments on all securities owned by the Fund, and shall on behalf and for the benefit of the Fund, exercise any and all rights of the Fund appertaining to such securities such as the exercise of any preemptive rights, redemption rights, options, and others. SLAMCI may use voting rights for quorum purposes only. In the event of unusual circumstances,

futures commission merchants, and agreements in respect of the custody, control and the management of collateral. The FUND acknowledge that it will be bound by the terms of the agreements and the related Confirmations, and that it may, upon request, obtain a copy of such documents from Investment Manager. Investment Manager will, from time to time, provide to the FUND a list of the representations and warranties, ongoing consents, disclosures and notifications that the FUND is required to make to Counterparties under such agreements, and the FUND agrees to confirm the accuracy of the same and to promptly provide Investment Manager with the information necessary to respond to any such notification or disclosure or consent request on a timely basis.

SLAMCI shall exercise due diligence and prudence in connection with the investment or re-investment of the Fund's assets; but except for willful misfeasance, bad faith, gross negligence or reckless disregard of its duties, SLAMCI shall not be liable for any loss or depreciation in the value of any assets of the Fund arising from any of such investments or re-investments, provided that SLAMCI acted in good faith and in accordance with the investment objective, policies or guidelines prescribed by the Fund's Board of Directors and other applicable laws.

The securities, as well as the appurtenant certificates and other evidences of title to assets within the investment portfolio of the Fund, shall be under the custody of a custodian, subject to the authority of SLAMCI to dispose of such securities pursuant to subparagraph (A) above, and, for this purpose, SLAMCI shall cause such securities, certificates and other evidences of title to assets to

<p>SLAMCI may request the Fund in writing for permission to exercise voting rights for any other specified purposes.</p> <p>d. SLAMCI shall furnish the Fund, through its duly designated representatives, such periodic reports and accounting relating to the Fund's investments as the Board of Directors may from time to time reasonably direct.</p>	<p>be delivered directly to the custodian. SLAMCI shall, either directly or through said custodians, take charge of the collection of interests, dividends or other payments on all securities owned by the Fund, and shall on behalf and for the benefit of the Fund, exercise any and all rights of the Fund appertaining to such securities such as the exercise of any pre-emptive rights, redemption rights, options, and others. SLAMCI may use voting rights for quorum purposes only. In the event of unusual circumstances, SLAMCI may request the Fund in writing for permission to exercise voting rights for any other specified purposes. SLAMCI shall furnish the Fund, through its duly designated representatives, such periodic reports and accounting relating to the Fund's investments as the Board of Directors may from time to time reasonably direct.</p>	
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**Marketing and Distribution Agreement**

Existing Provision/s	Approved Amended Provision/s	Reason for Change: SEC Comments Dated November 23, 2022 (arising from World Income Fund)
<p>Duties, Responsibilities and Extent of Services of Fund Manager</p> <p>1. Subject to the supervision of the Fund's Board of Directors, SLAMCI shall be the exclusive principal distributor of the shares and/or units of the Fund, except that the Fund may sell its shares and/or units at their net asset value to its share-holders and/or unitholders purchasing such shares and/or units with dividends from the Fund, or may issue shares and/or units to its shareholders and/or unitholders by way of</p>	<p>Duties, Responsibilities and Extent of Services of Principal Distributor</p> <p>1. Subject to the supervision of the Fund's Board of Directors, SLAMCI shall be the exclusive principal distributor of the shares and/or units of the Fund, without prejudice to the right of the Fund to distribute its shares and/or units as may be allowed by law.</p>	<p>Reference to "Fund Manager" in the heading of Part I should be changed to "Principal Distributor"</p> <p>Clarify separately the instances contemplated by the phrase "except that the Fund may sell its shares and/or units at their net asset value to its shareholders and/or unitholders purchasing such shares and/or units with dividends from the Fund..." as an exception to the general rule that SLAMCI shall be the exclusive principal distributor</p>

<p>stock/ unit dividends, stock/unit splits or other similar transactions.</p>		
<p>SLAMCI shall distribute and sell shares and/or units of the Fund at a public offering price equal to the sum of (i) the net asset value per share ("NAVPS") or the net asset value per unit ("NAVPU") computed in the manner set forth in <del>and in accordance with the provision of the ByLaws and the most recent prospectus of the Fund, ...</del></p>	<p>SLAMCI shall distribute and sell shares and/or units of the Fund at a public offering price equal to the sum of (i) the net asset value per share ("NAVPS") or the net asset value per unit ("NAVPU") computed in the manner set forth in Rule 8 of the Implementing Rules and Regulations of the Investment Company Act, ...</p>	<p>Revise Paragraph 2(C)(i) of "I. Duties, Responsibilities and Extent of Services of Fund Manager" as follows:</p> <p>"(i) the net asset value per share ("NAVPS") or the net asset value per unit ("NAVPU") computed in the manner set forth in Rule 8 of the Implementing Rules and Regulations of the Investment Company Act <del>and in accordance with the provision of the By Laws and the most recent prospectus of the Fund...</del>"</p>

Existing Provision	Approved Amended Provision	Reason for Change
<p><b><u>Duties, Responsibilities and Extent of Services of Fund Manager</u></b></p> <p><b>Paragraph 2(C) of "I. Duties, Responsibilities and Extent of Services of Fund Manager"</b></p> <p>SLAMCI shall distribute and sell shares and/or units of the Funds at a public offering price equal to the sum of (i) the net asset value per share ("NAVPS") or net asset value per unit ("NAVPU") computed in the manner set forth in and in accordance with the provision of the By-Laws and the most recent prospectus of the Fund, and (ii) the sales commission payable to SLAMCI, computed in accordance with the provisions set forth in subparagraph (II) below or the most recent prospectus of the Fund, unless otherwise lowered by SLAMCI. SLAMCI may fix the portion of its sales</p>	<p>SLAMCI shall distribute and sell shares and/or units of the Funds at a public offering price equal to the sum of (i) the net asset value per share ("NAVPS") or net asset value per unit ("NAVPU") computed in the manner set forth in and in accordance with the provision of the By-Laws and the most recent prospectus of the Fund, (ii) the sales commission payable to SLAMCI, computed in accordance with the provisions set forth in subparagraph (II) below or the most recent prospectus of the Fund, unless otherwise lowered by SLAMCI. SLAMCI may fix the portion of its sales commission or sales charge to be allowed to third parties such as dealers and other brokers and <b><u>(iii) collections shall be deposited to SLAMCI bank accounts that are listed in the account opening forms. Once these collections are matched and reconciled with the transaction summary order submitted by the client, it will then be processed and be allocated with the corresponding shares or units for the specified funds to which the clients will invest and will be</u></b></p>	<p>Funds from clients' subscriptions are deposited to SLAMCI's accounts to cater to investors' general preference. SLAMCI wants its clients to have a better, secured, and convenient experience in investing to the funds by nominating only one depository account for all funds. It provides seamless transactions to the investors without the need to deposit their subscriptions separately to each prosperity fund they prefer to invest in. This reduces typographical errors which otherwise would have a negative impact on the client's investment timing.</p> <p>Proposed amendment will also answer SEC's audit queries on why funds from clients' subscriptions are deposited to SLAMCI's bank accounts.</p>

commission or sales charge to be allowed to third parties such as dealers and other brokers.	<u>transferred to the respective collection accounts of the Fund.</u>	
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**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.

Date: 22 January 2024

**Sun Life of Canada Prosperity Balanced Fund, Inc.**

Issuer

[Redacted Signature]

**Dino S. Macasaet**

**Head, Strategic Development, Training and Marketing**

Signature and Title

# 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. 5<sup>th</sup> Ave., Bonifacio Global City, Taguig City, on oath state:

- 1) That I have caused the preparation of **17Cs Re: (1) Amendments to the Fund Management, and Marketing and Distribution Agreements, between SLAMCI and the Sun Life Prosperity Funds (18 Mutual Fund Companies), and (2) Announcements made to the investing public regarding cash dividend declaration of Sun Life Prosperity World Income Fund, Inc. last December 28, 2023 and January 17, 2023** on behalf of SLAMCI / 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 Asset Management Company, Inc. and 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.

IN WITNESS WHEREOF, I have hereunto set my hand this 22 day of January 2024.

JAN 22 2024

[Signature Box]

Dino S. Macasaet

Head, Strategic Development, Training and Marketing

SUBSCRIBED AND SWORN to me before this 22 day of January 2024, in Taguig City, Philippines.

JAN 22 2024

Name	Government ID No.	Date of Issue	Place of Issue
Dino S. Macasaet	[Redacted]	[Redacted]	[Redacted]

Doc. No. 155  
Page No. 37  
Book No. IV  
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. Plo Del Pilar, Makati City

## FUND MANAGEMENT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Management Agreement is made and entered into by and between:

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**, a corporation organized and existing under Philippine laws, with office address at Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive, Bonifacio Global City, 1634, Taguig City, represented herein by its Chairman, Mr. Benedicto C. Sison, and its President, Ms. Valerie N. Pama (hereinafter called the "FUND");

and

**SUN LIFE ASSET MANAGEMENT COMPANY, INC.**, likewise a corporation organized and existing under Philippine laws, with office address at Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive, Bonifacio Global City, 1634, Taguig City, represented by its President, Mr. Gerald L. Bautista and its Head – Strategic Development, Training, and Marketing Mr. Dino S. Macasaet (hereinafter called "SLAMCI");

**WITNESSETH: That –**

**WHEREAS**, the Fund needs the services of a Fund Manager to render management and other related services.

**WHEREAS**, SLAMCI is an investment management company with a valid Investment Company License engaged in the management and distribution of the SLAMCI mutual funds.

**WHEREAS**, the Fund appoints SLAMCI as the Fund Manager and SLAMCI accepts such appointment.

**NOW, THEREFORE**, in consideration of the foregoing premises and the mutual covenants hereinafter contained, the parties have hereunto agreed as follows:

**I. Duties, Responsibilities and Extent of Services of Fund Manager**

1. Subject to the supervision of the Fund's Board of Directors, SLAMCI shall manage the resources and operations of the Fund. The services contemplated herein include the following:

- a. Management of the investment assets of the Fund and perform its functions in accordance with the investment objective, policies or guidelines which the Board of Directors may from time to time prescribe, and in conformity with the Fund's Registration Statement, prospectus, its agreement with the Fund's shareholders and/or unitholders, if any, the Investment Company Act, the Securities Regulation Code and its Implementing Rules and Regulations, and other applicable laws;
- b. Preparation and submission of such information and data as may be reasonably required by the Fund's Board of Directors or as SLAMCI may deem to be helpful to such Board in the formulation and evaluation of its investment objective, policies or guidelines;
- c. Coordination of the activities of, and extension of all necessary cooperation or assistance to the fund advisor, the fund distributor, the transfer agent, the custodian, the compliance officer, auditors and legal counsel of the Fund, without prejudice to the direct responsibility of such firms to the Fund;
- d. Preparation of such reports, circulars, notices and other information on internal corporate affairs as may from time to time be required by the Fund, its shareholders, Board of Directors, and/or officers, which shall include a monthly report on:
  - i. revenues and disbursements broken down as to investments and expenses;
  - ii. sales and redemptions; and
  - iii. performance, change or status of the Fund's assets;
- e. Representation with Government offices, instrumentalities and agencies, including all work required in registering the Fund's securities, obtaining proper licenses and permits, complying with other legal requirements including those requirements relevant to SLAMCI's own operations, and submitting regular reports to various government agencies;
- f. Accounting, bookkeeping, clerical and other administrative services in the ordinary conduct of the Fund's activities, other than those services provided by the custodian, independent accountants, auditors and legal counsel;
- g. Carrying out due diligence with respect to any broker through whom the Fund deals in the conduct of its investment operations. Counterparties will be screened on the basis of financial soundness and execution and research capabilities.

- h. Perform all obligations and ensure continuous compliance with the qualifications set out in the Investment Company Act, its Implementing Rules and Regulations and other applicable laws.
  - i. Act as the Fund's Sponsoring Entity for FATCA purposes and undertake to perform the following activities:
    - i. Act on behalf of the Fund to fulfill applicable registration requirements on the IRS FATCA registration website;
    - ii. Register as a sponsoring entity with the IRS on the IRS FATCA registration website;
    - iii. Register the Fund pursuant to applicable registration requirements on the IRS FATCA registration website on or before the later of December 31, 2015 and the date that is 90 days after the incorporation of the Fund;
    - iv. Perform on behalf of the Fund, all due diligence, withholding, reporting, and other requirements that the Fund would have been required to perform if it were a Reporting Philippine Financial Institution;
    - v. Identify the Fund and include the identifying number (i.e., Global Intermediary Identification Number or GIIN) of the Fund in all reporting completed on the Fund's behalf; and,
    - vi. Maintain its status as sponsor and inform the Fund at the soonest should there be any change thereon.
2. In addition to the foregoing, SLAMCI shall provide and maintain the following:
- a. Office space and other administrative facilities as the Fund shall reasonably require in the ordinary conduct of its business.
  - b. A staff of executive officers and other trained personnel for the performance of its functions under the preceding Section.
  - c. Consultants and other persons or firms to furnish to SLAMCI statistical and other information and advice regarding economic factors and trends, including information with respect to technical and scientific developments, and such other information, advice, and assistance as SLAMCI may desire, including investment management and other related duties. The engagement of consultants and other persons shall be for the account of SLAMCI.

- d. Sales staff of its own or of other companies or persons for the sale of the Fund's securities. The engagement of sales staff shall be for the account of SLAMCI.
  - e. SLAMCI may delegate or outsource any of its functions with other parties necessary in the operation of SLAMCI and of the Fund. Such delegation or outsourcing should be compliant with applicable rules such as the Implementing Rules of the Investment Company Act. SLAMCI shall continue to perform oversight responsibility over the appointment of a delegate or outsource and shall undertake the necessary measures, if, upon proper finding, the appointment of a delegate or outsource, is not in the interest of the Fund and its shareholders and/or unitholders.
3. SLAMCI and the Fund agree to the following investment procedures:
- a. SLAMCI may, without need of prior approval of or prior notification to the Fund, purchase and sell securities and otherwise make or dispose of investments for the Fund's account, within the limits of the investment objective, policies, or guidelines which the Fund's Board of Directors may from time to time prescribe and subject to the provisions of the Investment Company Act and registration statements of the Fund.
  - b. Negotiate, enter into, purchase, sell and/or execute Derivatives transactions; open, maintain and close accounts, complete on-boarding forms, provide financial and other information (including disclosures), receive investment and other disclosures, negotiate, approve, issue, amend, enter into, exchange, execute and/or deliver trade tickets and confirmations (electronic or otherwise) (collectively, "Confirmations") and carry out related activity to, with or from such counterparties, futures commission merchants, brokers or other Parties ("Counterparties") as Investment Manager reasonably considers necessary or appropriate to facilitate Derivatives transactions.
  - c. Negotiate, approve, amend, enter into, terminate, execute and/or deliver such agreements with Counterparties as Investment Manager reasonably considers necessary or appropriate to facilitate Derivatives transactions and, if permitted by the Investment Guidelines, repurchase, reverse repurchase and securities lending transactions, including without limitation ISDA Master Agreements, Credit Support Annexes, Global Master Repurchase Agreements, Global Master Securities Lending Agreements, agreements with futures commission merchants, and agreements in respect of the custody, control and the management of collateral. The FUND acknowledge that it will be bound by the terms of the agreements and the related Confirmations, and that it may, upon request, obtain a copy of such documents from Investment Manager. Investment Manager will, from time to time, provide to the FUND a list of the representations and warranties, ongoing consents, disclosures and notifications that the FUND is required to make to Counterparties under such

agreements, and the FUND agrees to confirm the accuracy of the same and to promptly provide Investment Manager with the information necessary to respond to any such notification or disclosure or consent request on a timely basis.

- d. SLAMCI shall exercise due diligence and prudence in connection with the investment or re-investment of the Fund's assets; but except for willful misfeasance, bad faith, gross negligence or reckless disregard of its duties, SLAMCI shall not be liable for any loss or depreciation in the value of any assets of the Fund arising from any of such investments or re-investments, provided that SLAMCI acted in good faith and in accordance with the investment objective, policies or guidelines prescribed by the Fund's Board of Directors and other applicable laws.
  - e. The securities, as well as the appurtenant certificates and other evidences of title to assets within the investment portfolio of the Fund, shall be under the custody of a custodian, subject to the authority of SLAMCI to dispose of such securities pursuant to subparagraph (A) above, and, for this purpose, SLAMCI shall cause such securities, certificates and other evidences of title to assets to be delivered directly to the custodian. SLAMCI shall, either directly or through said custodians, take charge of the collection of interests, dividends or other payments on all securities owned by the Fund, and shall on behalf and for the benefit of the Fund, exercise any and all rights of the Fund appertaining to such securities such as the exercise of any pre-emptive rights, redemption rights, options, and others. SLAMCI may use voting rights for quorum purposes only. In the event of unusual circumstances, SLAMCI may request the Fund in writing for permission to exercise voting rights for any other specified purposes.
  - f. SLAMCI shall furnish the Fund, through its duly designated representatives, such periodic reports and accounting relating to the Fund's investments as the Board of Directors may from time to time reasonably direct.
4. SLAMCI may disburse funds of the Fund to cover payment for investments made by SLAMCI for Fund's account pursuant to Section 3 (A) above according to such signatory requirements as the Fund's Board of Directors may from time to time require. All other disbursements, including those in favor of SLAMCI (whether in payment of SLAMCI's fees, reimbursements or otherwise), shall be made only with the prior approval of the Fund and/or its duly authorized representatives. At meetings of the Fund's Board of Directors, an accounting shall be made of all disbursements from the last Board meeting, provided that if the Fund so requires, SLAMCI shall make reports of disbursements of Fund funds more often and in advance of meetings of the Fund's Board of Directors.

5. Pay for its own account the administrative penalties imposed upon the Fund to which it is managing especially in connection with the reporting requirements of the Investment Company to the Commission;
6. Pay for its own account the compensation for any valuation error or incorrect pricing of the net asset value ("NAV") when it is at fault.

## II. Fees, Remuneration and Other Expenses

1. The Fund agrees to pay to SLAMCI, as compensation for the latter's services and facilities, an **annual fee equivalent to 1.00% of assets under management exclusive of VAT.**

It is understood, however, that in no case may the total compensation to SLAMCI exceed any maximum limit prescribed under the Investment Company Act.

The following expenses shall be deemed covered by the compensation paid under this section and shall therefore be for the account of SLAMCI, to wit:

- a. Salaries, bonuses, allowances and other compensation of the personnel hired by SLAMCI to perform the services referred to in Section 2 (B) above, including the cost of bonding SLAMCI's salesmen, personnel and officers, as may be required by law or by rules and regulations of the Securities and Exchange Commission ("SEC");
  - b. Expenses of providing the office space and other administrative facilities referred to in Section 2 (A) above, including office rentals, cost of office equipment and supplies, cost of utilities, such as telephone, light and water facilities; and
  - c. All other operating expenses of the Fund, subject to the exceptions specified in the following paragraph (B) of this Section.
2. The following expenses shall be for the account of the Fund and shall be given priority in determining compliance by the Fund with the limitation on operational expenses set forth in Section 15 of the Investment Company Act:
    - a. Compensation of the officers and directors of the Fund;
    - b. Audit and legal fees;
    - c. Brokerage charges and other customary fees and charges in connection with the acquisition, appraisal and disposition of the Fund assets;

- d. Fees of the custodian and auxiliary custodians, to the extent not absorbed by buyers of the Fund's securities;
  - e. Cost of printing and mailing reports, notices, proxies and other communications to shareholders and/or unitholders of the Fund, except those borne by the custodian;
  - f. Fees and other expenses for the conduct of any meetings by the shareholders and/or unitholders or the Board of Directors;
  - g. Fees of transfer agents for the securities of the Fund and other transfer fees to the extent not absorbed by buyers of the Fund's securities;
  - h. Costs of the registration of the Fund and its securities with the SEC; and
  - i. Taxes, including income taxes, documentary and science stamps taxes, and license fees, to the extent not absorbed by buyers of the Fund's securities, including the cost of bonding the Fund's personnel and officers as may be required by law or by rules and regulations of the SEC.
3. SLAMCI may reduce its fees and/or pay expenses, including taxes, in order to reduce the Fund's aggregate annual operating expenses. Any reduction in management fees or payment of expenses and taxes made by SLAMCI is subject to reimbursement by the Fund such that its operating expenses do not exceed 10% per annum of its average daily net assets. This expense reimbursement terminates on the date on which payments made by the Fund equal the prior reduction in management fees and/or payment of reimbursable expenses by SLAMCI. These arrangements may be revised or discontinued by SLAMCI at any time.

### **III. Restrictions, Prohibitions and Liabilities of the Fund Manager**

The restrictions, prohibitions and liabilities set out in the Investment Company Acts, its Implementing Rules and Regulations and other applicable laws shall apply to the Fund Manager.

### **IV. Term of the Engagement and Manner of Termination**

1. This Agreement shall remain **in effect for a period of two (2) years from January 22, 2024**. Thereafter, this Agreement shall continue in effect from year to year, provided that:
  - a. Such continuance is approved annually by the Board of Directors of the Fund and SLAMCI, or by a vote of the shareholders representing the

majority of the outstanding capital shareholders representing a majority of the outstanding voting securities of the Investment Company;

- b. The contract may be terminated at any time, without penalty, by the Board of Directors, and the termination period shall not be more than sixty (60) days from the written notice to the investment adviser; and
- c. There is automatic termination in case of assignment or transfer by the investment adviser.

**V. Reporting Obligations of the Fund Manager**

The Fund Manager shall be responsible for the preparation and submission of the following reports:

Reports	Due Date
SEC Form ICA-AR	Within 105 calendar days after the end of the fiscal year
SEC Form ICA-QR	Within 45 calendar days after the end of the first three quarters of each fiscal year
SEC Form ICA-IA (Current Report)	Within 5 calendar days after the occurrence of the event report
SEC Form ICA-CO/CIS-T	Not later than 30 calendar days after the discontinuation of employment/affiliation with the company by the CO/CISol
SEC Form ICA-CO	Within 7 calendar days from the date of the occurrence of the event
SEC Form ICA-CIS	Within 7 calendar days from the date of the occurrence of the event
Annual Audited Financial Statements	Based on yearly Memo Circular on the schedule of filing based on the last digit of the entity's SEC registration number
General Information Sheet	Within 30 days after the annual/actual shareholder's meetings. Amended GIS containing new information - Within seven (7) days after such change in GIS information occurred or became effective.
Other reports as may be required by regulators and other stakeholders	Within the deadline set by the regulators and other stakeholders

**VI. Validity and Separability**

Nothing herein contained shall be deemed to require the Fund to take any action contrary to its charter, or any applicable law or regulation, or to deprive the Board of Directors of its primary responsibility for and control of the conduct of the affairs of the Fund. The invalidity or subsequent amendment of any of the provisions herein shall not affect the validity of the rest of the Agreement.

**VII. Inspections and Audit Records**

SLAMCI shall maintain accurate and appropriate records and accounts of all investments, receipts, disbursements, and other transactions entered into by SLAMCI pursuant hereto, and all accounts, books and records relating thereto shall be open at all reasonable times to inspection and audit by any person or persons duly authorized by the Fund or any proper government agency.

IN WITNESS WHEREOF, we have hereunto signed these presents, on the date and at the place written below.

**SUN LIFE OF CANADA PROSPERITY  
BALANCED FUND, INC.**

By:

[Signature Box]

**BENEDICTO C. SISON**  
Chairman

[Signature Box]

**VALERIE N. PAMA**  
President

**SUN LIFE ASSET MANAGEMENT COMPANY,  
INC.**

By:

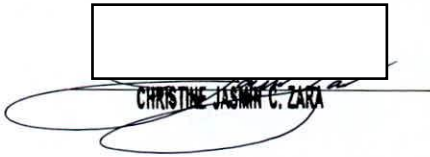
[Signature Box]

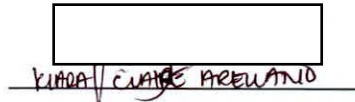
**GERALD L. BAUTISTA**  
President

[Signature Box]

**DINO S. MACASAET**  
Head, Strategic Development, Training, and  
Marketing

SIGNED IN THE PRESENCE OF:

  
CHRISTINE JASMIN C. ZARA

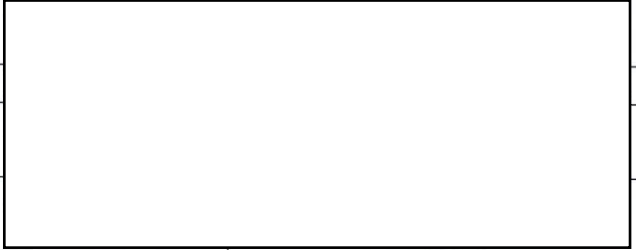
  
KIANA/ EUANNE PREWANO

REPUBLIC OF THE PHILIPPINES)  
TAGUIG CITY ) S.S.

**MAKATI CITY**

ACKNOWLEDGMENT


BEFORE ME, a Notary Public for and in Taguig City personally appeared:

Name	Passport No.	Date & Place of Issue
BENEDICTO C. SISON		
VALERIE N. PAMA		
GERALD L. BAUTISTA		
DINO S. MACASAET		

known to me and to me known to be the same persons who have executed the foregoing document, consisting of ten (10) pages, including the page on which this acknowledgment appears and acknowledged to me that the same is their free and voluntary act and deed and of the corporation represented.

WITNESS MY HAND and seal this JAN 22 2024 at CITY OF MAKATI

Doc. No. 143 ;  
Page No. 34 ;  
Book No. IV ;  
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. Pto Del Pilar, Makati City

## MARKETING AND DISTRIBUTION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Marketing and Distribution Agreement is made and entered into by and between:

**SUN LIFE OF CANADA PROSPERITY BALANCED FUND, INC.**, a corporation organized and existing under Philippine laws, with office address at Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive, Bonifacio Global City, 1634, Taguig City, represented herein by its Chairman, Mr. Benedicto C. Sison, and its President, Ms. Valerie N. Pama (hereinafter called the "FUND");

and

**SUN LIFE ASSET MANAGEMENT COMPANY, INC.**, likewise a corporation organized and existing under Philippine laws, with office address at Sun Life Centre, 5<sup>th</sup> Avenue corner Rizal Drive, Bonifacio Global City, 1634, Taguig City, represented by its President, Mr. Gerald L. Bautista and its Head - Strategic Development, Training, and Marketing Mr. Dino S. Macasaet (hereinafter called "SLAMCI");

WITNESSETH:      That -

**WHEREAS**, the Fund requires a Mutual Fund Distributor to offer for sale the shares and/or units of the Fund through its registered representatives and dealers.

**WHEREAS**, SLAMCI is an investment management company with a valid Investment Company License engaged in the management and distribution of the SLAMCI mutual funds. SLAMCI does not distribute securities of any fund managed by a different Fund Manager.

**WHEREAS**, the Fund appoints SLAMCI as the Mutual Fund Distributor and SLAMCI accepts such appointment.

**NOW, THEREFORE**, in consideration of the foregoing premises and the mutual covenants hereinafter contained, the parties have hereunto agreed as follows:

**I. Duties, Responsibilities and Extent of Services of Principal Distributor**

1. Subject to the supervision of the Fund's Board of Directors, SLAMCI shall be the exclusive principal distributor of the shares and/or units of the Fund; without prejudice to the right of the Fund to distribute its shares and/or units as may be allowed by law.
2. SLAMCI as principal distributor of the shares and/or units of the Fund should use its best efforts to sell such shares and/or units, provided, however, that:
  - a. SLAMCI shall, upon request of the Fund, suspend its efforts to effectuate sales of such shares and/or units at any time when in the opinion of the Fund no sales should be made because of market or other economic considerations or abnormal circumstances of any kind; and
  - b. The Fund may withdraw the offering of its shares and/or units (i) at any time with the consent of SLAMCI; or (ii) without such consent when so required by the provisions of any statute or of any order, rule or regulation of any governmental body having jurisdiction. It is mutually understood and agreed that SLAMCI does not undertake to buy or sell any or any specific portion of the shares and/or units of the Fund.
  - c. SLAMCI shall distribute and sell shares and/or units of the Fund at a public offering price equal to the sum of (i) the net asset value per share "NAVPS") or the net asset value per unit ("NAVPU") computed in the manner set forth in Rule 8 of the Implementing Rules and Regulations of the Investment Company Act, and (ii) the sales commission payable to SLAMCI, computed in accordance with the procedure set forth in subparagraph (II) below or the most recent prospectus of the Fund, unless otherwise lowered by SLAMCI. SLAMCI may fix the portion of its sales commission or sales charge to be allowed to third parties such as dealers and other brokers and (iii) collections shall be deposited to SLAMCI bank accounts that are listed in the account opening forms. Once these collections are matched and reconciled with the transaction summary order submitted by the client, it will then be processed and be allocated with the corresponding shares or units for the specified funds to which the clients will invest and will be transferred to the respective collection accounts of the Fund.
  - d. SLAMCI may hire its own sales force and/or use the services of mutual fund dealers to distribute the shares and/or units of the Fund subject to compliance with applicable laws. SLAMCI may delegate or outsource any of its functions with other parties necessary in the operation of SLAMCI and of the Fund. Such delegation or outsourcing should be

compliant with applicable rules such as the Implementing Rules of the Investment Company Act. SLAMCI shall continue to perform oversight responsibility over the appointment of a delegate or outsource and shall undertake the necessary measures, if, upon proper finding, the appointment of a delegate or outsource, is not in the interest of the Fund and its shareholders or unitholders.

- e. SLAMCI undertakes to comply with all applicable laws in the carrying out of its responsibilities under this Agreement including, but not limited to, complying with the Suitability Rule in recommending to a prospective investor the purchase or sale of shares and/or units of the Fund as mentioned in the Implementing Rules and Regulations of the Investment Company Act.

## II. Fees, Remuneration and Other Expenses

1. The Fund agrees to pay to SLAMCI, as compensation for the latter's services and facilities, **an annual fee equivalent to 1.00% of assets under management exclusive of VAT.**
2. The following expenses shall be deemed covered by the sales commission and shall therefore be for the account of SLAMCI, to wit:
  - a. Commission and other compensation due to dealers and other selling personnel;
  - b. Compensation of the executive and clerical personnel of the administrative, accounting and sales departments;
  - c. Costs of establishing and maintaining sales offices; and,
  - d. Transportation and communication charges.
3. Investors of the fund may choose to buy shares and/or units of the Fund on a "front-end" (Option A) or a "back-end" (Option B) basis as described below. SLAMCI reserves the right to lower the charge or assume any applicable tax.

OPTION A - FRONT-END	
PESO FUNDS	Sales Load Rate (Excluding VAT)
Less than P100k	Up to 2.00%
P100k to less than P1M	Up to 1.50%
P1M to less than P5M	Up to 1.00%
P5M and up	Up to 0.50%

OPTION B - BACK-END	
Redemption on	Deferred Sales Charge based on market value at the time of redemption (Excluding VAT)
1 <sup>st</sup> year	Up to 5.00%
2 <sup>nd</sup> year	Up to 4.00%
3 <sup>rd</sup> year	Up to 3.00%
4 <sup>th</sup> year	Up to 2.00%
5 <sup>th</sup> year	Up to 1.00%
Beyond 5 years	None

**III. Restrictions or Prohibitions on the performance of its functions**

1. SLAMCI agrees that it will not sell any shares of capital stock and/or units of the Fund to SLAMCI's officers, directors, managers, employees, sales representatives or consultants at a price below the public offering price in effect at the time of sale, but may refund the sales charge on such shares and/or units sold provided that such shares and/or units were held longer than three (3) months.
2. SLAMCI, its officers, directors or consultants may purchase shares and/or units of the Fund only at the price at which such shares and/or units are available to the public at the moment of purchase, if such purchase be made for investment purposes only; provided, that the above provision shall not be deemed to prohibit the refund of the sales charge from purchases made of the Fund's shares and/or units to SLAMCI's officers, directors or consultants if such shares and/or units are held for a period of at least three (3) months; provided, finally, that in instances where the sale to buyers of shares and/or units of the Fund is canceled or rescinded, *i.e.*, when the checks paid in by such buyers are not honored upon presentation, the Custodian shall be forthwith instructed to effect the resale of such shares and/or units and such transactions shall be deemed to be for the account and risk of SLAMCI.

**IV. Term of the Engagement and Manner of Termination**

1. This Agreement shall remain **in effect for a period of two (2) years from January 22, 2024**. Thereafter, this Agreement shall continue in effect from year to year, provided that:

- a. Such continuance is approved annually by the Board of Directors of the Fund and SLAMCI, or by a vote of the shareholders representing the

majority of the outstanding capital shareholders representing a majority of the outstanding voting securities of the Investment Company;

- b. The contract may be terminated at any time, without penalty, by the Board of Directors, and the termination period shall not be more than sixty (60) days from the written notice to the investment adviser; and,
- c. There is automatic termination in case of assignment or transfer by the investment adviser.

**V. Undertaking to Employ or Appoint a Certified Investment Solicitor**

SLAMCI undertakes to employ or appoint at least one (1) registered Certified Investment Solicitor.

**VI. Reporting Obligations of the Mutual Fund Distributor**

The Mutual Fund Distributor shall be responsible for the preparation and submission of the following reports:

Reports	Due Date
SEC Form ICA-CO/CIS-T	Not later than 30 calendar days after the discontinuation of employment/affiliation with the company by the CO/CISol
Other reports as may be required by regulators and other stakeholders	Within the deadline set by the regulators and other stakeholders

**VII. Validity and Separability**

Nothing herein contained shall be deemed to require the Fund to take any action contrary to its charter or any applicable law or regulation, or to deprive the Board of Directors of its primary responsibility for and control of the conduct of the affairs of the Fund. The invalidity or subsequent amendment of any of the provisions herein shall not affect the validity of the rest of the Agreement.

**VIII. Inspections and Audit Records**

SLAMCI shall maintain accurate and appropriate records and accounts of all receipts, disbursements and other transactions entered into by SLAMCI pursuant hereto, and all accounts, books and records relating thereto shall be open at all reasonable times to inspection and audit by any person or persons duly authorized by the Fund or any proper government agency.

IN WITNESS WHEREOF, we have hereunto signed these presents, on the date and at the place written below.

**SUN LIFE OF CANADA PROSPERITY  
BALANCED FUND, INC.**

[Signature Box]

**BENEDICTO C. SISON**  
Chairman

[Signature Box]

**VALERIE N. PAMA**  
President

**SUN LIFE ASSET  
MANAGEMENT COMPANY, INC.**

[Signature Box]

**GERALD L. BAUTISTA**  
President

[Signature Box]

**DINO S. MACASAET**  
Head, Strategic Development, Training, and  
Marketing

SIGNED IN THE PRESENCE OF:

[Signature Box]  
CHRISTINE JASMIN C. ZARA

[Signature Box]  
KIMBERLY ANNE ARDUANA

REPUBLIC OF THE PHILIPPINES)  
TAGUIG CITY **CITY OF MAKATI** ) S.S.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in Taguig City personally appeared:

Name	Passport No.	Date & Place of Issue
BENEDICTO C. SISON		
VALERIE N. PAMA		
GERALD L. BAUTISTA		
DINO S. MACASAET		

known to me and to me known to be the same persons who have executed the foregoing document, consisting of seven (7) pages, including the page on which this acknowledgment appears and acknowledged to me that the same is their free and voluntary act and deed and of the corporation represented.

WITNESS MY HAND and seal this JAN 22 2024 at CITY OF MAKATI.

Doc. No. 164 ;  
Page No. 34 ;  
Book No. IV ;  
Series of 2024.

**ATTY. GERVAZIO B. ORTIZ JR.**  
Notary Public City of Makati  
Until December 31, 2024  
IBP No. 05726, 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

COVER SHEET

A 1 9 9 9 0 8 7 1 3

SEC Identification Number

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

B A L A N C E D F U N D , 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 City/Town/Province)

Dino S. Macasaet

(Contact Person)

8-555-8888

(Company Telephone Number)

SEC FORM 17-C

0 5

Month Day (Fiscal Year)

1 0

(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

To be accomplished by SEC Personnel concerned

File Number

\_\_\_\_\_

LCU

Document ID

\_\_\_\_\_

Cashier

STAMPS

# 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. 5<sup>th</sup> Ave., Bonifacio Global City, Taguig City, on oath state:

- 1) That I have caused the preparation of **17Cs Re: Disclosure of the latest information affecting the Fund's Prospectus** on behalf of SLAMCI / 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 Asset Management Company, Inc. and 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.

IN WITNESS WHEREOF, I have hereunto set my hand this 10 day of May 2024.

Dino S. Macasaet  
Head, Strategic Development, Training and Marketing

**MAY 10 2024** **MAKATI CITY**

SUBSCRIBED AND SWORN to me before this 10 day of May 2024, in Taguig City, Philippines.

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

Doc. No. 709  
Page No. 63  
Book No. 78  
Series of 2024.

**ATTY. ROMEO R. MONDRI**  
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. VD-2027570 Issued April 3, 2023  
161 Urban Ave. Compost Rueda Bldg.  
Bgy. Pio Del Pilar, Makati City



**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 of Canada Prosperity Balanced Fund, Inc.**

Issuer

A rectangular box with a black border, used to redact the signature of the authorized representative.

Date: 10 May 2024

**Dino S. Macasaet**

**Head, Strategic Development, Training and Marketing**

Signature and Title

COVER SHEET

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SEC Identification Number

SUN LIFE OF CANADA PROSPERITY
BALANCED FUND, INC.

(Company's Full Name)

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

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

Dino S. Macasaet

(Contact Person)

8-555-8888

(Company Telephone Number)

SEC FORM 17-C

05 14

Month Day
(Fiscal Year)

(Form Type)

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

# 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. 5<sup>th</sup> Ave., Bonifacio Global City, Taguig City, on oath state:

- 1) That I have caused the preparation of **17Cs Re: (1) Amendments on the Product Highlight Sheet (2) Announcement made to the public on the updated Product Highlight Sheet** on behalf of SLAMCI / 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 Asset Management Company, Inc. and 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.

IN WITNESS WHEREOF, I have hereunto set my hand this 14 day of May 2024.

[Redacted Signature]

Dino S. Macasaet  
Head, Strategic Development, Training and Marketing  
**MAY 14 2024** **MAKATI CITY**

SUBSCRIBED AND SWORN to me before this 14 day of May 2024, in Taguig City, Philippines.

Name	Government ID No.	Date of Issue	Place of Issue
Dino S. Macasaet	P [Redacted]		

Doc. No. 446  
Page No. 82  
Book No. 28  
Series of 2024.

**ATTY ROMEO M MONFORT**  
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 Dei Pilar, Makati City



**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 of Canada Prosperity Balanced Fund, Inc.**

Issuer

Date: 14 May 2024



**Dino S. Macasaet**

**Head, Strategic Development, Training and Marketing**

Signature and Title

Annex A

Fund	Title	Changes	
		FROM	TO
Sun Life of Canada Prosperity Balanced Fund, Inc.	<b>Product Highlight Sheet Date</b>	November 2023	March 2024
	<b>Benchmark</b>	50% Philippine Stock Exchange Index (PSEi) + 45% Bloomberg Philippine Sovereign Bond Index 1 to 5 Years	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
	<b>Date Rendered Effective</b>	To be determined once final Prospectus has been approved.	30 September 2019
	<b>Fund Manager</b>	Sun Life Asset Management Company, Inc. (SLAMCI)	Sun Life Asset Management Company, Inc., (SLAMCI) outsourced to Sun Life Investment Management and Trust Corporation (SLIMTC) via an Investment Management Agreement (IMA)
	<b>Custodian</b>	<b>Citibank N.A.</b> 8741 Paseo de Roxas, Makati City 1200  <b>Hong Kong and Shanghai Banking Corporation</b> 7th Floor, HSBC Centre 3058 Fifth Avenue West Bonifacio Global City, Taguig City  <b>Standard Chartered Bank</b> Standard Chartered Bank Building 6788 Ayala Avenue, Legazpi Village, Makati City, Philippines	<b>Citibank Philippines</b> 34th Street, Bonifacio Global City, Taguig, 1634  <b>Philippine Depository &amp; Trust Corp.</b> 29th Floor, BDO Equitable Tower 8751 Paseo de Roxas, Makati City 1226  All other assets which by their nature cannot be held in custody by the Custodian will be reported to the Independent Oversight Entity in compliance with the requirements of SEC Memorandum Circular Number 33 Series of 2020.
	<b>Independent Auditor</b>	Navarro Amper & Associates / Deloitte Touche Tohmatsu	Navarro Amper & Company / Deloitte Touche Tohmatsu
	<b>Law Firm</b>	Romulo Mabanta Buenaventura Sayoc & De Los Angeles Law Office	NMGRA Law
	<b>External Audit Fee</b>	PHP 218,400 (excluding VAT) Professional Fee (PF) + 4% of PF for Out-of Pocket Expenses.	[Year 2023] Php 266,805.00 (excluding VAT) Professional Fee (PF) + 4% of PF for Out-of Pocket Expenses.
	<b>Director's Fee</b>	The Fund incurred a total Independent Directors' per diem of PHP 329,823.63 for 2018.	For year 2023, the total Independent Director's per diem is Php 254,740.26
	<b>Period to Receive Payments</b>	T+4	T+3
	<b>Net Asset Value</b>	The Fund Manager (SLAMCI) shall compute and post the net asset value per unit of the Fund on a daily basis and shall: - Publish such daily prices in at least two (2) newspapers of general circulation in the Philippines; - Upload in its industry association website; and	The Fund Manager (SLAMCI) shall compute and post the net asset value per unit of the Fund on a daily basis and shall: - Publish such daily prices in at least two (2) newspapers of general circulation in the Philippines, which may be done through industry organization/s; or - Upload daily in its website or industry association, through digital portals such as its website or social media accounts; or post them daily in a conspicuous place at the principal office of the investment company as well as in all its branches or correspondent offices which are designated redemption centers.
	<b>Fund Performance</b>	As of November 2023	As of March 2024
	<b>Initial Value</b>	None	0.9531

COVER SHEET

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SEC Identification Number

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

B A L A N C E D F U N D , 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 City/Town/Province)

Dino S. Macasaet

(Contact Person)

8-555-8888

(Company Telephone Number)

SEC FORM 17-C

1 0 0 1

Month Day (Fiscal Year)

(Form Type)

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

# CERTIFICATION

I, Dino S. Macasaet, Head, Strategic Development, Training and Marketing of Sun Life of Canada Prosperity Bond Fund, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number A199908713 and with principal office at 8th Floor, Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, on oath state:

- 1) That I have caused the preparation of **17Cs Re: Disclosure of the latest information affecting the Fund's Prospectus** on behalf of Sun Life Asset Management Company, Inc. / Sun Life of Canada Prosperity Balanced Fund, Inc.;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That Sun Life Asset Management Company, Inc. and Sun Life of Canada Prosperity Balanced Fund, Inc. 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/s designated by the companies pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the companies in their online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand this 01 day of October 2024.

01 OCT 2024

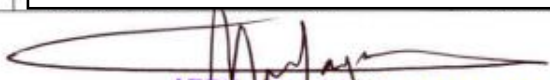
Dino S. Macasaet  
Head, Strategic Development, Training and Marketing

01 OCT 2024

SUBSCRIBED AND SWORN to me before this \_\_\_ day of October 2024, in Taguig City SUBCITY Philippines.

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

Doc. No.   ;  
Page No.   ;  
Book No.   ;  
Series of 2024.

  
**ATTY. HILARIO A. UNTAYAO**  
Not. Com. Expires 31 December 2025  
Roll No. 83825, RP No. 380061 (2024)  
PTR No. 5561573 (2024-Quezon City)  
MCLE No. VIII-000096 (Until 2025)  
26 Columbia St., Cubao, Quezon City





### Certification

I, Jeanemar S. Talaman, 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-C to be prepared on behalf of Sun Life of Canada Prosperity Balanced Fund, Inc.;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company Sun Life of Canada Prosperity Balanced Fund, 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.

IN WITNESS WHEREOF, I have hereunto set my hand this 24<sup>th</sup> day of May, 2024.

Jeanemar S. Talaman  
Treasurer

**MAY 24 2024**

**MAKATI CITY**

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, in \_\_\_\_\_ City, affiant exhibiting his/her government issued identification card:

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

Doc. No. 403  
 Page No. 82  
 Book No. 29  
 Series of 2024.

**ATTY ROMEO M. MONFORT**  
 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 Puenta Bldg.  
 Brgy. Pio Del Pilar, Makati City

# COVER SHEET

**A199908713**

S.E.C. Registration Number

S	U	N	L	I	F	E	O	F	C	A	N	A	P	R	O	S	P	E	R	I	T	Y	
B	A	L	A	N	C	E	D	F	U	N	D	I	N	C	.								

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 )

<b>Jeanemar S. Talaman</b>
----------------------------

Contact Person

<b>8555-8888</b>
------------------

Company Telephone Number

1	2	3	1
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Month      Day

Fiscal Year

<b>SEC Form 17-C</b>
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FORM TYPE

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Month      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	
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

\_\_\_\_\_ LCU

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Document I.D.

\_\_\_\_\_ Cashier

STAMPS
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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. **24 May 2024**  
Date of Report (Date of earliest event reported)
2. SEC Identification Number **A199908713**
3. BIR Tax Identification No. **204-583-064-000**
4. **Sun Life of Canada Prosperity Balanced Fund, 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, 5<sup>th</sup> 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 April 2024)
<b><u>Common (Unclassified)</u></b>	<b><u>1,897,961,063</u></b>

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

On September 27, 2023, the Company reported to the Honorable Commission of a breach in the aggregate investment percentage issued by a single business group over the Fund's total net assets under SM Investment Corporation. The said breach was rectified on May 8, 2024 as a result of the movement of market value of the shares over net asset value, and prior selling activity.

The following is the aggregate investment percentage on September 21, 2023 and May 08, 2024.

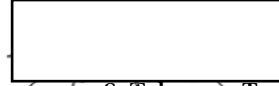
Issuer's Name	Total Market Value as of 21 September 2023	Net Asset Value as of 21 September 2023	% Over Net Asset Value	Total Market Value as of 08 May 2024	Net Asset Value as of 08 May 2024	% Over Net Asset Value
BDO UNIBANK, INC. (BDO)	P 328,318,226	P 6,687,845,434	4.91%	P 356,851,685	P 6,573,106,586	5.43%
SM INVESTMENTS CORPORATION (SM)	521,923,981	6,687,845,434	7.80%	528,065,562	6,573,106,586	8.03%
SM PRIME HOLDINGS, INC. (SMPH)	446,457,994	6,687,845,434	6.68%	372,158,485	6,573,106,586	5.66%
SM DEVELOPMENT CORPORATION (SMDC)	56,829,000	6,687,845,434	0.85%	56,772,000	6,573,106,586	0.86%
<b>TOTAL - SINGLE BUSINESS GROUP</b>	<b>P 1,353,529,202</b>	<b>P 6,687,845,434</b>	<b>20.24%</b>	<b>P 1,313,847,732</b>	<b>P 6,573,106,586</b>	<b>19.99%</b>

The reported breach is part of the Exemptive Relief (ER) regarding the twenty percent (20%) single business group ("SBG") limit under Section 2 of SEC Memorandum Circular (MC) No. 15, series of 2020 (Rules on Investment in Financial Derivatives) filed in August 2023 with the Honorable Commission, pending resolution.

**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 of Canada Prosperity Balanced Fund, Inc.  
Issuer



Jeanmar S. Talamat, Treasurer  
Signature and Title

Date: 24 May 2024



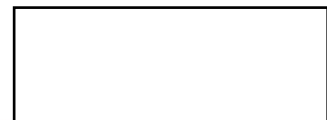
**Sun Life**  
Asset Management

### Certification

I, Jeanemar S. Talaman, 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-C to be prepared on behalf of Sun Life of Canada Prosperity Balanced Fund, Inc.;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company Sun Life of Canada Prosperity Balanced Fund, 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.

IN WITNESS WHEREOF, I have hereunto set my hand this 24<sup>th</sup> day of September 2024.



Jeanemar S. Talaman  
Treasurer

SEP 24 2024

MAKATI CITY

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, in \_\_\_\_\_ City, affiant exhibiting his/her government issued identification card:

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

Doc. No. 305  
Page No. 62  
Book No. 39  
Series of 2024.

**ATTY ROMEO M. MONFORT**  
Notary Public City of Makati  
Until December 31, 2025  
Appointment No. MA-2024-0024 (2025)  
PTR No. 0072902 Jan 2, 2021 Makati City  
IBI No. 191330 Jan 3, 2014 Pasig / Rizal City  
MCLR NO. VII-0027570 Issued April 3, 2023  
101 Urban Ave. Campos Rueda Bldg.  
Brgy. Pio Del Pilar, Makati City

# COVER SHEET

**A199908713**

S.E.C. Registration Number

S	U	N	L	I	F	E	O	F	C	A	N	A	D	A	P	R	O	S	P	E	R	I	T	Y
B	A	L	A	N	C	E	D	F	U	N	D	I	N	C	.									

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 )

<b>Jeanemar S. Talaman</b>
----------------------------

Contact Person

<b>8555-8888</b>
------------------

Company Telephone Number

1	2
---	---

Month

3	1
---	---

Day

Fiscal Year

<b>SEC Form 17-C</b>
----------------------

FORM TYPE

--	--

Month

--	--

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

--

Total No. of Stockholders

Total Amount of Borrowings	
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

\_\_\_\_\_ LCU

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Document I.D.

\_\_\_\_\_ Cashier

STAMPS
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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. 24 September 2024  
Date of Report (Date of earliest event reported)
2. SEC Identification Number A199908713
3. BIR Tax Identification No. 204-583-064-000
4. Sun Life of Canada Prosperity Balanced Fund, 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, 5<sup>th</sup> 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 August 2024)
<u>Common (Unclassified)</u>	<u>1,810,235,101</u>

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

As of period ended September 19, 2024, percentage of the investments in aggregate issued by any single business group over the total net assets of the Fund passively exceeded the limit with respect to the investments under SM Investment Corporation. The passive breach was due to the price increase movement or rise in market value of securities over net asset value. The passive breach was not a result of any active purchases of SM Investment-related securities. The breach was rectified on September 20, 2024 but recurred the following business day, September 23, 2024. The Fund will closely monitor the breach and will report once cured.

The following is the aggregate investment percentage on September 19, 2024 and September 20, 2024.

Issuer's Name	Total Market Value as of 19 September 2024	Net Asset Value as of 19 September 2024	% Over Net Asset Value	Total Market Value as of 20 September 2024	Net Asset Value as of 20 September 2024	% Over Net Asset Value
BDO UNIBANK, INC. (BDO)	P 383,491,698	P 6,581,012,310	5.83%	P 382,535,360	P 6,625,086,036	5.77%
SM INVESTMENTS CORPORATION (SM)	502,603,412	6,581,012,310	7.64%	505,622,718	6,625,086,036	7.63%
SM PRIME HOLDINGS, INC. (SMPH)	377,414,177	6,581,012,310	5.73%	370,133,364	6,625,086,036	5.59%
SM DEVELOPMENT CORPORATION (SMDC)	56,772,000	6,581,012,310	0.86%	56,772,000	6,625,086,036	0.86%
<b>TOTAL - SINGLE BUSINESS GROUP</b>	<b>P 1,320,281,287</b>	<b>P 6,581,012,310</b>	<b>20.06%</b>	<b>P 1,315,063,442</b>	<b>P 6,625,086,036</b>	<b>19.85%</b>

The following is the aggregate investment percentage on September 23, 2024.

Issuer's Name	Total Market Value as of 23 September 2024	Net Asset Value as of 23 September 2024	% Over Net Asset Value
BDO UNIBANK, INC. (BDO)	P 389,707,898	P 6,688,746,084	5.83%
SM INVESTMENTS CORPORATION (SM)	516,179,768	6,688,746,084	7.72%
SM PRIME HOLDINGS, INC. (SMPH)	375,603,118	6,688,746,084	5.61%
SM DEVELOPMENT CORPORATION (SMDC)	56,772,000	6,688,746,084	0.85%
<b>TOTAL - SINGLE BUSINESS GROUP</b>	<b>P 1,338,262,784</b>	<b>P 6,688,746,084</b>	<b>20.01%</b>


The reported breach is part of the request for exemptive relief from application of SBG Limit filed in August 2023 with the Honorable Commission.

On 15 July 2024, we received the letter from the Honorable Commission dated 03 July 2024, informing us that the Commission en Banc, in its meeting last 02 July 2024, resolved to consider the issuance of policy circular on the application of the SBG Limit and in the meantime, the imposition of penalties relating to any breach by the SLAMCI Equity Laced Funds of the twenty percent (20%) SBG Limit shall be suspended from the effectivity date of SEC MC No. 15, series of 2020 until the issuance of the said Commission policy.

**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 of Canada Prosperity Balanced Fund, Inc.  
Issuer



Jeanemar S. Talaman, Treasurer  
Signature and Title

Date: 24 September 2024

## Certification

I, Jeanemar S. Talaman, 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-C to be prepared on behalf of Sun Life of Canada Prosperity Balanced Fund, Inc.;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company Sun Life of Canada Prosperity Balanced Fund, 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.

IN WITNESS WHEREOF, I have hereunto set my hand this 2<sup>nd</sup> day of October 2024.

Jeanemar S. Talaman  
Treasurer

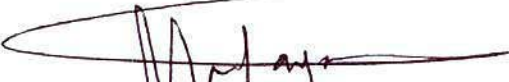
02 OCT 2024

QUEZON CITY

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, in \_\_\_\_\_ City, affiant exhibiting his/her government issued identification card:

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

Doc. No. 154  
Page No. 37  
Book No. 11  
Series of 2024.

  
**ATTY. HILARIO A. UNTAYAO**  
 Not. Com. Expires **31 December 2025**  
 Roll No. 83825 - IBP No. 380061 (2021)  
 PTR No. 5561573 (2024-Quezon City)  
 MCLE No. VIII-0000996 (Until 2025)  
 26 Columbia St., Cubao, Quezon City

# COVER SHEET

**A199908713**

S.E.C. Registration Number

S	U	N	L	I	F	E	O	F	C	A	N	A	P	R	O	S	P	E	R	I	T	Y	
B	A	L	A	N	C	E	D	F	U	N	D	I	N	C	.								

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 )

<b>Jeanemar S. Talaman</b>
----------------------------

Contact Person

<b>8555-8888</b>
------------------

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

<b>SEC Form 17-C</b>
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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	
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

\_\_\_\_\_ LCU

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Document I.D.

\_\_\_\_\_ Cashier

STAMPS
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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. **02 October 2024**  
Date of Report (Date of earliest event reported)
2. SEC Identification Number A199908713
3. BIR Tax Identification No. 204-583-064-000
4. **Sun Life of Canada Prosperity Balanced Fund, 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, 5<sup>th</sup> 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 September 2024)
<b><u>Common (Unclassified)</u></b>	<b><u>1,769,677,452</u></b>

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

On September 25, 2024, the Company reported to the Honorable Commission of a breach in the aggregate investment percentage issued by a single business group over the Fund's total net assets under SM Investment Corporation. The said breach was rectified on September 30, 2024 as a result of the movement of market value of the shares over net asset value, and prior selling activity.

The following is the aggregate investment percentage on September 23, 2024 and September 30, 2024.

Issuer's Name	Total Market Value as of 23 September 2024	Net Asset Value as of 19 September 2024	% Over Net Asset Value	Total Market Value as of 30 September 2024	Net Asset Value as of 30 September 2024	% Over Net Asset Value
BDO UNIBANK, INC. (BDO)	P 389,707,898	P 6,688,746,084	5.83%	P 377,753,668	P 6,596,528,964	5.73%
SM INVESTMENTS CORPORATION (SM)	516,179,768	6,688,746,084	7.72%	498,598,873	6,596,528,964	7.56%
SM PRIME HOLDINGS, INC. (SMPH)	375,603,118	6,688,746,084	5.61%	371,209,373	6,596,528,964	5.62%
SM DEVELOPMENT CORPORATION (SMDC)	56,772,000	6,688,746,084	0.85%	56,772,000	6,596,528,964	0.86%
<b>TOTAL - SINGLE BUSINESS GROUP</b>	<b>P 1,338,262,784</b>	<b>P 6,688,746,084</b>	<b>20.01%</b>	<b>P 1,304,333,914</b>	<b>P 6,596,528,964</b>	<b>19.77%</b>

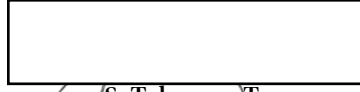
The reported breach is part of the request for exemptive relief from application of SBG Limit filed in August 2023 with the Honorable Commission.

On 15 July 2024, we received the letter from the Honorable Commission dated 03 July 2024, informing us that the Commission en Banc, in its meeting last 02 July 2024, resolved to consider the issuance of policy circular on the application of the SBG Limit and in the meantime, the imposition of penalties relating to any breach by the SLAMCI Equity Laced Funds of the twenty percent (20%) SBG Limit shall be suspended from the effectivity date of SEC MC No. 15, series of 2020 until the issuance of the said Commission policy.

**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 of Canada Prosperity Balanced Fund, Inc.  
Issuer



Jeanemar S. Talamán, Treasurer  
Signature and Title

Date: 02 October 2024

## **sunlife\_sec\_communications**

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**From:** noreply-cifssost@sec.gov.ph  
**Sent:** Tuesday, April 8, 2025 7:00 PM  
**Subject:** SEC eFast Initial Acceptance

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

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Greetings!

**SEC Registration No:** A199908713

**Company Name:** SUN LIFE OF CANADA PROSPERITY BALANCED FUND INC.

**Document Code:** SEC\_Form\_17-L

This serves as temporary receipt of your submission.  
Subject to verification of form and quality of files of the submitted report.  
Another email will be sent as proof of review and acceptance.

Thank you.

### **REMINDER:**

**TO ALL FILERS OF REPORTS IN THE e-FAST**

Please strictly follow the instruction stated in the form.

Filings not in accordance with the prescribed template for the following reports will be automatically reverted by the system to the filer.

1. General Information Sheet (GIS-Stock)
2. General Information Sheet (GIS-Non-stock)
3. General Information Sheet (GIS- Foreign stock & non-stock)
4. Broker Dealer Financial Statements (BDFS)
5. Financing Company Financial Statements (FCFS)
6. Investment Houses Financial Statements (IHFS)
7. Publicly – Held Company Financial Statement
8. General Form for Financial Statements
9. Financing Companies Interim Financial Statements (FCIF)
10. Lending Companies Interim Financial Statements (LCIF)

Per Section 18 of SEC Memorandum Circular No. 3 series of 2021, the reckoning date of receipt of reports is the date the report was initially submitted to the eFast, if the filed report is compliant with the existing requirements.

A report, which was reverted or rejected, is considered not filed or not received. A notification will be sent to the filer, stating the reason for the reports rejection in the remarks box.

**SECURITIES AND EXCHANGE COMMISSION**

SEC Headquarters, 7907 Makati Avenue,  
Salcedo Village, Barangay Bel-Air, Makati City,  
1209, Metro Manila, Philippines

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THIS IS AN AUTOMATED MESSAGE - PLEASE DO NOT REPLY DIRECTLY TO THIS EMAIL



# 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:** DONNA ENCARNADO

**Receipt Date and Time:** April 08, 2025 07:00:15 PM

## Company Information

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**SEC Registration No.:** A199908713

**Company Name:** SUN LIFE OF CANADA PROSPERITY BALANCED FUND INC.

**Industry Classification:** J67000

**Company Type:** Stock Corporation

## Document Information

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**Document ID:** OST10408202583154899

**Document Type:** Notice of Inability to File AR or QR

**Document Code:** SEC\_Form\_17-L

**Period Covered:** December 31, 2024

**Submission Type:** As needed

**Remarks:** None

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

### Certification

I, Jeanemar S. Talaman, 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 7th day of April 2025.

Jeanemar S. Talaman  
Affiant

APR 07 2025

MAKATI CITY

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, 2025, in \_\_\_\_\_ City, Philippines. Affiant exhibiting his/her government issued identification card:

Name	Government ID No.	Valid Until	Place of Issue
Jeanemar S. Talaman			

Doc. No. 275  
Page No. 56  
Book No. 57  
Series of 2025.

**ATTY. ROMEO M. MONFORT**  
 Notary Public City of Makati  
 Until December 31, 2025  
 Appointment No. M-032 (2024-2025)  
 PTR No. 10466008 Jan. 2 2025/Makati City  
 IBP No. 488534 Dec. 27, 2024  
 MCLE NO. VII-0027570 Roll No. 27932  
 101 Urban Ave. Campos Rueda 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, 2024

Date of this report April 07, 2025

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 A199908713 2. BIR Tax Identification No. 204-583-064-000

3. Sun Life of Canada Prosperity Balanced Fund, 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. 8F Sun Life Centre 5th Avenue cor 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 [  ]

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, 2024 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 of Canada Prosperity Balanced Fund, Inc.**

Registrant's full name as contained in charter



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

Date: **April 07, 2025**