

SEC Number: **CS201517778**

File Number: _____

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(Company's Full Name)

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

(Company's Address)

8555-8888

(Telephone No.)

December 31

(Fiscal Year Ending)
(Month & Day)

SEC FORM 17-A ANNUAL REPORT

Form Type

Amendment Designation (If applicable)

December 31, 2021

Period Ended Date

OPEN-END INVESTMENT COMPANY

Secondary License Type and File Number

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended December 31, 2021
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698-000
4. Exact name of registrant as specified in its charter

Sun Life Prosperity Dollar Wellspring Fund, Inc.

5. Metro Manila, Philippines Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:

7. Sun Life Centre, 5th Avenue cor. Rizal Drive, Bonifacio Global City, Taguig City 1634
Address of principal office Postal Code

8. (02) 8555-8888
Registrant's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of December 31, 2021) |
|---|---|
| <u>Common Shares, PHP1.00 Par Value</u> | <u>5,980,379 shares</u> |

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

Yes No

11. Check whether the registrant:

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

Yes No

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

Yes No

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

The Sun Life Prosperity Dollar Wellspring 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 September 4, 2015 under SEC Registration No. CS201517778.

Sun Life Asset Management Company, Inc. ("SLAMCI"), a wholly owned subsidiary of Sun Life of Canada (Philippines), Inc. ("SLOCPI"), acts as the Fund Manager and Principal Distributor. The Fund aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities. For 2021, income of the Fund is composed of the following:

| | |
|--|--------|
| Trading Gains | 97.55% |
| Dividend income | 1.78% |
| Interest Income from fixed-income securities | 0.66% |
| Interest Income from cash in banks | 0.01% |
| Miscellaneous Income | 0.01% |

Incorporation

The Fund was incorporated on September 4, 2015 with 6,000,000 authorized shares with a par value of 1.00. The SEC approved the registration on March 22, 2016.

Approved changes

On September 7, 2015, the shareholders approved the blanket increase of the Fund's authorized share capital up to 100,000,000,000 shares with a par value of P1.00 per share. The increase will be implemented by the Chairman of the Board of Directors and President of SLAMCI acting jointly in tranches.

On September 21, 2017, the Chairman of the Board of Directors of the Fund and the President of SLAMCI jointly authorized the increase in Authorized Capital Stocks by Four Million Pesos (P4,000,000) divided into Four Million (4,000,000) shares at a par value of P1 per share. This increases the authorized capital stock from P6,000,000 divided into 6 million shares to P10,000,000 divided into 10 million shares.

In April 2018, requirements were already provided to SEC based on the evaluator's initial comments.

On July 25, 2018, the SEC approved the additional 4 Million shares increase in authorized capital stock, from 6 Million shares to 10 Million shares at a par value of P1.00 per share.

On September 18, 2018, the SEC received the registration statement filed by the Fund to register the approved 4,000,000 shares.

On October 23, 2019, SEC approved the registration statement for the 4,000,000 shares increase.

Stock Dividend

On March 13, 2018, the Board of Directors approved the declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of April 30, 2018, and payout date of July 20, 2018. Said declaration is conditional on the shareholders' approval during the stockholder's meeting on July 18, 2018.

Subsequently, on June 29, 2018, the Board of Directors approved the amendment of the dates of the declaration of stock dividends equivalent to 2% of the outstanding shares for stockholders of record to July 31, 2018, for payout on September 28, 2018.

On September 21, 2018, it was reported to the SEC that a declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of July 31, 2018, and payout date of September 28, 2018, or any reasonable date after approval of SEC on the stock dividend declaration has been obtained.

On October 26, 2018, 4,001,401 shares or 69.48% of the outstanding capital stock as at September 28, 2018 were present in person or by proxy; and by majority of the Board of Directors present, the declaration of 2% stock dividends to shareholders of record as of September 28, 2018 has been approved. The Board unanimously approved to move the dividend payout date from December 21, 2018 to October 26, 2018.

On October 7, 2019, 4,041,260 shares or 67.95% of the outstanding capital stock as at September 5, 2019 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 0.50% stock dividends to shareholders of record as of October 8, 2019 has been approved. The payout date was on October 9, 2019.

On November 13, 2020, 4,196,301 shares or 70.39% of the outstanding capital stock as at September 30, 2020 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 1.88% stock dividends to shareholders of record as of November 26, 2020 has been approved. The payout date was on November 27, 2020.

On November 12, 2021, 4,191,633 shares or 69.24% of the outstanding capital stock as at September 30, 2021 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 1.58% stock dividends to shareholders of record as of November 25, 2021 has been approved. The payout date was on November 26, 2021.

Current state

As at December 31, 2021, the Fund has 5,980,379 issued and outstanding shares out of the 10,000,000 ACS with a par value of P1.00 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 sixteen (16) 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 financial assets carried either at fair value or at amortized cost. From January 1, 2018, the Fund has applied PFRS 9 and classifies its financial assets at fair value through profit or loss and at amortized cost.

The Fund does not have financial assets classified as fair value through other comprehensive income. 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 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 the risk of possible decline in the value of the Fund due to fluctuations in prices of the fund's assets. Since the Fund may invest in both equity and fixed income securities, it is subject to two types of market risks: (1) Interest Rate Risk applicable to fixed income investments of the Fund; and (2) Equity Price Risk applicable to the equity investments of the Fund.

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

Equity 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.

Liquidity Risk: The Funds are usually able to service redemptions of investors within 7 business days after receiving the notice of redemption by paying out redemptions from available cash or cash equivalents. When redemptions exceed these liquid holdings, the Funds will have to sell less-liquid assets, and during periods of extreme market volatility, the Funds may not be able to find a buyer for such assets. As such, the Funds may not be able to generate enough cash to pay for the redemptions within the normal 7-day period. To mitigate this risk, the Fund maintains adequate highly liquid assets in the form of cash, cash equivalents and near cash assets in its portfolio.

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

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

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

To mitigate this risk, the Fund will only invest in securities that are domiciled in a country that is regulated by a credible regulatory authority.

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

Geographic Concentration Risk: Some Funds may invest a relatively large portion of their assets in issuers located in a single country, a small number of countries, or a particular geographic region. As a result, the performance of these Funds could be closely tied to the market, currency, economic, political, regulatory, geopolitical or other conditions in such countries or region, and could be more volatile than the performance of funds with more geographically-diversified holdings. The Fund manages this risk by complying with the exposure limits determined by the investment manager.

Passive Management Risk: Some Funds may invest in other mutual funds that are not actively managed, such as index funds. Passively managed funds would not sell a security if the security's issuer was in financial trouble, unless the security is removed from the applicable index being replicated. The passively managed fund must continue to invest in the securities of the index, even if the index is performing poorly. That means the passively managed fund won't be able to reduce risk by diversifying its investments into securities listed on other indices. As a result, the performance of a passively managed fund may differ significantly from the performance of an actively managed fund. This may in turn affect the performance of a Fund that invests in such passively managed fund.

Underlying Fund Risk: Some Funds may pursue its investment objectives indirectly by investing in shares of other mutual funds, including exchange-traded funds, in order to gain access to the strategies pursued by those underlying funds. There can be no assurance that any use of such multi-layered fund of fund structures will result in any gains for a Fund. If an underlying fund that is not traded on an exchange suspends redemptions, a Fund will be unable to value part of its portfolio and may be unable

to redeem shares. Underlying funds that are traded on an exchange are subject to the following risks that do not apply to conventional mutual funds: (i) an exchange-traded fund's units often trade on the exchange at a premium or discount to the net asset value of such units; (ii) an active trading market for an exchange-traded fund's units may not develop or be maintained, and (iii) there is no assurance that the exchange-traded fund will continue to meet the listing requirements of the exchange. The Fund manages this risk by conducting comprehensive due diligence on the underlying funds as well as their respective investment managers.

Dilution Risk: Being an open-end mutual fund, various investors may effectively subscribe to any amount of shares of the Fund. You then face the risk of your investments being diluted by the shares of the other investors of the Fund. The influence that the investors can exert over the control and management of the Fund decreases proportionately. 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 any single investor can exercise control of the Fund.

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.

Non-Guarantee: Unlike deposits made with banks, an investment in the Fund is neither insured nor guaranteed by the PDIC. You carry the risk of losing the value of your investment, without any guarantee in the form of insurance. Moreover, as with any investment, it is important to note that past performance of the Fund does not guarantee its future success.

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

Operational Risk: This is the risk of loss resulting from inadequate or failed internal processes, controls, people and systems. Categories of operational risks may fall under: sales and distribution, human resources, information technology, processes and people, accounting and finance, model risk, legal and regulatory and third party relationships. The Fund ensures that 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: Given its investment objective - provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities – the Fund is classified as a balanced investment.

Item 2. Properties

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

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

Item 3. Legal Proceedings

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

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

During the Annual Stockholders' Meeting held on 14 July 2021, and the continuation thereof on 10 September 2021. Due to the failure to meet the required quorum of majority of the outstanding capital stock, the Fund failed to elect members of the Board of Directors. Thus, the current set of directors shall continue to serve on a holdover capacity for the term 2021 - 2022.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

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

1. Market Information

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

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

| | 2021 | | 2020 | |
|----|--------|--------|--------|--------|
| | High | Low | High | Low |
| Q1 | 1.2318 | 1.1719 | 1.1546 | 0.9456 |
| Q2 | 1.2204 | 1.1863 | 1.1153 | 0.9955 |
| Q3 | 1.2354 | 1.2057 | 1.1845 | 1.1096 |
| Q4 | 1.2329 | 1.1825 | 1.2021 | 1.1546 |

The Fund's NAVPS is published daily through Business World, PSE Website, Philippine Daily Inquirer 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) | 1.4480% |
| 3 Year - Simple | 23.3526% |
| 5Year - Simple | 26.0124% |

2. Holders

The Fund has approximately 697 shareholders as of December 31, 2021.

On 7 March 2013, SEC *en banc* approved the confidential treatment of the list of Top 20 shareholders of the Fund, including the 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, 2021.

| % Ownership of Institutional Investors | % Ownership of Retail Investors |
|--|---------------------------------|
| 17.71% | 82.29% |

| Area | Percentage of Investments |
|----------|---------------------------|
| LUZON | 94% |
| VISAYAS | 4% |
| MINDANAO | 2% |
| TOTAL | 100% |

3. Dividends

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 other factors. 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.

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. Stock dividends of 0.50%, 1.88% and 1.58% were declared in 2019, 2020 and 2021, respectively to the stockholders of record, as determined by the Company.

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. 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 Net Assets Value per Share (NAVPS.)** NAVPS is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding plus the total number of shares outstanding due to deposit for future subscriptions (DFFS) and 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).** The assets under the Fund's disposal. This measures the profitability of the Fund (increase/decrease brought about by its operational income) as well as investor confidence (increase/decrease brought about by investor subscriptions/redemptions).
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
- Fair value through other comprehensive income (FVTOCI); and
- Amortized cost

As at December 31, 2021 and 2020, the Fund does not have financial assets classified as FVTOCI.

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 Fund'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 period in which it arises. Interest income from these financial assets is included in finance income.

The business model reflects how the Fund manages the assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Fund in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Amortized cost and effective interest method

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

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

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than POCI financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

FINANCIAL MARKETS REVIEW (2021)

INVESTMENT APPROACH

The Sun Life Prosperity Dollar Wellspring Fund is a multi-asset fund that aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities. The fund ended 2021 with an equity exposure of 30.08% while 69.92% was in cash and fixed income. For the equity sleeve, preferred geographical positions were USA and Europe ex-UK. For the fixed income sleeve, duration was kept underweight versus benchmark.

PERFORMANCE REVIEW

Global equities (MSCI All-Country World Index) continued its strong performance, generating total returns of 19.05% in 2021 as the global economy reopened. Major central banks were instrumental in the recovery as they implemented a range of crisis monetary policies (bond buying programs, interest rate/reserve requirement cuts, etc.) to keep financial conditions easy and stimulate economic activity. Governments also acted swiftly, borrowing aggressively to finance their COVID response and economic rehabilitation programs. While these measures facilitated the sharp rebound in aggregate demand, it also resulted in wider budget deficits and higher debt levels in almost all countries. Nonetheless, fiscal spending was instrumental in restoring consumer confidence and rebooting spending patterns. Despite these strong measures, the recovery remained uneven, with developed markets leading the way due to higher vaccination rates, more coordinated covid response and aggressive stimulus programs. Emerging market returns were challenged, as both pandemic response and economic outcomes lagged their DM peers.

On the other hand, global fixed income (Bloomberg Global Aggregate Index) suffered a decline of -4.71% for the year. Inflation spiked to multi-year highs due to global supply chain disruptions, commodity price increases and shifting consumption patterns. Initially, the Federal Reserve (FED) dismissed these pressures as 'transitory', keeping monetary policy accommodative and prioritizing full employment. But as inflation persisted and became more embedded in the economy, the FED had to change its stance to a more hawkish one. Speculation on how aggressive FED tightening would be drove yields higher, impacting bond prices. Other central banks followed suit as they had to contend with similar bouts of inflationary pressures in their respective markets.

For the year, the fund delivered a 1.44% return increasing its NAVPS to \$1.1123/share.

OUTLOOK

Moving into 2022, we see a continuation of the uneven global recovery, an accelerated central bank tightening cycle and geopolitical tensions as key headwinds for the market. Headline growth will likely moderate, though still remain above historical levels as stimulus effects soften, and base effects kick in. Given these risks, we are cautiously optimistic about this year's prospects and have rebalanced the portfolio towards more defensive outlets.

Markets which lagged the COVID-19 recovery story, such as emerging Asia and Japan can play catch-up in terms of growth numbers. We prefer exposure to regions with relatively stronger household balance sheets, and above-trend earnings prospects. Global asset flows may continue towards more defensive and value-oriented sectors of the market.

An unlikely, but still possible, delay in the FED's tightening cycle in the form of a new COVID outbreak or material deceleration in price pressures, could reverse the trend and facilitate the continuation of the strong equity market rally we've seen in the past few years.

For global equities, we expect the MSCI All Country World index to end the year at ~732 and EPS to grow by 8%. For global bonds, the bell weather 10-year U.S. Treasury yield is expected to hit 2.3% as the FED's quantitative easing program is removed and interest rates are hiked to anchor inflation expectations.

FINANCIAL STATEMENT ANALYSIS

Material Changes in the 2021 Financial Statements

Statement of Financial Position and Statements of Changes in Equity – 31 December 2021 and 31 December 2020

| For the Period Ended | 31-Dec-21 | 31-Dec-20 | Movement | Percentage (%) | MDAS |
|---|------------------|------------------|--------------------|----------------|---|
| | Audited | Audited | | | |
| Cash in banks | \$ 441,657 | \$ 475,438 | (\$ 33,781) | -7.11% | Liquidity requirements were met. |
| Financial assets at fair value through profit or loss | 6,713,668 | 7,283,361 | (569,693) | -7.82% | The decrease was due to unrealized losses incurred which was partly offset with the net acquisition of investments in global mutual funds during the year. |
| Accrued interest receivable | 2,937 | 1,173 | 1,764 | 150.38% | Collection of interest depends on the scheduled interest payments of each asset. |
| Due from brokers | 20,000 | - | 20,000 | 100.00% | 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. |
| Total Assets | 7,178,262 | 7,759,972 | (581,710) | -7.50% | |
| Accrued expenses and other payables | 3,433 | 4,685 | (1,252) | -26.72% | Recorded payables for professional fees, custodian fees and withholding taxes have decreased compared to prior year. |
| Payable to fund manager | 10,492 | 11,086 | (594) | -5.36% | The decrease was due to lower average AUM for the month of December 2021 compared with the average AUM of the same month in prior year. |
| Due to brokers | - | 50,000 | (50,000) | -100.00% | 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. |
| Income tax payable | 13 | 68 | (55) | -80.88% | Lower net taxable income resulted to lower tax payable for the year. |
| Total Liabilities | 13,938 | 65,839 | (51,901) | -78.83% | |
| Share capital | 142,732 | 140,801 | 1,931 | 1.37% | New issuances of shares and stock dividends declared during the year. |
| Additional paid in capital | 6,372,630 | 6,361,847 | 10,783 | 0.17% | |
| Retained earnings | 1,264,913 | 1,191,485 | 73,428 | 6.16% | Net income for the period partly offset with the stock dividend declared. |
| Treasury Shares | (615,951) | - | (615,951) | -100.00% | Due to reissuance of treasury shares during the year. |
| Net Assets | 7,164,324 | 7,694,133 | (529,809) | -6.89% | Decrease is due to reissuance of treasury shares and partly offset with net income, new issuances of shares. |
| Net Assets Value per Share | \$ 1.1980 | \$ 1.2022 | \$ (0.0042) | -0.35% | |

There were no known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in increasing or decreasing the Fund's liquidity in any material way. There was no contingent liability reflected in the accompanying audited financial statements.

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

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

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

Statement of Comprehensive Income for the Years Ended – 31 December 2021 and 31 December 2020

| For the Period Ended | 31-Dec-21 | 31-Dec-20 | Movement | Percentage (%) | MDAS |
|--|------------------|-------------------|---------------------|----------------|--|
| | Audited | Audited | | | |
| Investment Income | \$ 827,634 | \$ 132,033 | \$ 695,601 | 526.84% | The increase mainly pertains to higher trading gains realized upon disposal of equity securities and higher interest income earned compared with prior year. |
| Investment Expense | 265 | 1,207 | (942) | -78.04% | Dependent on the percentage of the amount of stock trading as sold and purchased for the period. |
| Operating Expenses | 154,043 | 145,931 | 8,112 | 5.56% | This is due to the increase in management fees brought by higher average AUM and directors' fees which was partly offset with lower custodianship fees incurred during the year. |
| Net Unrealized Gains (Losses) on Investments | (599,786) | 611,533 | (1,211,319) | -198.08% | Due to impact of unfavorable market condition of foreign investments during the year. |
| Provision for Income Tax | 112 | 316 | (204) | -64.56% | Income tax under MCIT and final taxes of interest income earned from fixed income investments. |
| Net Investment Income | \$ 73,428 | \$ 596,112 | \$ (522,684) | 87.68% | |

Average daily net asset value in 2021 and in 2020 is \$7,356,865 and \$6,789,133, 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, 2021. There were no significant elements of income or loss that did not arise from the Fund's continuing operations.

There were no changes in estimates of amount reported in the current financial year or changes in estimates of amounts reported in prior financial years.

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

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

The Fund is governed by the following fundamental investment policies:

1. As a Fund-of-Funds, the Fund shall be subject to the following:
 - a. The Fund shall invest more than fifty percent (50%) of net assets in more than one (1) collective investment scheme;
 - b. The Target Fund shall not be a Feeder Fund;
 - c. The Target Funds are CIS established by another fund manager/s, asset management company/ies or fund operator/s;
 - d. The Target Fund shall provide ample protection to the investors of the Fund-of-Funds. If the Target Fund is a foreign fund, it shall have assessed to have broadly implemented the IOSCO Principles relevant to collective investment schemes;
 - e. The Target Fund publishes Quarterly/Semi-Annual and Annual Reports
 - f. Investment limit of fifteen percent (15%) in non-collective investment scheme or entity;
 - g. The investment objectives of the Target Fund is aligned with that of the Fund-of-Funds;
 - h. The Fund-of-Funds is compliant with Rule 6.10 of the Implementing Rules and Regulations of the Investment Company Act;
 - i. The Target Fund is supervised by a regulatory authority, as follows:
 - i. A local Target Fund shall either be registered with the Commission or approved by the Bangko Sentral ng Pilipinas;
 - ii. A Target Fund constituted in another economy shall be orize/approved, as the case may be in its home jurisdiction by a regulatory authority that is an ordinary or associate member of the IOSCO
 - j. Investments in Target Funds shall be held for safekeeping by an institution registered/authorized/approved by a relevant regulatory authority to act as third party custodian.
2. The Fund shall not issue senior securities.
3. The Fund shall not incur any further debt or borrowing unless at the time of its incurrence or immediately thereafter there is an asset coverage of at least three hundred percent (300%) for all its borrowings. In the event that such asset coverage shall at any time fall below three hundred percent (300%), the Fund shall within three (3) days thereafter, reduce the amount of its borrowings to an extent that the asset coverage of such borrowings shall be at least three hundred percent (300%).
4. The Fund shall not participate in any underwriting or selling group in connection with the public distribution of securities, except its own capital stock.
5. The Fund will generally maintain a diversified portfolio. Geographic and asset allocations may vary at any time depending on the investment manager's overall view.
6. The Fund shall 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.
7. The Fund shall not purchase or sell commodity futures contracts.

8. The proportion of the Fund's assets that shall be invested in each type of security shall be determined from time to time, as warranted by economic and investment conditions.
9. Subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions.
10. The Fund may use various techniques to hedge investment risks.
11. The Fund will 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, 2021, 2020
2. Statements of Comprehensive Income, 2021, 2020, 2019
3. Statements of Changes in Equity, 2021, 2020, 2019
4. Statements of Cash Flows, 2021, 2020, 2019
5. Notes to Financial Statements

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

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

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

External Audit Services/Audit and Audit-Related Fees

For 2021 and 2020, 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 \$3,240 and \$3,444, 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 Mr. Melito S. Salazar, Jr. (independent director), Mr. Oscar Orbos (independent director), Ms. Rizalina G. Mantaring (2015-June 2018) and Mr. Benedicto C. Sison (July 2018 – present) as members. The Audit and Compliance Committee has considered and endorsed for the approval of the Board of Directors the external auditor's service fees, which were so approved.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers

1. Directors and Executive Officers

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

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

| | <i>Citizenship</i> | <i>Position</i> | <i>Age</i> | <i>Term of Office</i> | <i>Period Served</i> |
|---------------------------------|---------------------------|---|-------------------|---|-----------------------------|
| Benedicto C. Sison | Filipino and American | Director/President Director/Chairman | 61 | 2015 – June 2018 July 2018 - present | 4 terms 4 terms |
| Valerie N. Pama | Filipino | Director/President | 58 | March 2022 – present | |
| Aleli Angela G. Quirino | Filipino | Independent Director | 77 | 2018-present | 4 terms |
| Cesar Luis F. Bate | Filipino | Independent Director | 61 | November 2021 – present | |
| Cielito F. Habito | Filipino | Independent Director | 68 | 2019 - present | 3 terms |
| Sherwin S. Sampang | Filipino | Treasurer | 42 | November 2021 – present | |
| Jemilyn S. Camania | Filipino | Compliance Officer | 46 | April 2020 -present | 2 terms |
| Anna Katrina C. Kabigting-Ibero | Filipino | Corporate Secretary | 42 | April 2020 -present | 2 terms |
| Frances Ianna S. Canto | Filipino | Assistant Corporate Secretary | 33 | September 2020 - present | 2 terms |
| Ria V. Mercado | Filipino | Risk Officer | 46 | 2015-present | 7 terms |

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

BENEDICTO C. SISON

Chairman (2018 to present)

Director (2015 to 2018)

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 also the President of Sun Life Financial Philippine Holding Company, Inc. (December 2015 to present) and serves as the Director and Chairman of the seventeen 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 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., (September 2015 to present), Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc. (2017 to present), Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to present), and Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022). 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 Vice President of Sun Life Financial – Philippines Foundation, Inc., (September 2015 to present) where he also served as Trustee (September 2010 to September 2013). He is currently a Senior Advisor to the Board of Trustees of the Philippine Investment Funds Association (PIFA) and Treasurer of the Philippine Life Insurance Association (PLIA).

Prior to his current role, Mr. Sison served as the Chief Strategy and Financial Management Officer of Sun Life of Canada (Philippines), Inc. (April 2015 to 2018). He also served as Chief Financial Officer of Sun Life Financial Asia (November 2012 to March 2015), Director of Sun Life Hong Kong Limited (December 4, 2012 to May 14, 2015), Commissioner of PT. Sun Life Indonesia Services (February 21, 2013 to July 5, 2013) and

Commissioner of PT. Sun Life Indonesia (April 19, 2013 to April 23, 2015). He was also the Director/CFO and Treasurer of Sun Life Financial Philippine Holding Company, Inc. (September 2010 to December 2013), CFO and Treasurer of Sun Life Financial Plans, Inc. (September 2010 to December 2013), Director of Great Life Financial Assurance Corporation (July 2012 to September 2013) and Chief Financial Officer and Treasurer of Sun Life Asset Management Company, Inc. (September 2010 to June 2013) and Sun Life of Canada (Philippines), Inc. (September 2010 to October 2012). He also served as the Finance Director – Asia Pacific of Con-Agra International Food Group (September 2006 to August 2010).

He brings to the job a wealth of international finance experience gained primarily from ConAgra Foods, Inc., a multi-billion dollar global consumer products company. He held various positions with increasing responsibility in the areas of audit, financial control, planning and management in ConAgra's US, India and Asia-Pacific Operations. He was the Finance Director for the Asia Pacific Region, based in China, prior to joining Sun Life. Benedict also worked in the academe as well as in the aerospace, defense and public transit industries in the USA.

Mr. Sison is a Magna Cum Laude graduate of BS Business Administration from the University of the Philippines (1983). He earned his Master's degree in Business Administration, Major in Finance/Accounting (1988) from the Graduate School of Management of the University of California Riverside. He is a Certified Public Accountant (CPA) and is a member of the American Institute of CPAs.

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.

Currently, Ms. Pama is a Member and Trustee of Sun Life Financial-Philippines Foundation, Inc. (October 2020 to present), Member and Trustee of Filipina CEO Circle (2015 and 2018, respectively to present), Member of Management Association of the Philippines (2015 to present) and Financial Executives of the Philippines (2013 to present).

Ms. Pama is also the Chairman and Director of Grepalife Asset Management Corporation (December 2021 to present). She is the President and Director of seventeen (17) 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., and Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (March 2022 to present). She is also the Director of BESTSERVE Financial Ltd. (HKG) (January 2021 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 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 (AUM), 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 the Philippine Investment Funds Association (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 (2000 to present)

Atty. Aleli Angela G. Quirino, is an Independent Director of Sun Life of Canada Prosperity Balanced Fund, Inc. (2010 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 Dynamic Fund, Inc.; Sun Life Prosperity Dollar Starter Fund, Inc.; Sun Life Prosperity Achiever Fund 2028, Inc.; Sun Life Prosperity Achiever Fund 2038, Inc.; Sun Life Prosperity Achiever Fund 2048, Inc.; and Sun Life Prosperity World Equity Index Feeder Fund, Inc. (July 2021). 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 is currently an Of Counsel of Angara Abello Concepcion Regala & Cruz Law Offices (ACCRA Law). She also serves as Director of ELC Beauty, Inc./Estee Lauder Phils. (2002 to present), among others. She also serves as a Director of Neo Pacific Property Management Corporation (2007 to present). She is the Vice-Chairman (2015 – present) of the Board of Trustees and Immediate 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 (2012-present) and Vice-President for AIPPI of the Intellectual Property Association of the Philippines, Inc. (2012 to present). She is the Trustee-Treasurer (1998 to present) of the Intellectual Property Foundation, Inc. She is a Philippine Councillor of the Asian Patent Attorney Association (2004 to present). She is also the Immediate Past President of the ASEAN Intellectual Property Association (2017-2019) and the ASEAN Philippine Intellectual Property Association, Inc. (2015 to 2017). 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.

CIELITO F. HABITO

Independent Director (April 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 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 Dollar Wellspring Fund, Inc.; Sun Life Prosperity World Voyager Fund, Inc.; Sun Life Prosperity Achiever Fund 2038, Inc.; Sun Life Prosperity Achiever Fund 2048, Inc.; Sun Life of Canada Prosperity Bond Fund, Inc.; Sun Life Prosperity Peso Starter Fund, Inc. (July 2021); and Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022).

He is a Professor of Economics at the Ateneo de Manila University, where he is also a Senior Fellow and former Director (2001-2012) of the Ateneo Center for Economic Research and Development. He also serves as Chairman of Brain Trust Inc., Operation Compassion Philippines, and the Board of Advisers of the TeaM Energy Center for Bridging Leadership at the Asian Institute of Management; Independent Director of First Gen Corporation; Trustee of the Ramon Magsaysay Award Foundation and the Ramos Peace and Development Foundation; Independent Trustee of the Manila Water Foundation; and Member of the National Advisory Council of WWF-Philippines (also known as Kabang Kalikasan sa Pilipinas), JICA-Philippines Advisory Committee, and the World Bank Civil Society Advisory Group.

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 Chair at the Department of Economics of the University of the Philippines-Los Baños (UPLB). He had 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, *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.

CESAR LUIS F. BATE

Independent Director (November 2021 to present)

Mr. Cesar Luis F. Bate is an Independent Director of twelve (12) Sun Life Prosperity Funds namely: Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., and Sun Life Prosperity Achiever Fund 2028, Inc.

Currently, Mr. Bate is the Managing Director of LMN Advisors/Partners Inc. ("LMN"). He established the consultancy firm LMN in October 2006 after being a stockbroker for 20 years. Prior to LMN, Mr. Bate was head of the Philippine operations of Macquarie Securities Philippines from 2004 to 2006. From 1995 to 2004, he was President of Dutch-owned ING Securities Philippines which was the country's largest stock brokerage house for years under his ten-year tenure. Mr. Bate started his career as a stockbroker with the local house A&A Securities in 1987 and joined British-owned Baring Securities as Head of Philippine sales in 1992.

Bate is a registered and authorized salesman of A&A Securities, Inc. He is an Independent Director of RM Commercial REIT, Inc. (2021 to present) and Director of Acacia Lane, Inc. (1980 to present). He was also a Member of the Board of Trustees of Jose Rizal University (2007 to 2016).

Mr. Bate graduated with a Bachelor of Science in Management Engineering from Ateneo de Manila University in 1984.

SHERWIN S. SAMPANG

Treasurer (November 2021 – present)

Mr. Sherwin S. Sampang is the Treasurer of the Sun Life Prosperity Funds, i.e., the Sun Life Prosperity Dollar Abundance Fund, Inc.; Sun Life Prosperity Dollar Advantage Fund, Inc.; Sun Life of Canada Prosperity Balanced Fund, Inc.; Sun Life of Canada Prosperity Bond Fund, Inc.; Sun Life Prosperity Dynamic Fund, Inc.; Sun Life of Canada Prosperity Philippine Equity Fund, Inc.; Sun Life Prosperity GS Fund, Inc.; Sun Life Prosperity Peso Starter 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.; and Sun Life Prosperity Achiever Fund 2048, Inc.

Mr. Sherwin S. Sampang is Sun Life Philippines' Head of Financial Planning & Analysis (October 2021 to present). Concurrently, Mr. Sampang is the Treasurer of Sun Life Financial Plans, Inc. (October 2017 to present). He joined Sun Life as Head of Finance Systems, Processes and Internal Controls (September 2016 to October 2018). He later assumed the role of Head of Accounting and Controllership (November 2018 to September 2021).

Mr. Sampang has over 20 years of local and international experience in Finance and Audit. Prior to joining Sun Life, he was the Head of Finance of QBE Seaboard Insurance Philippines, Inc. His experience includes financial management leadership covering financial reporting, budgeting, forecasting, strategic planning, cost management, business process re-engineering, taxation and treasury. Prior to QBE Seaboard, he was a Director in the assurance practice of PwC Philippines and has acquired extensive international exposure from his 18-month secondment with Deloitte in Boston, MA, USA. He graduated with a degree in Bachelor of Science in Accountancy from Far Eastern University and attended the Management Development Program of the Asian Institute of Management. Mr. Sampang maintains active membership in the Philippine Institute of Certified Public Accountants (PICPA) and is currently a Board of Director of the Philippine Federation of Pre-Need Plan Companies, Inc.

JEMILYN S. CAMANIA

Compliance Officer and Data Protection Officer (April 2020 to present)

Atty. Jemilyn S. Camania is the Chief Compliance Officer of Sun Life of Canada (Philippines), Inc.; Sun Life Financial Plans, Inc.; Sun Life Asset Management Company, Inc.; Sun Life Financial – Philippines Foundation; and the sixteen Sun Life Prosperity Funds, i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Peso Starter Fund, Inc., Sun Life Prosperity Dynamic Fund, Inc., Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund,

Inc., Sun Life Prosperity World Equity Index Feeder Fund, Inc., Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., Sun Life Prosperity Achiever Fund 2048, Inc. (01 April 2020 to present), and Sun Life Prosperity Peso Voyager Feeder Fund, Inc, (January 2022).

Atty. Camania started at Sun Life of Canada (Philippines), Inc. as Assistant Counsel (2004 to 2007), Counsel (2007 to 2011), Senior Counsel (2011 to 2012), and Deputy General Counsel (2012 to 2020) and Head of General Corporate Services (2016 to 2020). She also served as Senior International Counsel for Sun Life Asia (2016 to 2020). She also served as Corporate Secretary of Sun Life of Canada (Philippines), Inc. (2010 to 2020); Sun Life Financial Plans, Inc. (2010 to 2020); Sun Life Asset Management Company, Inc. (2005 to 2020); Sun Life Financial Philippine Holding Company, Inc. (2012 to 2020); Sun Life Financial – Philippines Foundation (2012 to 2020); the sixteen Sun Life Prosperity Funds i.e., Sun Life of Canada Prosperity Balanced Fund, Inc., Sun Life of Canada Prosperity Bond Fund, Inc., Sun Life of Canada Prosperity Philippine Equity Fund, Inc., Sun Life Prosperity Dollar Abundance Fund, Inc., Sun Life Prosperity Dollar Advantage Fund, Inc., Sun Life Prosperity Dollar Starter Fund, Inc., Sun Life Prosperity GS Fund, Inc., Sun Life Prosperity Money Market Fund, Inc., (2005 to 2020), Sun Life Prosperity Dynamic Fund, Inc. (2012 to 2020), Sun Life Prosperity Philippine Stock Index Fund, Inc., Sun Life Prosperity Dollar Wellspring Fund, Inc., Sun Life Prosperity World Voyager Fund, Inc. (2015 to 2020), Sun Life Prosperity World Equity Index Feeder Fund, Inc., and Sun Life Prosperity Achiever Fund 2028, Inc., Sun Life Prosperity Achiever Fund 2038, Inc., and Sun Life Prosperity Achiever Fund 2048, Inc. (2018 to 2020); Grepalife Asset Management Corporation (2011 to 2020); the three Grepalife Mutual Funds i.e., Grepalife Balanced Fund Corporation, Grepalife Dollar Bond Fund Corporation and Grepalife Fixed Income Fund Corporation (2011 to 2020); and the Assistant Corporate Secretary of Sun Life Grepa Financial, Inc. (2011 to 2020). Prior to joining Sun Life, she worked as an Associate at the Cayetano Sebastian Ata Dado & Cruz Law Offices (2001 to 2004).

Atty. Camania received her Bachelor of Arts in Psychology (1992) and Bachelor of Laws (2001) degrees from the University of the Philippines (Diliman). She passed the Bar Examinations in 2002. She is also a Fellow, Life Management Institute (2010), Professional, Customer Service (with honors) (2011), and Associate, Insurance Regulatory Compliance (2014) of the Life Office Management Association (LOMA).

ANNA KATRINA C. KABIGTING-IBERO

Corporate Secretary (April 2020 to present)

Atty. Anna Katrina C. Kabigting-Ibero is the Corporate Secretary of the sixteen 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), 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). She is also the Corporate Secretary of Sun Life of Canada (Philippines), Inc., Sun Life Asset Management Company, Inc., Sun Life Financial Plans, Inc., Grepalife Asset Management Corporation, Sun Life Financial Philippine Holding Company, Inc., Sun Life Financial – Philippines Foundation, Inc., and Assistant Corporate Secretary of Sun Life Grepa Financial, Inc. (April 2020 to present). She was appointed as Corporate Secretary of Sun Life Investment Management and Trust Corporation last September 2020.

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

FRANCES IANNA S. CANTO

Assistant Corporate Secretary (September 2020 to present)

Atty. Frances Ianna S. Canto is the Assistant Corporate Secretary of the sixteen 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). 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).

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

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 Risk Officer of the sixteen 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., (2015-present), Sun Life Prosperity Peso Voyager Feeder Fund, Inc. (January 2022), 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 Risk Officer of Sun Life Asset Management Company, Inc., Grepalife Asset Management Corporation, Sun Life of Canada (Philippines), Inc., Sun Life Grepalife Financial, Inc. (July 2015 to present) and Sun Life Financial – Philippines Foundation, Inc. (December 2019 to present).

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

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

2. Incorporators

The following are the incorporators of the Company:

1. Rizalina G. Mantaring
2. Ma. Karenina M. Casas
3. Valerie N. Pama
4. Melito S. Salazar, Jr.
5. Oscar M. Orbos

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 to which any of the directors and executive officers of the Fund is a party of which any of their property is the subject.

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

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

Item 10. Executive Compensation

1. Compensation of Executive Officers.

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

2. Compensation of Directors.

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

The Fund’s directors who are not officers and/or employees of SLOCPI and/or SLAMCI (i.e., “Independent Directors”) receive a per diem for their attendance at regular or special meetings of the Board at the rate of PHP 20,000.00 per meeting per Independent Director (the Fund has three [3] Independent Directors). There are no other forms of compensation which such Independent Directors are entitled to receive for meetings attended, other than said per diem and a retainer’s fee not to exceed PHP 15,000.00 per quarter. Payment of such retainer’s fee shall be shared by the Fund with the other Sun Life Prosperity Funds which the Independent Director also serves, provided that each Independent Director shall receive only a maximum of PHP 15,000.00 per quarter from all the Sun Life Prosperity Funds combined. There are no standard arrangements, employment contracts, termination of employment, change-in-control or other arrangements with the directors. Such remuneration to be paid for by the Fund may be adjusted in the future as may be warranted by existing fund levels and other factors.

Total per diem received by the Fund’s directors for the year 2021 and 2020 are \$8,764 and \$7,608, respectively.

The Board had four (4) regular quarterly meetings for 2021, including the organizational board meeting after the annual shareholders’ meeting. For the four (4) meetings and with three (3) members of the Board who are external directors entitled to receive per diem, the Fund forecasts a total directors’ per diem of PHP 240,000 (approximately \$4,994) for the year 2022. The external directors are also forecasted to receive a total of PHP 15,070 (approximately \$314) as retainer’s fees for 2022.

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, 2021

| <i>Title of Class</i> | <i>Name of Record Owner/Relationship with Issuer</i> | <i>Address</i> | <i>Name of Beneficial Owner/Relationship with Record Owner</i> | <i>Citizenship</i> | <i>Number of Shares Held</i> | <i>Percent of Class</i> |
|-----------------------|---|---------------------------|--|--------------------|------------------------------|-------------------------|
| Common | SLAMCI 8 th Floor Sun Life Centre, 5 th Ave. Corner Rizal Drive, Bonifacio Global City, Taguig City | More than 5% owner | Both the Record (R) & Beneficial (B) Owner | Filipino | 780,771 | 13.06% |

On 7 March 2013, the SEC *en banc* approved the confidential treatment of the list of Top 20 shareholders of the Sun Life Prosperity Funds, including its the 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.

This list includes shareholders owning more than 5% of the Fund’s outstanding capital stock as of December 31, 2021, if any.

2. Security Ownership of Management as of December 31, 2021:

| Title of Class | Name of and Address of Record Owner | Relationship with Issuer | Name of Beneficial Owner & Relationship with Record Owner | Number of shares held | Percent of Class |
|----------------|-------------------------------------|--------------------------|---|-----------------------|------------------|
| Common | Benedicto C. Sison | 1 | Beneficial (B) and Record (R) | Filipino and American | 0.00% |
| Common | Candy S. Esteban | 1 | B & R | Chinese | 0.00% |
| Common | Aleli Angela G. Quirino | 1 | B & R | Filipino | 0.00% |
| Common | Cielito F. Habito | 1 | B & R | Filipino | 0.00% |
| Common | Cesar Luis F. Bate | 1 | B & R | Filipino | 0.00% |

The above individual owners can be reached at c/o the Corporate Secretary, 6th Floor, Sun Life Centre, 5th 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 following are the interlocking directors and officers of SLAMCI and the Fund:

| Director/Officer | Fund | SLAMCI |
|---------------------------------|--|--|
| Benedicto C. Sison | Chairman | Director |
| Jemilyn S. Camania | Compliance Officer and Data Protection Officer | Compliance Officer and Data Protection Officer |
| Sherwin S. Sampang | Treasurer | Treasurer |
| Anna Katrina C. Kabigting-Ibero | Corporate Secretary | Corporate Secretary |
| Frances Ianna S. Canto | Assistant Corporate Secretary | Assistant Corporate Secretary |
| Ria V. Mercado | Risk Officer | Risk Officer |

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

PART IV - CORPORATE GOVERNANCE

Item 13. Compliance with Leading Practice on Corporate Governance

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

Likewise, the Fund requires the directors to answer a Board Effectiveness Questionnaire to determine their outlook on current practices and further enhance their performance. Internal audit and

compliance units of the Fund also actively ensure that the Fund meets its regulatory and moral obligations to the government agencies and the general public, respectively.

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

Compliance with Foreign Account Tax Compliance Act (FATCA)

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

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

PART V – EXHIBITS AND SCHEDULES

A. Audited Financial Statements

1. Statements of Financial Position, 2021, 2020
2. Statements of Comprehensive Income, 2021, 2020, 2019
3. Statements of Changes in Equity, 2021, 2020, 2019
4. Statements of Cash Flows, 2021, 2020, 2019
5. Notes to Financial Statements

B. Reports on SEC Form 17-C

- SIGNATURE PAGE FOLLOWS –

SIGNATURES

Pursuant to the requirements of Section 11 of the RSA and Section 177 of the Revised Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of _____ on _____, 2022.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

Issuer

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

By:


Valerie N. Pama

Principal Accounting Officer/President



Gerald L. Bautista

Principal Operating Officer / SLAMCI President



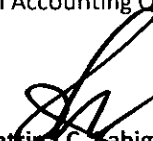
Candy S. Esteban

Principal Accounting Officer/CFO



Sherwin S. Sampang

Principal Financial Officer/Treasurer/Comptroller



Anna Katrina C. Kabigting-Ibero

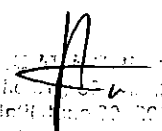
Corporate Secretary

MAY 12 2022 MAKATI CITY

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2022, affiants exhibiting their government issued identification cards, as follows:

| Name | Government ID No. | Date of Issue | Place of Issue |
|---------------------------------|--------------------------------|---------------|----------------|
| Valerie N. Pama | Passport No. P7158454B | 07/08/2021 | DFA Manila |
| Gerald L. Bautista | Passport No. P9687638B | 04/20/2022 | DFA Manila |
| Candy S. Esteban | Driver's License N02-95-277891 | 05/08/2018 | Quezon City |
| Sherwin S. Sampang | Passport No. P9427178A | 11/06/2018 | DFA NCR East |
| Anna Katrina C. Kabigting-Ibero | Driver's License N02-96-324358 | 08/30/2017 | Makati City |

Doc. No. 371
Page No. 72
Book No. 201
Series of 2022.


ATTEST: _____
Notary Public
Expiring 11/14/2022

Notary Public
1911 Alibon Road, 3rd Floor, Bldg. 1
Brgy. Pio Del Pilar, Makati City



This document contains key information clients of Sun Life Prosperity Dollar Wellspring 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.

| | | | | | |
|----------------------------------|--|---|---------------------------|-------------------------------|-------------------|
| Launch Date | May 5, 2016 | Fund Structure | Mutual Fund (Shares) | Minimum Holding Period | 180 days |
| Fund Size | USD 7,164,354.23 | Fund Classification | Multi-Asset Fund-of-Funds | Early Redemption Fee | 1.00% |
| Net Asset Value Per Share | 1.1980 | Minimum Subscription | USD 1,000 | Redemption Settlement | T+4 business days |
| Benchmark | 65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate | Minimum Subsequent Management and Distribution Fee | USD 200 | | |
| | | Transfer Agency Fee | 1.50% | | |
| | | | 0.15% | | |

What does the Fund invest in?

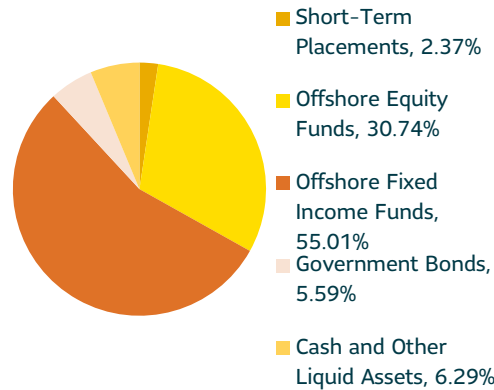
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g., savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

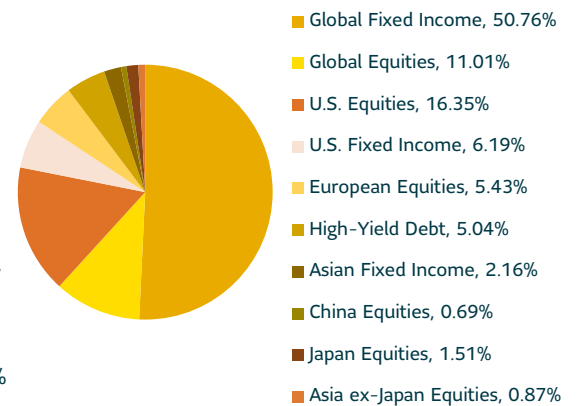
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 13.57%
2. PIMCO - Global Investors Series Income Fund, 12.18%
3. J.P. Morgan - Income Fund, 11.31%
4. J.P. Morgan - U.S. Select Equity Fund, 8.94%
5. J.P. Morgan - U.S. Aggregate Bond Fund, 5.30%

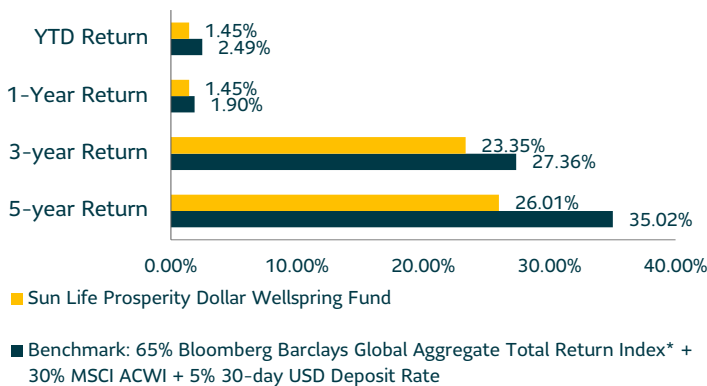
Investment Mix



Geographical Allocation



How has the Fund performed?



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

***Benchmark Effectivity Date:**

JP Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review and Outlook

- Global equities resumed their steady upward march after their November pull back, posting a 4.02% return while fixed income declined 0.14%. All major markets ended the year strongly, led by Europe at 5.53%, U.S. at 3.95%, China at 2.27%, and Asia ex-Japan at 1.28%.
- Supply chain bottlenecks and persistent inflation pressures continue to be the primary causes of concern for the markets. Another COVID-19 variant, Omicron, continues to spread in several countries, risking the momentum of the global economic recovery.
- A month after commencing its tapering program, the U.S. Federal Reserve announced that it is speeding up the reduction of its net asset purchases by USD 20 Billion for treasury securities and USD 10 Billion for mortgage-backed securities. The switch to a more hawkish stance was made to address broadening inflation pressures, currently at a four-decade high (6.8%). This acceleration increases the likelihood of a possible rate hike in 1H 2022.
- The Fund maintains an underweight duration versus its benchmark amid threats from stubbornly above-trend inflation and potential Fed policy rate hikes. The equity sleeve is postured defensively with the Fund biased towards its in-house picks of U.S. and European large-cap outlets.
- The Fund has gained 1.45% year-to-date, lagging the benchmark (+2.49%) by 104 basis points, primarily due to its U.S. growth and small-cap equity exposure.

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.



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

| | | | | | |
|----------------------------------|--|---|---------------------------|-------------------------------|-------------------|
| Launch Date | May 5, 2016 | Fund Structure | Mutual Fund (Shares) | Minimum Holding Period | 180 days |
| Fund Size | USD 7,246,281.21 | Fund Classification | Multi-Asset Fund-of-Funds | Early Redemption Fee | 1.00% |
| Net Asset Value Per Share | 1.1914 | Minimum Subscription | USD 1,000 | Redemption Settlement | T+4 business days |
| Benchmark | 65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate | Minimum Subsequent Management and Distribution Fee | USD 200 | | |
| | | Transfer Agency Fee | 1.50% | | |
| | | | 0.15% | | |

What does the Fund invest in?

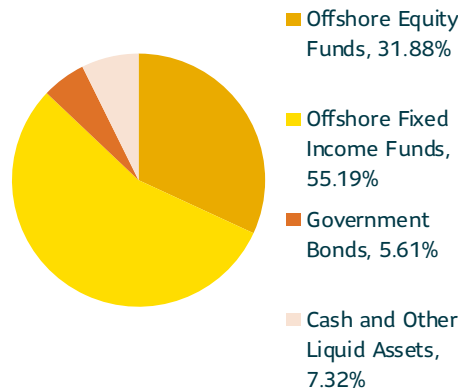
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g., savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

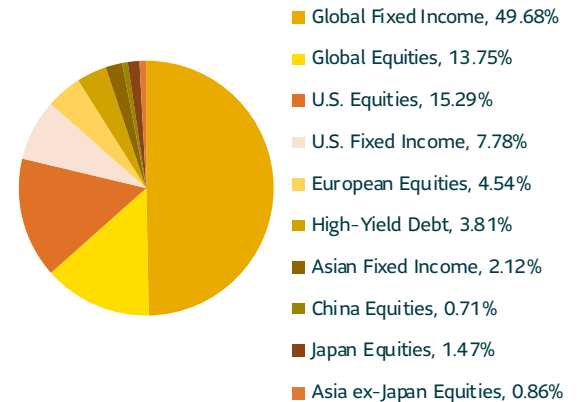
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 13.45%
2. J.P. Morgan - Income Fund, 11.75%
3. PIMCO - Global Investors Series Income Fund, 11.70%
4. J.P. Morgan - U.S. Select Equity Fund, 7.13%
5. J.P. Morgan - U.S. Aggregate Bond Fund, 6.77%

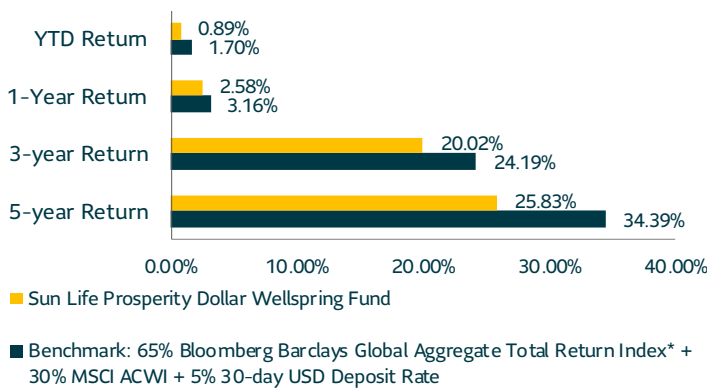
Investment Mix



Geographical Allocation



How has the Fund performed?



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

***Benchmark Effectivity Date:**

J.P. Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review

- Global equities and fixed income pulled back in November, with the former experiencing a -2.51% decline while the latter saw a slight -0.29% dip. None of the world's major equity indices managed to defy the trend, with Europe, Asia ex-Japan, and the U.S. retracing by -4.54%, -3.92%, and -1.14%, respectively.
- Key concerns during the month were the persistence of supply chain driven inflation and the emergence of the coronavirus' Omicron variant. Further studies need to be conducted on the latter, though its discovery alone increases the risk of reimposition of lockdowns and a pause in the global economic recovery.
- The U.S. Federal Reserve (Fed) began tapering its asset purchase program in November. The program was a key factor which allowed the U.S. economy to sustain itself during the pandemic. Fed Chairman Jerome Powell was nominated for a second term, and he indicated a willingness to increase the pace of the taper to address heightened inflation, which he now tagged as "persistent" instead of "transitory". These developments may lead to a Fed rate hike sooner rather than later in 2022.
- The Fund has gained 0.89% year-to-date, lagging the benchmark (+1.70%) by 81 basis points, primarily due to its exposure to U.S. small-cap equity and Asia ex-Japan.

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.



This document contains key information clients of Sun Life Prosperity Dollar Wellspring 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.

| | | | | | |
|----------------------------------|--|---|---------------------------|-------------------------------|-------------------|
| Launch Date | May 5, 2016 | Fund Structure | Mutual Fund (Shares) | Minimum Holding Period | 180 days |
| Fund Size | USD 7,181,816.74 | Fund Classification | Multi-Asset Fund-of-Funds | Early Redemption Fee | 1.00% |
| Net Asset Value Per Share | 1.2207 | Minimum Subscription | USD 1,000 | Redemption Settlement | T+4 business days |
| Benchmark | 65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate | Minimum Subsequent Management and Distribution Fee | USD 200 | | |
| | | Transfer Agency Fee | 1.50% | | |
| | | | 0.15% | | |

What does the Fund invest in?

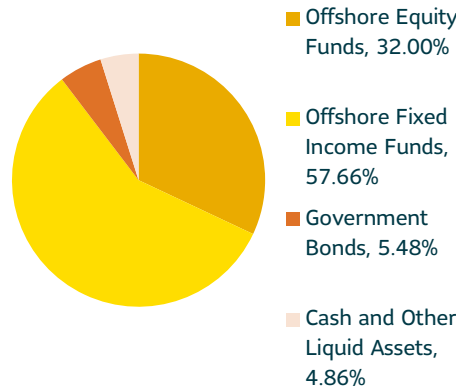
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

The Fund is suitable for investors with a **balanced risk profile** and medium to long-term investment horizon. This is for investors who want higher yields compared to traditional fixed income securities (e.g., savings accounts, time deposits, bonds) but a lower amount of risk relative to equities.

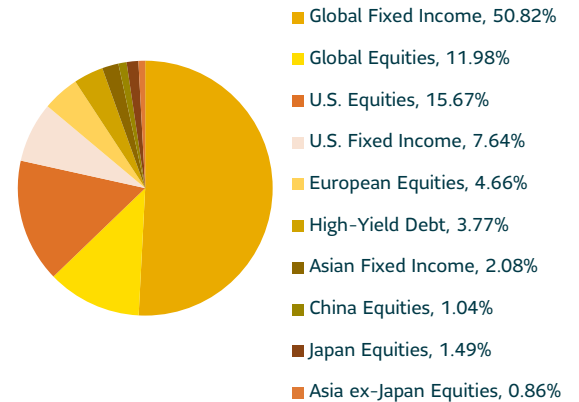
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 13.71%
2. J.P. Morgan - Income Fund, 11.99%
3. Morgan Stanley - Global Bond Fund, 10.09%
4. J.P. Morgan - U.S. Aggregate Bond Fund, 6.85%
5. J.P. Morgan - U.S. Select Equity Fund, 5.10%

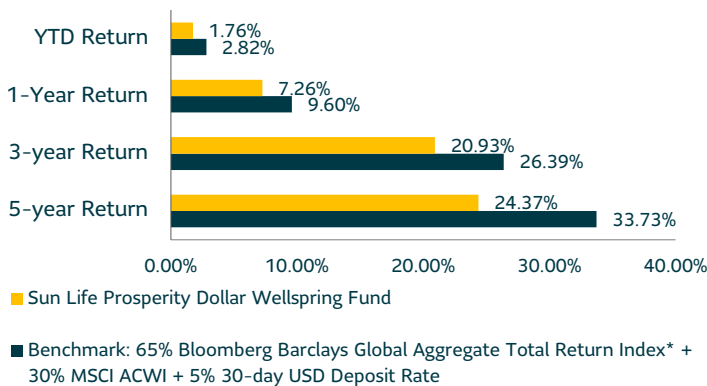
Investment Mix



Geographical Allocation



How has the Fund performed?



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

***Benchmark Effectivity Date:**

JP Morgan Global Aggregate Bond Index: May 5, 2016 to December 31, 2017
 Bloomberg Barclays Global Aggregate Total Return Index: January 1, 2018 to present

Disclaimer: The underlying funds of the Sun Life Prosperity Dollar Wellspring Fund are valued using their respective NAVPS as of previous day due to the time difference between the Philippines and the domicile countries of these funds. Similarly, data for the MSCI ACWI is as of the previous day to provide investors an accurate comparison of fund performance.

Market Review

- Global equities and fixed income diverged in the month of October, with equities rallying 5.12% while fixed income was flat at -0.24%. Major equity indices delivered positive results, led by the U.S. at 6.97%, Europe at 4.67%, and Asia ex-Japan rounding out the group with a 1.36% gain.
- Global bonds declined -0.24% in October, with the U.S. 10-year Treasury yield steadily climbing from 1.48% to 1.70% before closing at 1.55% by end of October 2021. The US 10-year Treasury has now risen by 20 basis points (bps) from its average yield of 1.46% for the month of September 2021.
- Inflation concerns intensified on the back of supply chain bottlenecks, and a global commodity boom that has put pressure on both producers and consumers. Stronger inflation could hamper global demand and put in peril the fragile global economic recovery.
- The October FOMC meeting was highlighted by the announcement of the tapering of the asset purchase program of the Fed starting November 2021. Target reduction would be approximately USD 10 billion in Treasuries and USD 5 billion in MBS purchases per month. While monetary policy remains accommodative, outright rate hikes may commence as early as 2H 2022.
- The Fund has gained 1.76% year-to-date, lagging the benchmark (+2.82%) by 106 bps, primarily due to its U.S. small cap equity exposure.

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.

From: noreply-cifssost@sec.gov.ph
Subject: SEC CifSS-OST Initial Acceptance
Date: Saturday, May 14, 2022 1:52:56 AM

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

Greetings!

SEC Registration No: CS201517778

Company Name: SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

Document Code: AFS

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.

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex,

Roxas Boulevard, Pasay City,

1307, Metro Manila, Philippines

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

From: [Nestor Linsangan](#)
To: [PHIL-FIN_FAR2](#)
Subject: FW: Your BIR AFS eSubmission uploads were received
Date: Friday, May 13, 2022 9:17:58 AM

From: Dyan G Reyes <Dyan.Reyes@sunlife.com>
Sent: Friday, May 13, 2022 9:07 AM
To: Nestor Linsangan <nestor.linsangan@sunlife.com>
Cc: Merobhe T Esmele <Merobhe.Esmele@sunlife.com>
Subject: FW: Your BIR AFS eSubmission uploads were received

Thank you,
Dyan Reyes

SFIAA - Strategic Finance Initiative and Accounting Advisory
5F Sun Life Centre Fifth Ave. cor. Rizal Drive, Bonifacio Global City, Taguig 1634

From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Thursday, May 12, 2022 7:37 PM
To: Dyan G Reyes <Dyan.Reyes@sunlife.com>
Cc: Dyan G Reyes <Dyan.Reyes@sunlife.com>
Subject: Your BIR AFS eSubmission uploads were received

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

Hi SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.,

Valid files

- EAFS009123698ITRTY122021.pdf
- EAFS009123698AFSTY122021.pdf
- EAFS009123698RPTTY122021.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-QSMX2P1S06BHH9E5FQP2YVNY204S3TX4YW**

Submission Date/Time: **May 12, 2022 07:36 PM**

Company TIN: **009-123-698**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- 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.

This is a system-generated e-mail. Please do not reply.

=====
DISCLAIMER
=====

This email and its attachments may be confidential and are intended solely for the use of the individual or entity to whom it is addressed.

If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you disseminate, distribute or copy this e-mail. Please contact the sender immediately if you believe you have received this email in error.

E-mail transmission cannot be guaranteed to be secure or error-free. The recipient should check this email and any attachments for the presence of viruses. The Bureau of Internal Revenue does not accept liability for any errors or omissions in the contents of this message which arise as a result of e-mail transmission.



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

The Management of Sun Life Prosperity Dollar Wellspring 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, 2021 and 2020, and for the years ended December 31, 2021, 2020 and 2019, in accordance with the Philippine Financial Reporting Standards and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Navarro Amper & Co., the independent auditor appointed by the stockholders for the periods December 31, 2021 and 2020, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders has expressed its opinion on the fairness of presentation upon completion of such audit.

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

Benedicto C. Sison, Chairman of the Board

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

Valerie N. Pama, President

A handwritten signature in cursive script, appearing to read "Sherwin S. Sampang".

Sherwin S. Sampang, Treasurer

Signed this 9th day of March 2022.

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2021 and 2020, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2021, 2020 and 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years ended December 31, 2021, 2020 and 2019, in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). 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.

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

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

Report on the Supplementary Information Required by 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 21 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 Registration No. 0004, valid from June 7, 2021 to September 22, 2024

SEC A.N. 0004-SEC, issued on December 7, 2021; Group A, valid to audit 2021 to 2025 financial statements

TIN 005299331

By:



Joe Jeffrey Mark P. Ferrer

Partner

CPA License No. 0115793

SEC A.N. 1767-A, issued on August 27, 2019; effective until August 26, 2022, Group A

TIN 211965340

BIR A.N. 08-002552-058-2021, issued on September 8, 2021; effective until October 8, 2024

PTR No. A-5334284, issued on January 4, 2022, Taguig City

Taguig City, Philippines

April 29, 2022



SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(An Open-end Investment Company)

STATEMENTS OF FINANCIAL POSITION

(In US Dollars)

| | | December 31 | |
|---|--------------|--------------------|-------------|
| | Notes | 2021 | 2020 |
| ASSETS | | | |
| Current Assets | | | |
| Cash in bank | 6 | \$ 441,657 | \$ 475,438 |
| Financial assets at fair value through profit or loss | 7 | 6,713,668 | 7,283,361 |
| Accrued interest receivable | 7 | 2,937 | 1,173 |
| Due from brokers | 8 | 20,000 | - |
| | | \$7,178,262 | \$7,759,972 |
| LIABILITIES AND EQUITY | | | |
| Current Liabilities | | | |
| Accrued expenses and other payables | 9 | \$ 3,433 | \$ 4,685 |
| Payable to fund manager | 10 | 10,492 | 11,086 |
| Due to broker | 8 | - | 50,000 |
| Income tax payable | | 13 | 68 |
| Total Current Liabilities | | 13,938 | 65,839 |
| Equity | | | |
| Share capital | 11 | 142,732 | 140,801 |
| Additional paid-in capital | 12 | 6,372,630 | 6,361,847 |
| Retained earnings | | 1,264,913 | 1,191,485 |
| | | 7,780,275 | 7,694,133 |
| Treasury shares | 11 | (615,951) | - |
| Total Equity | | 7,164,324 | 7,694,133 |
| | | \$7,178,262 | \$7,759,972 |
| Net Asset Value Per Share | 13 | \$ 1.1980 | \$ 1.2022 |

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(An Open-end Investment Company)

STATEMENTS OF COMPREHENSIVE INCOME

(In US Dollars)

For the Years Ended December 31

| | Notes | 2021 | 2020 | 2019 |
|--|--------------|------------------|-------------|-------------|
| Investment Income - net | | | | |
| Net realized gains on investments | 7 | \$807,358 | \$109,677 | \$389,538 |
| Dividend income | 7 | 14,705 | 17,846 | 12,305 |
| Interest income | 14 | 5,529 | 3,752 | 335 |
| Others | | 42 | 758 | 21 |
| | | 827,634 | 132,033 | 402,199 |
| Investment Expenses | | | | |
| Commission | 8 | 265 | 1,207 | 625 |
| Net Investment Income | | 827,369 | 130,826 | 401,574 |
| Operating Expenses | | | | |
| Management fees | 10 | 74,049 | 68,376 | 65,045 |
| Distribution fees | 10 | 61,706 | 56,904 | 54,129 |
| Directors' fees | 10 | 8,764 | 7,608 | 6,444 |
| Custodian fees | | 3,296 | 5,582 | 4,879 |
| Professional fees | | 3,240 | 3,444 | 3,545 |
| Taxes and licenses | | 2,042 | 2,432 | 2,675 |
| Printing and supplies | | 32 | 44 | 867 |
| Miscellaneous | | 914 | 1,541 | 897 |
| | | 154,043 | 145,931 | 138,481 |
| Profit (Loss) Before Net Unrealized Gains (Loss) on Investments | | 673,326 | (15,105) | 263,093 |
| Net Unrealized Gain (Loss) on Investments | 7 | (599,786) | 611,533 | 477,765 |
| Profit (Loss) Before Tax | | 73,540 | 596,428 | 740,858 |
| Income Tax Expense | 17 | 112 | 316 | 229 |
| Total Comprehensive Income (Loss) for the Year | | \$73,428 | \$596,112 | \$740,629 |
| Basic earnings (loss) per share | 15 | \$ 0.012 | \$ 0.099 | \$ 0.124 |
| Diluted earnings (loss) per share | 15 | \$ 0.012 | \$ 0.099 | \$ 0.124 |

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.

(An Open-end Investment Company)

STATEMENTS OF CHANGES IN EQUITY

(In US Dollars)

For the Years Ended December 31

| | Notes | Share Capital | Additional Paid-in Capital | Retained Earnings | Treasury Shares | Total |
|--|--------|------------------|----------------------------------|----------------------|---------------------|--------------------|
| Balance, January 1, 2019 | 11 | \$ 131,994 | \$5,908,559 | \$ 22,413 | (\$ 52,659) | \$ 6,010,307 |
| Total comprehensive income for the year | | - | - | 740,629 | - | 740,629 |
| Transactions with owners: | 11 | | | | | |
| Issuance of shares during the year | | 4 | 231 | - | - | 235 |
| Acquisition of treasury shares during the year | | - | - | - | (441,745) | (441,745) |
| Reissuance of treasury shares during the year | | - | 1,240 | - | 454,465 | 455,705 |
| Issuance of stock dividends | | - | (228) | (32,646) | 32,874 | - |
| Total transactions with owners | 11 | 4 | 1,243 | (32,646) | 45,594 | 14,195 |
| Balance, December 31, 2019 | 11 | 131,998 | 5,909,802 | 730,396 | (7,065) | 6,765,131 |
| Total comprehensive income for the year | | - | - | 596,112 | - | 596,112 |
| Transactions with owners: | 11 | | | | | |
| Issuance of shares during the year | | 7,260 | 375,308 | - | - | 382,568 |
| Acquisition of treasury shares during the year | | - | - | - | (875,938) | (875,938) |
| Reissuance of treasury shares during the year | | - | (3,896) | - | 830,156 | 826,260 |
| Issuance of stock dividends | | 1,543 | 80,633 | (135,023) | 52,847 | - |
| Total transactions with owners | 11 | 8,803 | 452,045 | (135,023) | 7,065 | 332,890 |
| Balance, December 31, 2020 | 11, 12 | 140,801 | 6,361,847 | 1,191,485 | - | 7,694,133 |
| Total comprehensive income for the year | | - | - | 73,428 | - | 73,428 |
| Transactions with owners: | 11 | | | | | |
| Issuance of shares during the year | | 1,931 | - | - | - | 1,931 |
| Acquisition of treasury shares during the year | | - | - | - | (1,237,492) | (1,237,492) |
| Reissuance of treasury shares during the year | | - | 10,783 | - | 621,541 | 632,324 |
| Total transactions with owners | 11 | 1,931 | 10,783 | - | (615,951) | (603,237) |
| Balance, December 31, 2021 | 11, 12 | \$142,732 | \$6,372,630 | \$1,264,913 | (\$ 615,951) | \$7,164,324 |

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(An Open-end Investment Company)

STATEMENTS OF CASH FLOWS

(In US Dollars)

For the Years Ended December 31

| | Notes | 2021 | 2020 | 2019 |
|--|-------|-------------------|-------------------|-------------------|
| Cash Flows from Operating Activities | | | | |
| Profit (Loss) before tax | | \$ 73,540 | \$ 596,428 | \$ 740,858 |
| Adjustments for: | | | | |
| Net unrealized (gains) loss on investments | 7 | 599,786 | (611,533) | (477,765) |
| Net realized gains on investments | 7 | (807,358) | (109,677) | (389,538) |
| Interest income | 14 | (5,529) | (3,752) | (335) |
| Operating cash flows before working capital changes | | (139,561) | (128,534) | (126,780) |
| Decrease (Increase) in: | | | | |
| Other current assets | | - | 582 | (443) |
| Increase (Decrease) in: | | | | |
| Accrued expenses and other payables | | (1,252) | 1,224 | (1,839) |
| Payable to fund manager | | (594) | 652 | 978 |
| Cash used in operations | | (141,407) | (126,076) | (128,084) |
| Acquisition of financial assets at fair value | | | | |
| through profit or loss | 7, 8 | (5,374,321) | (8,342,815) | (7,133,996) |
| Proceeds from disposal of financial assets at fair value | | | | |
| through profit or loss | 7, 8 | 6,081,586 | 8,421,177 | 7,249,032 |
| Interest received | | 3,765 | 2,805 | 109 |
| Income taxes paid | | (167) | (461) | (16) |
| Net cash generated from (used in) operating activities | | 569,456 | (45,370) | (12,955) |
| Cash Flows from Financing Activities | | | | |
| Proceeds from issuance of share capital | 11 | 1,931 | 382,568 | 235 |
| Payments on acquisition of treasury shares | 11 | (1,237,492) | (875,938) | (441,745) |
| Proceeds from reissuance of treasury shares | 11 | 632,324 | 826,260 | 455,705 |
| Net cash generated from (used in) financing activities | | (603,237) | 332,890 | 14,195 |
| Net Increase in Cash in bank | | (33,781) | 287,520 | 1,240 |
| Cash in bank, Beginning | | 475,438 | 187,918 | 186,678 |
| Cash in bank, End | | \$ 441,657 | \$ 475,438 | \$ 187,918 |

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.

(An Open-end Investment Company)

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2021 AND 2020 AND FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

1. CORPORATE INFORMATION

Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on September 4, 2015. 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). The Company's investment objective is to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities. 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 10.

As at December 31, 2021 and 2020, SLAMCI owns 13.06% and 12.01%, respectively, of the Company's share capital. The Company's registered office address and principal place of business is at the Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City.

2. FINANCIAL REPORTING FRAMEWORK AND BASIS OF PREPARATION AND PRESENTATION

Statement of Compliance

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

Basis of Preparation and Presentation

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

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 United States Dollar (USD), the currency of the primary economic environment in which the Company operates. All amounts are recorded to the nearest dollar, except when otherwise indicated.

3. **ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS**

Adoption of New and Revised Accounting Standards Effective in 2021

The Company adopted all accounting standards and interpretations effective as at December 31, 2021. The new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (IASB) and approved by the FRSC in the Philippines, were assessed to be applicable to the Company's financial statements and are as follows:

PIC Q&A No. 2020-07, PAS 12 – Accounting for the Proposed Changes in Income Tax Rates under the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE) Bill

The interpretation explained the details of the CREATE bill and its impact on the financial statements once passed.

Interpretation discussed that impact on the financial statements ending December 31, 2020 are as follows:

- Current and deferred taxes will still be measured using the applicable income tax rate as of December 31, 2020;
- If the CREATE bill is enacted before financial statements' issue date, this will be a non-adjusting event but the significant effects of changes in tax rates on current and deferred tax assets and liabilities should be disclosed; and
- If the CREATE bill is enacted after financial statements' issue date but before filing of the income tax return, this is no longer a subsequent event but companies may consider disclosing the general key feature of the bill and the expected impact on the financial statements

For the financial statements ending December 31, 2021, the impact are as follows:

- Standard provides that component of tax expense(income) may include "any adjustments recognized in the period for current tax of prior periods" and "the amount of deferred tax expense(income) relating to changes in tax rates or the imposition of new taxes";
- An explanation of changes in the applicable income tax rates to the previous accounting period is also required to be disclosed;
- The provision for current income tax for the year 2021 will include the difference between income tax per 2020 financial statements and 2020 income tax return;
- Deferred tax assets and liabilities as of December 31, 2021, will be remeasured using the new tax rates; and
- Any movement in deferred taxes arising from the change in tax rates that will form part of the provision for/benefit from deferred taxes will be included as well in the effective tax rate reconciliation.

The interpretation is effective on or after January 29, 2021.

The management assessed that CREATE act had reduced income tax expense by \$77 and increased net income and net assets by the same amount. The increase was recorded in 2021 following the provisions of PIC Q&A 2020-07.

New Accounting Standards Effective after the Reporting Period Ended December 31, 2021

The Company will adopt the following standards when these become effective:

PFRS 17, Insurance Contracts

PFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes PFRS 4 Insurance Contracts.

PFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

An amendment issued on June 2020 and adopted by FRSC on August 2020 addresses concerns and implementation challenges that were identified after PFRS 17 was published.

PFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

The standard (incorporating the amendments) is effective for periods beginning on or after January 1, 2023. Earlier application is permitted.

The future adoption of the standard will have no effect on the Company's financial statements as the Company does not issue insurance contracts.

Amendments to PFRS 3, References to the Conceptual Framework

The amendments update PFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to PFRS 3 a requirement that, for obligations within the scope of PAS 37, an acquirer applies PAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company is not in the process of and has no plan to enter into business combination.

Amendments to PFRS 10 and PAS 28, Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The amendments to PFRS 10 and PAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognized in

the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company is not in the process and has no plan to acquire such investments.

Amendments to PAS 1, Classification of Liabilities as Current or Non-current

The amendments to PAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after January 1, 2025, with early application permitted.

The Company will continue its assessment and will finalize the same upon the effectivity of this amendment.

Amendments to PAS 16, Property, Plant and Equipment – Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with PAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. PAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after January 1, 2022, with early application permitted.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company does not have property, plant and equipment recorded in its financial statements.

Amendments to PAS 37, Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after January 1, 2022, with early application permitted.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company does not issue and enter into onerous contracts.

Annual Improvements to PFRS Standards 2018-2020 Cycle

Amendments to PFRS 1 – Subsidiary as a first-time adopter

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in PFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to PFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in PFRS 1:D16 (a).

The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.

Amendments to PFRS 9 – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.

Amendments to PFRS 16 – *Lease Incentives*

The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to PFRS 16 only regards an illustrative example, no effective date is stated.

Amendments to PAS 41 – *Taxation in fair value measurements*

The amendment removes the requirement in PAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in PAS 41 with the requirements of PFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.

The future adoption of the amendments will have no effect on the Company's financial statements as the Company does not have subsidiary as first-time adopter; does not derecognize any liabilities, does not have lease contracts and leasehold improvements and does not have biological assets covered by PAS 41 that need to exclude its cash flows for taxation on its financial statements.

Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure Initiative – Accounting Policies*

The amendments are as follows:

- An entity is now required to disclose its material accounting policy information instead of its significant accounting policies;
- several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- the amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- the amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and
- the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

The amendments are applied prospectively. The amendments to PAS 1 are effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted.

The Company will continue its assessment and will finalize the same upon the effectivity of these amendments.

Amendments to PAS 8, *Definition of Accounting Estimates*

With the amendment, accounting estimates are now defined as "monetary amounts in financial statements that are subject to measurement uncertainty."

The amendment clarified that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change

relating to the current period is recognized as income or expense in the current period. The effect, if any, on future periods is recognized as income or expense in those future periods.

The amendments are effective for annual periods beginning on or after January 1, 2023 and changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted.

The future adoption of the amendments will have no effect on the Company's financial statements as the Company does not have changes in the inputs or measurement techniques used to develop its accounting estimates.

Amendments to PAS 12 Income Taxes, Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying PFRS 16 at the commencement date of a lease.

Following the amendments to PAS 12, an entity is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in PAS 12.

The Board also adds an illustrative example to PAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognizes:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary differences associated with:
 - Right-of-use assets and lease liabilities
 - Decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset
- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date

The amendments are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted.

The future adoption of the amendments will have no effect on the Company's financial statements as the Company does not have lease contracts and leasehold improvements and does not recognize deferred assets and liabilities.

Amendment to PFRS 17, Initial Application of PFRS 17 and PFRS 9 – Comparative Information

The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17.

The main amendment in Initial Application of PFRS 17 and PFRS 9 – Comparative Information (Amendment to PFRS 17) is a narrow-scope amendment to the transition requirements of PFRS 17 for entities that first apply PFRS 17 and PFRS 9 at the same time. The amendment regards financial assets for which comparative information is presented on initial application of PFRS 17 and PFRS 9, but where this information has not been restated for PFRS 9.

Under the amendment, an entity is permitted to present comparative information about a financial asset as if the classification and measurement requirements of PFRS 9 had been applied to that financial asset before. The option is available on an instrument-by-instrument basis. In applying the classification overlay to a financial asset, an entity is not required to apply the impairment requirements of PFRS 9.

There are no changes to the transition requirements in PFRS 9

The amendment is effective for annual periods beginning on or after January 1, 2025, as amended by the FRSC from January 1, 2023. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB. Still subject to approval of the Board of Accountancy.

The future adoption of the amendment will have no effect on the Company's financial statements as the Company does not issue insurance contracts.

4. SIGNIFICANT 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;
- Fair value through other comprehensive income (FVTOCI); and
- Amortized cost

As at December 31, 2021 and 2020, the Company does not have financial assets classified as FVTOCI.

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 Company classifies its debt instruments:

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

The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Amortized cost and effective interest method

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

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

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than POCI financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

Equity instruments

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

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

Changes in the fair value of financial assets at FVTPL are recognized in net realized gains (losses) on investments in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

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.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective interest rate.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original effective interest rate, regardless of whether it is measured on an individual basis or a collective basis.

With the exception of POCI financial assets, ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

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:

- it has a low risk of default;
- the borrower is considered, in the short term, to have a strong capacity to meet its obligations; and
- the Company expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfill its 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 is 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.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortized cost or FVOCI are credit-impaired at each reporting date. To assess if debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

Write-off

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner.

Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Presentation of allowance for ECL in the statements of financial position

Loss allowances for ECL are presented in the statements 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.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

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 are classified as at FVTPL when the financial liability is (i) held for trading, or (ii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

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

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

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

A right to offset must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Derecognition of financial liabilities

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Share capital

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

Retained earnings

Retained earnings represent accumulated profit attributable to equity holders of the Company after deducting dividends declared. 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.

Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as these are consumed in operations or expire with the passage of time.

Prepayments are classified in the statements of financial position as current asset when the cost of services related to the prepayments are expected to be incurred within one (1) year or the Company's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets.

Contingent Liabilities and Assets

Contingent liabilities and assets are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized, but are disclosed only when an inflow of economic benefits is probable. When the realization of income is virtually certain, asset should be recognized.

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.

Interest income

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

Realized gains or losses

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

Fair value gains or losses

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

Other income

Other income is income generated outside the normal course of business and is recognized when it is probable that the economic benefits will flow to the Company and it can be measured reliably.

Expense Recognition

Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in profit or loss on the basis of: (i) a direct association between the costs incurred and the earning of specific items of income; (ii) systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or, (iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statements of financial position as an asset.

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 administrative and other business expenses of the Company including management fees and custodianship fees.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. 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

A related party transaction is a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged.

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. An entity that is a post-employment benefit plan for the employees of the Company and the key management personnel of the Company are also considered to be related parties.

Taxation

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

Current tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's current tax expense is calculated using 25% regular corporate income tax (RCIT) rate or 1% minimum corporate income tax (MCIT), rate and 30% RCIT rate or 2% MCIT rate, whichever is higher, in 2021 and 2020, respectively.

Final tax

Final tax expense represents final taxes withheld on interest income from cash in banks.

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.

Foreign Currency

Transactions in currencies other than functional currency of the Company are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date the fair value was determined. Gains and losses arising on retranslation are included in profit or loss for the year, except for exchange differences arising on non-monetary assets and liabilities when the gains and losses of such non-monetary items are recognized directly in equity. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated.

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 deposits for future stock subscriptions 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 stock 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 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 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, 2021 and 2020, the Company's financial assets measured at FVTPL amounted to \$6,713,668 and \$7,283,361, respectively, as disclosed in Note 7, and financial assets measured at amortized cost amounted to \$464,597 and \$476,611, respectively, composed of cash in banks, accrued interest receivables and due from brokers, disclosed in Note 6, 7 and 8, 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 19.

As at December 31, 2021 and 2020, the Company's financial instruments measured at amortized cost has not experienced a significant increase in credit risk.

Models and assumptions used

The Company uses various models and assumptions in measuring the fair value of financial assets. 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.

The Company's model and assumptions used in measuring the fair value of financial assets and estimating ECL are disclosed in Notes 16 and 19, respectively.

Functional currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the US dollar (USD). The USD is the currency of the primary economic environment in which the Company operates. It is the currency being used to report the Company's results of operations.

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, 2021 and 2020, the recognized amount of share capital representing puttable shares in the statements of financial position amounted to \$142,078 and \$140,801, respectively, as disclosed in Note 11.

Key Sources of Estimation Uncertainty

The following are the Company's key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial 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, 2021 and 2020, the Company assessed a nil probability of default for all of its financial assets measured at amortized cost.

The assumptions used by the Company in estimating PD is disclosed in Note 19.

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 19.

Estimating loss allowance for ECL

The measurement of the ECL allowance for financial assets measured at amortized cost and FVTOCI 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 19 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.

The Company's ECL assessment on the financial assets measured at amortized cost is disclosed in Note 19.

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, 2021 and 2020, as disclosed in Note 17.

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, 2021 and 2020, the carrying amounts of investments in debt securities classified as financial assets at FVTPL amounted to \$400,162 and \$280,802, respectively, as disclosed in Note 7.

6. CASH IN BANKS

Cash in banks earned interest amounting \$43, \$45 and \$109 at average rates of 0.01%, 0.01% and 0.10% in 2021, 2020 and 2019, respectively, as disclosed in Note 14.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This account consists of:

| | Note | 2021 | 2020 |
|--|-------------|--------------------|--------------------|
| Global mutual funds | | \$5,063,033 | \$5,683,840 |
| Global exchange traded funds | | 1,080,441 | 1,318,719 |
| Investments in fixed-income securities | | 400,162 | 280,802 |
| Investment in a mutual fund | 10 | 170,032 | - |
| | | \$6,713,668 | \$7,283,361 |

Financial assets at FVTPL are composed of investments in global traded and mutual funds and fixed-income securities in the form of dollar-denominated government bonds.

The Company recognized dividend income from global mutual funds amounting to \$14,705, \$17,846 and \$12,305 in 2021, 2020 and 2019, respectively.

Interest income earned on fixed-income securities amounted to \$5,486, \$3,707 and \$226, in 2021, 2020 and 2019, respectively, as disclosed in Note 14. Average interest rates earned on these investments are also disclosed in Note 14.

Accrued interest receivable amounted to \$2,937 and \$1,173 as at December 31, 2021 and 2020, respectively.

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

| | 2021 | 2020 | 2019 |
|---|------------------|-----------|-----------|
| Net realized gains (losses) on investments in: | | | |
| Equity securities | \$840,406 | \$107,061 | \$389,538 |
| Fixed-income securities | (33,048) | 2,616 | - |
| | 807,358 | 109,677 | 389,538 |
| Net unrealized gains (losses) on investments in: | | | |
| Equity securities | (643,011) | 628,350 | 477,837 |
| Fixed-income securities | 43,225 | (16,817) | (72) |
| | (599,786) | 611,533 | 477,765 |
| | \$207,572 | \$721,210 | \$867,303 |

Net gains and losses on investments in equity securities are composed of global traded and mutual funds while fixed-income securities pertain to dollar-denominated bonds.

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

| | 2021 | 2020 | 2019 |
|---------------------------|--------------------|-------------|-------------|
| Balance, January 1 | \$7,283,361 | \$6,590,513 | \$5,778,245 |
| Additions | 5,324,321 | 8,392,815 | 7,133,996 |
| Disposal | (5,294,228) | (8,311,500) | (6,799,493) |
| Unrealized gains (losses) | (599,786) | 611,533 | 477,765 |
| Balance, December 31 | \$6,713,668 | \$7,283,361 | \$6,590,513 |

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

| | 2021 | 2020 |
|--|------------------|-----------|
| Due after five years through ten years | \$ - | \$ 70,000 |
| Due after ten years | 400,000 | 224,000 |
| | \$400,000 | \$294,000 |

8. 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 \$20,000 and nil as at December 31, 2021 and 2020, 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 nil and \$50,000 as at December 31, 2021 and 2020, 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 \$265, \$1,207 and \$625 in 2021, 2020 and 2019, respectively, are paid to brokers when buying and selling shares of stock.

9. ACCRUED EXPENSES AND OTHER PAYABLES

This account consists of:

| | 2021 | 2020 |
|---|----------------|---------|
| Professional fees | \$1,623 | \$2,333 |
| Withholding and documentary stamp taxes | 1,051 | 1,132 |
| Due to investors | 643 | - |
| Custodianship fees | 116 | 1,220 |
| | \$3,433 | \$4,685 |

Accrued expenses and other payables are non-interest bearing and are normally settled within one year.

10. 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 related parties and the amounts paid or payable are set out below:

| Nature of Transaction | Transactions During the Period | | | Outstanding Payable | | Term | Condition | Notes |
|---|--------------------------------|-----------|-----------|---------------------|----------|---|--------------------------|-------|
| | 2021 | 2020 | 2019 | 2021 | 2020 | | | |
| SLAMCI-Fund Manager | | | | | | | | |
| Management Distribution and Transfer fees | \$135,755 | \$125,280 | \$119,174 | \$10,492 | \$11,086 | Non-interest bearing; 1.65% of average daily net assets; settled in cash on or before the 15 th day of the following month | Unsecured; Unguaranteed; | a |
| Key Management Personnel | | | | | | | | |
| Director's Fee | 8,764 | 7,608 | 6,444 | - | - | Payable on demand; Settled in cash | Unsecured; Unguaranteed; | b |
| Entities Under Common Control | | | | | | | | |
| Sun Life of Canada Philippines, Inc. | | | | | | | | |
| Sale | - | 474,123 | - | - | - | Non-interest bearing; Settled in cash on the day of transaction | Unsecured; | c |
| Purchase | - | 407,326 | - | - | - | | | |

As at December 31, 2021 and 2020, below is the outstanding investment of the Company in Sun Life Prosperity Dollar Starter Fund, Inc.:

| | Note | 2021 | | 2020 | |
|---|------|----------------|------------------|--------|--------|
| | | Shares | Amount | Shares | Amount |
| Sun Life Prosperity Dollar Starter Fund, Inc. | 7 | 160,317 | \$170,032 | - | \$ - |

In December 2021, the Company purchased 160,317 shares in Sun Life Prosperity Dollar Starter Fund, Inc. for a total cost of \$170,000.

In August 2020, the Company sold its investment with Sun Life Prosperity Dollar Starter Fund, Inc. for a total proceeds of \$66,759, with gains from such sale amounted to \$625

included in the "Net realized gains on investments" account presented in the statements of the Comprehensive income.

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

a. Investment Management

The Company appointed SLAMCI as its fund manager, adviser, administrator, distributor, and transfer agent that provides management, distribution and all required operational services. Under the Management and Distribution Agreement (MDA), SLAMCI receives aggregate fees for these services at an annual rate of 1.50% (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 September 22, 2020, the Company and SLAMCI amended its MDA and Transfer Agency Agreement based on the provisions of ICA 2018 IRR (Implementing Rules and Regulations of the Investment Company Act 2018) published by the SEC on January 11, 2018. The agreements shall remain in effect for a period of 2 years from July 31, 2020 and shall continue in effect from year to year as approved by the respective Board of Directors of the Company and SLAMCI.

Management, distribution and transfer fees charged by SLAMCI to the Company in 2021, 2020 and 2019 amounted to \$135,755, \$125,280 and \$119,174, respectively. Accrued management fees as at December 31, 2021 and 2020 amounted to \$10,492 and \$11,086, respectively, 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" amounting to \$8,764, \$7,608 and \$6,444 in 2021, 2020 and 2019, 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, 2021 and 2020.

Except for the Board of Directors, the Company has no 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.

c. Purchase and Sale of Investments

These types of transactions are buy and sell of the same security between portfolios of two separate affiliated legal entities and whose assets are managed by Investment Department. Portfolio Managers determine that this is appropriate and in the best interest of certain portfolios and ensure that the trade will be executed in a manner that is fair and equitable to both parties involved in the cross trade.

11. EQUITY

Movements are as follows:

| | 2021 | | 2020 | | 2019 | |
|--------------------------|-------------------|--------------------|------------|-------------|-----------|------------|
| | Shares | Amount | Shares | Amount | Shares | Amount |
| Authorized: | | | | | | |
| at P1.00 par value | 10,000,000 | P10,000,000 | 10,000,000 | P10,000,000 | 6,000,000 | P6,000,000 |
| Issued and fully paid: | | | | | | |
| At January 1 | 6,400,040 | \$140,801 | 5,999,926 | \$131,998 | 5,999,706 | \$131,994 |
| Issuance during the year | 58,049 | 1,277 | 400,114 | 8,803 | 220 | 4 |
| At December 31 | 6,458,089 | \$142,078 | 6,400,040 | \$140,801 | 5,999,926 | \$131,998 |
| Treasury shares: | | | | | | |
| At January 1 | - | \$ - | 6,314 | \$ 7,065 | 49,193 | \$ 52,659 |
| Acquisition | 1,399,367 | 1,237,492 | 760,567 | 875,938 | 400,791 | 441,745 |
| Reissuance | (891,950) | (621,541) | (766,881) | (883,003) | (443,670) | (487,339) |
| At December 31 | 507,417 | \$ 615,951 | - | \$ - | 6,314 | \$ 7,065 |

Fully paid ordinary shares with a par value of P1.00 carry one vote per share and carry a right to dividends.

Incorporation

The Company was incorporated on September 4, 2015 with 6,000,000 authorized shares with a par value of 1.00. The SEC approved the registration on March 22, 2016.

Approved changes

On September 7, 2015, the shareholders approved the blanket increase of the Company's authorized share capital up to 100,000,000 shares with a par value of P1.00 per share. The increase will be implemented by the Chairman of the Board of Directors and President of SLAMCI acting jointly in tranches.

On September 21, 2017, the Chairman of the Board of Directors of the Company and the President of SLAMCI jointly authorized the increase in Authorized Capital Stocks by Four Million Pesos (P4,000,000) divided into Four Million (4,000,000) shares at a par value of P1 per share. This increases the authorized capital stock from P6,000,000 divided into 6 million shares to P10,000,000 divided into 10 million shares.

In April 2018, requirements were already provided to SEC based on the evaluator's initial comments.

On July 25, 2018, the SEC approved the additional 4 Million shares increase in authorized capital stock, from 6 Million shares to 10 Million shares at a par value of P1.00 per share.

On September 18, 2018, the SEC received the registration statement filed by the Company to register the approved 4,000,000 shares.

On October 23, 2019, SEC approved the registration statement for the 4,000,000 shares increase.

Stock dividends

On March 13, 2018, the Board of Directors approved the declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of April 30, 2018, and payout date of July 20, 2018. Said declaration is conditional on the shareholders' approval during the stockholder's meeting on July 18, 2018.

Subsequently, on June 29, 2018, the Board of Directors approved the amendment of the dates of the declaration of stock dividends equivalent to 2% of the outstanding shares for stockholders of record to July 31, 2018, for payout on September 28, 2018.

On September 21, 2018, it was reported to the SEC that a declaration of stock dividends amounting to up to 2% of the outstanding shares with record date of July 31, 2018, and payout date of September 28, 2018, or any reasonable date after approval of SEC on the stock dividend declaration has been obtained.

On October 26, 2018, 4,001,401 shares or 69.48% of the outstanding capital stock as at September 28, 2018 were present in person or by proxy; and by majority of the Board of Directors present, the declaration of 2% stock dividends to shareholders of record as of September 28, 2018 has been approved. The Board unanimously approved to move the dividend payout date from December 21, 2018 to October 26, 2018.

On October 7, 2019, 4,041,260 shares or 67.95% of the outstanding capital stock as at September 5, 2019 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 0.50% stock dividends to shareholders of record as of October 8, 2019 has been approved. The payout date was on October 9, 2019.

On November 13, 2020, 4,196,301 shares or 70.39% of the outstanding capital stock as at September 30, 2020 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 1.88% stock dividends to shareholders of record as of November 26, 2020 has been approved. The payout date was on November 27, 2020.

On November 12, 2021, 4,191,633 shares or 69.24% of the outstanding capital stock as at September 30, 2021 were present in person or by proxy and by majority of the Board of Directors present, the declaration of 1.58% stock dividends to shareholders of record as of November 25, 2021 has been approved. The payout date was on November 26, 2021.

Current state

As at December 31, 2021, the Company has 5,980,379 issued and outstanding shares out of the 10,000,000 ACS with a par value of P1.00 per share.

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

| Year | NAVPS, end | Issuances | Redemptions | Balances |
|------|------------|-----------|-------------|-----------|
| 2015 | \$0.9909 | 1,500,000 | - | 1,500,000 |
| 2016 | \$1.0082 | 4,146,839 | (124,808) | 5,522,031 |
| 2017 | \$1.1122 | 3,140,724 | (740,711) | 7,922,044 |
| 2018 | \$1.0100 | 3,991,237 | (5,962,768) | 5,950,513 |
| 2019 | \$1.1287 | 443,890 | (400,791) | 5,993,612 |
| 2020 | \$1.2022 | 1,166,995 | (760,567) | 6,400,040 |
| 2021 | \$1.1980 | 979,706 | (1,399,367) | 5,980,379 |

The total number of shareholders as at December 31, 2021, 2020 and 2019 are 697, 616 and 548, 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, have 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.

12. ADDITIONAL PAID-IN CAPITAL

Additional paid-in capital of \$6,372,630, \$6,361,847 and \$5,909,802 as at December 31, 2021, 2020 and 2019, respectively, pertains to excess payments over par value from investors and from reissuance of treasury shares.

13. NET ASSET VALUE PER SHARE (NAVPS)

NAVPS is computed as follows:

| | Note | 2021 | 2020 |
|--------------------|------|--------------------|-------------|
| Total equity | | \$7,164,324 | \$7,694,133 |
| Outstanding shares | 11 | 5,980,379 | 6,400,040 |
| NAVPS | | \$1.1980 | \$ 1.2022 |

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

14. INTEREST INCOME

This account consists of interest income on the following:

| | Notes | 2021 | 2020 | 2019 |
|-------------------------|-------|----------------|---------|-------|
| Fixed-income securities | 7 | \$5,486 | \$3,707 | \$226 |
| Cash in banks | 6 | 43 | 45 | 109 |
| | | \$5,529 | \$3,752 | \$335 |

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 2021, 2020 and 2019 are as follows:

| | 2021 | 2020 | 2019 |
|-------------------------|--------------|-------|-------|
| Fixed-income securities | 1.94% | 1.38% | 1.75% |
| Cash in banks | 0.01% | 0.01% | 0.10% |

15. EARNINGS (LOSS) PER SHARE

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

| | 2021 | 2020 | 2019 |
|---|------------------|------------|-----------|
| Total comprehensive income for the year | \$73,428 | \$ 596,112 | \$740,629 |
| Weighted average number of shares: | | | |
| Issued and outstanding | 6,100,805 | 6,002,985 | 5,976,087 |
| Potential dilutive shares | - | - | - |
| Weighted average number of outstanding shares for the purpose of computing diluted earnings per share | 6,100,805 | 6,002,985 | 5,976,087 |
| Basic earnings (loss) per share | \$0.012 | \$0.099 | \$0.124 |
| Diluted earnings (loss) per share | \$0.012 | \$0.099 | \$0.124 |

As at December 31, 2021 and 2020, the Company has no dilutive potential ordinary shares.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities measured at fair value on a recurring basis

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

| | Note | Level 1 |
|--|------|--------------------|
| December 31, 2021 | | |
| Global mutual funds | 7 | \$5,063,033 |
| Global exchange traded funds | 7 | 1,080,441 |
| Investments in fixed-income securities | 7 | 400,162 |
| Investments in mutual fund | 7 | 170,032 |
| | | \$6,713,668 |
| December 31, 2020 | | |
| Global mutual funds | 7 | \$5,863,840 |
| Global exchange traded funds | 7 | 1,318,719 |
| Investments in fixed-income securities | 7 | 280,802 |
| | | \$7,463,361 |

The fair value of fixed-income securities is based on quoted prices of either done deals or bid rates. Investments in mutual funds and traded funds are valued at their published NAVPS as at reporting date.

Financial assets and liabilities not measured at fair value

The carrying amounts and fair values of the Company's financial assets and financial liabilities are shown below:

| | Notes | Carrying Amounts | Fair Values | | |
|-------------------------------------|-------|------------------|------------------|-----------------|------------------|
| | | | Level 1 | Level 2 | Total |
| December 31, 2021 | | | | | |
| Financial Assets | | | | | |
| Cash in banks | 6 | \$441,657 | \$441,657 | \$ - | \$441,657 |
| Due from brokers | 8 | 20,000 | - | 20,000 | 20,000 |
| Accrued interest receivable | 7 | 2,937 | - | 2,937 | 2,937 |
| | | \$464,594 | \$441,657 | \$22,937 | \$464,594 |
| Financial Liabilities | | | | | |
| Accrued expenses and other payables | 9 | \$2,382 | \$ - | \$2,382 | \$2,382 |
| Due to brokers | 8 | - | - | - | - |
| Payable to fund manager | 10 | 10,492 | - | 10,492 | 10,492 |
| | | \$12,874 | \$ - | \$12,874 | \$12,874 |
| December 31, 2020 | | | | | |
| Financial Assets | | | | | |
| Cash in banks | 6 | \$475,438 | \$475,438 | \$ - | \$475,438 |
| Accrued interest receivable | 7 | 1,173 | - | 1,173 | 1,173 |
| | | \$476,611 | \$475,438 | \$ 1,173 | \$476,611 |
| Financial Liabilities | | | | | |
| Accrued expenses and other payables | 9 | \$ 3,553 | \$ - | \$ 3,553 | \$ 3,553 |
| Due to brokers | 8 | 50,000 | - | 50,000 | 50,000 |
| Payable to fund manager | 10 | 11,086 | - | 11,086 | 11,086 |
| | | \$ 64,639 | \$ - | \$ 64,639 | \$ 64,639 |

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.

Due to the short-term maturities of cash in banks, accrued interest receivable, accrued expenses and other payables, due to brokers and payable to fund manager, their carrying amounts approximate their fair values.

17. INCOME TAXES

Details of income tax expense are as follows:

| | 2021 | 2020 | 2019 |
|-------------------------------|--------------|---------------|--------------|
| MCIT | \$183 | \$ 309 | \$ 213 |
| Final tax | 6 | 7 | 16 |
| Effects of change in tax rate | (77) | - | - |
| | \$112 | \$ 316 | \$229 |

The reconciliation between tax expense and the product of accounting profit multiplied by 25% in 2021 and 30% in 2020 and 2019 is as follows:

| | 2021 | 2020 | 2019 |
|---|--------------|---------------|---------------|
| Accounting profit | \$73,540 | \$596,428 | \$740,858 |
| Tax expense at 25% in 2021 and 30% in 2020 and 2019 | \$18,385 | \$178,928 | \$222,257 |
| Adjustment for income subject to lower tax rate | (4) | (1,118) | (84) |
| Tax effects of: | | | |
| Unrecognized Net Operating Loss Carry-Over (NOLCO) | 33,518 | 38,560 | 38,034 |
| Unrecognized MCIT | 183 | 309 | 213 |
| Changes in current tax expense due to the change in income tax rate | (77) | - | - |
| Net realized gains on investments | (201,840) | (32,903) | (116,861) |
| Net unrealized fair value (gains) loss on investments | 149,947 | (183,460) | (143,330) |
| | \$112 | \$ 316 | \$ 229 |

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

Among others, the Act includes the following significant revisions:

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

The tax rate used in the reconciliations above is the corporate tax rate of 25% in 2021 and 30% in 2020 and 2019 payable by the Company.

Details of the Company's NOLCO from previous years are as follows (in Philippine Peso) :

| Year of Incurrence | Year of Expiry | Beginning Balance | Addition | Expired | 2021 Balance |
|--------------------|----------------|-------------------|----------|-------------|-------------------|
| 2018 | 2021 | P8,650,846 | P - | P 8,650,846 | P - |
| 2019 | 2022 | 6,435,846 | - | - | 6,435,846 |
| | | P15,086,692 | P - | P 8,650,846 | P6,435,846 |

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

| Year of Incurrence | Year of Expiry | Beginning Balance | Addition | Expired | 2021 Balance |
|--------------------|----------------|-------------------|------------|---------|--------------------|
| 2020 | 2025 | P 6,177,820 | P - | - | P 6,177,820 |
| 2021 | 2026 | - | 6,834,133 | - | 6,834,133 |
| | | P6,177,820 | P6,834,133 | - | P13,011,953 |

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 (in Philippine Peso):

| Year Incurred | Year of Expiry | Amount | Applied Previous Year | Applied Current Year | Expired | Unapplied |
|---------------|----------------|---------|-----------------------|----------------------|---------|-----------|
| 2019 | 2022 | P10,820 | P - | P - | P - | P10,820 |
| 2020 | 2023 | 14,869 | - | - | - | 14,869 |
| 2021 | 2024 | 9,335 | - | - | - | 9,335 |
| | | P35,024 | P - | P - | P - | P35,024 |

Deferred tax on NOLCO and MCIT was 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 from cash in banks are already subjected to final tax while interest income from fixed-income securities are tax-exempt and are therefore, excluded from the computation of taxable income subject to RCIT and MCIT.

Realized gains on redemption of investments in mutual funds and traded funds are exempted from tax and are therefore excluded from the computation of taxable income subject to RCIT and MCIT.

18. CONTINGENCIES

The Company has no pending legal cases as at December 31, 2021 and 2020 that may have a material effect on the Company's financial position and results of operations.

19. 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 takes 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 movements in NAVPS of investments in mutual funds. The Company has insignificant exposure to foreign exchange risk since foreign currency denominated transactions are minimal. There has been no change on the manner in which the Company manages and measures these risks.

Interest rate risk

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

The primary source of the Company's interest rate risk relates to cash in banks and fixed-income securities. The interest rates of these financial assets are disclosed in Notes 6 and 14.

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 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 if interest rates had been 50 basis points higher or lower and all other variables are held constant for the years ended 2021, 2020, and 2019:

| Change in Interest Rates | Increase (Decrease) in Net Profit (Loss) | | |
|---------------------------------|---|-----------|-----------|
| | 2021 | 2020 | 2019 |
| +50 basis | (\$39,168) | (\$1,550) | (\$3,475) |
| -50 basis | 45,064 | 2,055 | \$3,693 |

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 mutual funds.

The risk is managed by the Fund Manager by actively monitoring the movements in NAVPS of investments in mutual funds.

Based on the exposure to equity price risks at the end of each reporting period, if NAVPS of investments in mutual funds had been 2% higher or lower, profit or loss for the years ended December 31, 2021, 2020 and 2019 would have increased or decreased by \$123,937, \$137,463 and \$127,437, 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 the equivalent of investment grade of "High" down to "Low". The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

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

| | Notes | 2021 | 2020 |
|---|--------------|------------------|-----------|
| Cash in banks | 6 | \$441,657 | \$475,438 |
| Financial assets at fair value through profit or loss | 7 | 400,162 | 280,802 |
| Due from brokers | 8 | 20,000 | - |
| Accrued interest receivable | 7 | 2,937 | 1,173 |
| | | \$864,756 | \$757,413 |

ECL measurement

In 2021 and 2020, ECLs are 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:

| Category | Description | Basis for recognizing expected credit losses |
|-----------------|--|---|
| 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 | 12m 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 table below summarizes the current internal credit rating equivalence system of the Company.

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

The 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 use the external estimates sourced from Standard and Poor's.

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 2021 and 2020.

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 2022 until 2026. 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 2021 and 50% for the base scenario, and 25% for each of the upside and downside forecast in 2020.

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, 2021:

| | Notes | Internal credit rating | Category | 12m or lifetime ECL? | Gross carrying amount | Loss allowance | Net carrying amount |
|-----------------------------|-------|------------------------|----------|----------------------|-----------------------|----------------|---------------------|
| 2021 | | | | | | | |
| Cash in banks | 6 | AAA | Stage 1 | 12-month ECL | \$441,657 | \$ - | \$441,657 |
| Due from brokers | 8 | AAA | Stage 1 | 12-month ECL | 20,000 | - | 20,000 |
| Accrued interest receivable | 7 | AAA | Stage 1 | 12-month ECL | 2,937 | - | 2,937 |
| | | | | | \$464,594 | - | \$464,594 |
| 2020 | | | | | | | |
| Cash in banks | 6 | AAA | Stage 1 | 12-month ECL | \$475,438 | \$ - | \$475,438 |
| Accrued interest receivable | 7 | AAA | Stage 1 | 12-month ECL | 1,173 | - | 1,173 |
| | | | | | \$476,611 | \$ - | \$476,611 |

Liquidity risk

Liquidity risk is the risk that the Company will encounter 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 in banks, investments in mutual funds, and other collective schemes wholly invested in liquid/semi-liquid assets to assure necessary liquidity. This is also in compliance to Section 6.10 of the Implementing Rules and Regulations of the Investment Company Act series of 2018.

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

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

| | Less than One Month | One Month to One Year | Total |
|-------------------------------------|---------------------|-----------------------|------------------|
| 2021 | | | |
| Accrued expenses and other payables | \$ - | \$2,382 | \$ 2,382 |
| Payable to fund manager | 10,492 | - | 10,492 |
| | \$10,492 | \$2,382 | \$ 12,874 |
| 2020 | | | |
| Accrued expenses and other payables | \$ - | \$ 3,553 | \$ 3,553 |
| Due to brokers | 50,000 | - | 50,000 |
| Payable to fund manager | 11,086 | - | 11,086 |
| | \$61,086 | \$ 3,553 | \$ 64,639 |

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 |
|-----------------------------|---------------------------------|--------------------|-------------------|-------------------|---------------------|--------------------|
| 2021 | | | | | | |
| Cash in banks | 0.01% | \$441,657 | \$ - | \$ - | \$ - | \$441,657 |
| Financial assets at FVTPL | 1.94% | 7,775 | 31,100 | 38,875 | 551,036 | 628,786 |
| Due from brokers | | 20,000 | - | - | - | 20,000 |
| Accrued interest receivable | | 2,937 | - | - | - | 2,937 |
| | | \$472,369 | \$31,100 | \$38,875 | \$551,036 | \$1,093,380 |
| 2020 | | | | | | |
| Cash in banks | 0.01% | \$ 475,438 | \$ - | \$ - | \$ - | \$475,438 |
| Financial assets at FVTPL | 1.38% | 3,840 | 15,360 | 89,126 | 286,942 | 395,268 |
| Accrued interest receivable | | 1,173 | - | - | - | 1,173 |
| | | \$480,451 | \$15,360 | \$89,126 | \$286,942 | \$871,879 |

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

20. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing returns to stakeholders through the optimization of the mix of high-quality debt and equity securities.

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

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

The Company manages capital and NAVPS, as disclosed in Notes 11, 12 and 13, 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 30% 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. Asset class and geographic concentrations may vary at any time depending on the investment manager's view on the prospects;
- It does not invest directly in real estate properties and developments;
- It does not purchase or sell commodity futures contracts;
- It does not engage in lending operations to related parties such as the members of the Board of Directors, officers of the Company and any affiliates, or affiliated corporations of the Company;
- The asset mix in each type of security is determined from time to time, as warranted by economic and investment conditions; and
- It does not change its investment objectives without the prior approval of a majority of its shareholders.

The Investment Policies refer to the following:

- a. Investment Objective – to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.
- b. Benchmark – 95% Bloomberg Barclays EM Asia USD Credit Philippine Index + 30% Morgan Stanley Capital International All Country World Index (MSCI ACWI) + 5% 30-day USD Deposit Rate.
- c. Asset Allocation Range – the Company shall allocate its funds available for investments among cash and other deposit substitute, fixed-income securities and equity securities based on certain proportion as approved by Management.

Other matters covered in the investment policy include the fees due to be paid to the Fund Manager with management and distribution fees each set at an annual rate of 1.50% of the net assets on each valuation day.

In compliance to 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, 2021 and 2020, the Company is in compliance with the above requirements and minimum equity requirement of the SEC of P50,000,000.

| | 2021 | 2020 |
|--------------|--------------------|--------------|
| Equity | \$7,164,324 | \$ 7,694,133 |
| Total assets | 7,178,262 | 7,759,972 |
| Equity ratio | 0.9981:1 | 0.9915:1 |

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

The following information on taxes, duties and license fees paid or accrued during the 2021 taxable year is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

Documentary stamp taxes

Documentary stamp taxes incurred by the Company during 2021 amounted to P8,324 representing taxes in connection with the issuance of the Company's stock certificates to its shareholders. The documentary stamp tax being paid by the Company to the BIR includes those charged against the shareholders' investment for stock 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 and accrued in 2021 are as follows:

| Charged to Operating Expenses | |
|--------------------------------------|----------------|
| Business tax | P44,745 |
| Registration and filing fees | 42,305 |
| Residence or community tax | 3,039 |
| | P90,089 |

Withholding taxes

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

| | Paid | Accrued | Total |
|----------------------------|-----------------|----------------|-----------------|
| Expanded withholding taxes | P534,858 | P52,639 | P587,497 |

Deficiency tax assessments

The Company has no tax assessments and tax cases in 2021.

22. APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company were reviewed and endorsed by the Audit and Compliance Committee for the approval of the Board of Directors on March 9, 2022.

The Board of Directors approved the issuance of the financial statements also on March 9, 2022.

* * *

Navarro Amper & Co.
19th Floor Six/NEO Building
5th Avenue corner 26th Street
Bonifacio Global City, Taguig 1634
Philippines

Tel: +63 2 8581 9000
Fax: +63 2 8869 3676
www.deloitte.com/ph

BOA/PRC Reg. No. 0004
SEC Accreditation No. 0004-SEC

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

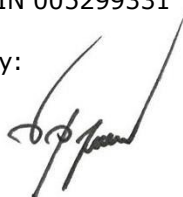
To the Board of Directors and Shareholders
SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
(An Open-end Investment Company)
Sun Life Centre, 5th Avenue corner Rizal Drive
Bonifacio Global City, Taguig City

We have audited the financial statements of Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") as at December 31, 2021 and 2020 and for the years ended December 31, 2021, 2020 and 2019, in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated April 29, 2022.

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

Navarro Amper & Co.
BOA Registration No. 0004, valid from June 7, 2021 to September 22, 2024
SEC A.N. 0004-SEC, issued on December 7, 2021; Group A, valid to audit 2021 to 2025 financial statements
TIN 005299331

By:



Joeffrey Mark P. Ferrer
Partner
CPA License No. 0115793
SEC A.N. 1767-A, issued on August 27, 2019; effective until August 26, 2022, Group A
TIN 211965340
BIR A.N. 08-002552-058-2021, issued on September 8, 2021; effective until October 8, 2024
PTR No. A-5334284, issued on January 4, 2022, Taguig City

Taguig City, Philippines
April 29, 2022



**RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DECLARATION**

As at December 31, 2021

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City

| Items | Amount |
|--|---------------------|
| Unappropriated Retained Earnings, beginning | \$ 1,191,485 |
| Adjustments: | |
| Accumulated unrealized fair value gain as of December 31, 2020 | (1,017,575) |
| Treasury shares as of December 31, 2020 | - |
| Unappropriated Retained Earnings, as adjusted, beginning | \$ 173,910 |
| Net income based on the face of AFS | 73,428 |
| Adjustments for non-actual (gains) losses | |
| Effect of movements in accumulated unrealized loss during the year | 599,786 |
| Net Income Actual/Realized | 673,214 |
| Add: Treasury shares acquired during the year | (615,951) |
| Unappropriated Retained Earnings, as adjusted, ending | \$ 231,173 |

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.

Schedule of Financial Soundness Indicators and Financial Ratios

December 31, 2021 and December 31, 2020

| | Formula | 2021 | 2020 |
|--|--|------------|------------|
| <i>Current/ Liquidity Ratios</i> | | | |
| a. Current ratio | Current Assets/Current Liabilities | 515.01:1 | 117.86:1 |
| b. Quick ratio | Quick Assets/Current Liabilities | 515.01:1 | 117.86:1 |
| c. Cash ratio | Cash/Current Liabilities | 31.69:1 | 7.22:1 |
| d. Days in receivable | Receivable/Revenue * No. of days | N/A | N/A |
| e. Working capital ratio | (Current Assets-Current Liabilities)/Current Liabilities | 514.01:1 | 116.86:1 |
| f. Net working capital to sales ratio | Working Capital / Total Revenue | 8.66:1 | 58.27:1 |
| g. Defensive Interval Ratio | 360* (Quick Assets / Proj. Daily Operating Expense) | 16775.67:1 | 19143.22:1 |
| <i>Solvency Ratios</i> | | | |
| a. Long-term debt to equity ratio | Noncurrent Liabilities/Total Equity | N/A | N/A |
| b. Debt to equity ratio | Total Liabilities/Total Equity | 0.002:1 | 0.009:1 |
| c. Long term debt to total asset ratio | Noncurrent Liabilities/Total Assets | N/A | N/A |
| d. Total debt to asset ratio | Total Liabilities/Total Assets | 0.002:1 | 0.008:1 |
| Asset to equity ratio | Total Assets/Total Equity | 1:1 | 1.01:1 |
| Interest rate coverage ratio | Earning Before Income Tax/Interest Expense | N/A | N/A |
| <i>Profitability Ratio</i> | | | |
| a. Earnings before interest and taxes (EBIT) margin | EBIT/Revenue | 8.89% | 451.73% |
| b. Earnings before interest, taxes and depreciation and amortization (EBITDA) margin | EBITDA/Revenue | 8.89% | 451.73% |
| c. Pre-tax margin | EBIT/Revenue | 8.89% | 451.73% |
| d. Effective tax rate | Income Tax/EBIT | 0.15% | 0.05% |
| e. Post-tax margin | Net Income After Tax/Revenue | 8.87% | 451.49% |
| f. Return on equity | Net Income After Tax/Average Common Equity | 0.99% | 8.25% |
| g. Return on asset | NIAT/Average Total Assets | 0.98% | 8.20% |
| Capital intensity ratio | Total Assets/Revenue | 8.67:1 | 58.77:1 |
| Fixed assets to total assets | Fixed assets/Total assets | N/A | N/A |
| Dividend payout ratio | Dividends paid/Net Income | 0.14:1 | 0.23:1 |

SUN LIFE PROSPERITY DOLLAR WELLSRING FUND, INC.
Schedule Required under SRC Rule 68

i. Percentage of Investment in a Single Enterprise to Net Asset Value
As of December 31, 2021 and December 31, 2020

| | 2021 | | | 2020 | | |
|--|------------------------------|-----------------|------------|------------------------------|-----------------|------------|
| | Investment (Market Value) | Net Asset Value | % over NAV | Investment (Market Value) | Net Asset Value | % over NAV |
| Treasury Notes (ISIN) | | | | | | |
| US912810SZ21 | 223,059 | 7,164,324 | 3.11% | - | - | - |
| US912810SU34 | 177,103 | 7,164,324 | 2.47% | - | - | - |
| US912810SL35 | - | 7,164,324 | 0.00% | 34,455 | 7,694,133 | 0.45% |
| US912810SN90 | - | 7,164,324 | 0.00% | 37,728 | 7,694,133 | 0.49% |
| US912810SP49 | - | 7,164,324 | 0.00% | 139,078 | 7,694,133 | 1.81% |
| US91282CAV37 | - | 7,164,324 | 0.00% | 69,541 | 7,694,133 | 0.90% |
| Mutual Funds | | | | | | |
| BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND | 132,885 | 7,164,324 | 1.85% | 158,770 | 7,694,133 | 2.06% |
| MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND | 153,801 | 7,164,324 | 2.15% | 18,039 | 7,694,133 | 0.23% |
| WELLINGTON GLOBAL QUALITY GROWTH FUND | 95,374 | 7,164,324 | 1.33% | 549,162 | 7,694,133 | 7.14% |
| MORGAN STANLEY US ADVANTAGE FUND | 33,985 | 7,164,324 | 0.47% | 546,742 | 7,694,133 | 7.11% |
| MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND | 169,133 | 7,164,324 | 2.36% | 673,910 | 7,694,133 | 8.76% |
| SPDR MSCI ACWI UCITS ETF | 202 | 7,164,324 | 0.00% | 290,990 | 7,694,133 | 3.78% |
| JPMORGAN FUNDS-INCOME FUND | 810,061 | 7,164,324 | 11.31% | 390,014 | 7,694,133 | 5.07% |
| MFS MERIDIAN FUNDS - GLOBAL HIGH YIELD FUND | 309,733 | 7,164,324 | 4.32% | 327,976 | 7,694,133 | 4.26% |
| JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND | 640,685 | 7,164,324 | 8.94% | 495,880 | 7,694,133 | 6.44% |
| MFS MERIDIAN FUNDS - CONTINENTAL EUROPEAN EQUITY FUND | 179,846 | 7,164,324 | 2.51% | 92,301 | 7,694,133 | 1.20% |
| NEW CAPITAL WEALTHY NATIONS BOND FUND | 294,279 | 7,164,324 | 4.11% | 278,182 | 7,694,133 | 3.62% |
| ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF | 972,431 | 7,164,324 | 13.57% | 1,027,730 | 7,694,133 | 13.36% |
| JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY | 88,535 | 7,164,324 | 1.24% | 436,527 | 7,694,133 | 5.67% |
| INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND | - | 7,164,324 | 0.00% | 205,140 | 7,694,133 | 2.67% |
| PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND | - | 7,164,324 | 0.00% | 59,213 | 7,694,133 | 0.77% |
| NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND | 53,225 | 7,164,324 | 0.74% | 83,659 | 7,694,133 | 1.09% |
| SCHRODER ISF CHINA OPPORTUNITIES | 18,236 | 7,164,324 | 0.25% | 35,704 | 7,694,133 | 0.46% |
| JPM FUNDS - CHINA FUND | 23,934 | 7,164,324 | 0.33% | 189,474 | 7,694,133 | 2.46% |
| JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND | 379,980 | 7,164,324 | 5.30% | 336,846 | 7,694,133 | 4.38% |
| INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND | 92,548 | 7,164,324 | 1.29% | 47,081 | 7,694,133 | 0.61% |
| WELLINGTON GLOBAL BOND FUND | - | 7,164,324 | 0.00% | 759,221 | 7,694,133 | 9.87% |
| ISHARES CORE MSCI WORLD UCITS ETF | 107,808 | 7,164,324 | 1.50% | - | - | 0.00% |
| NEW CAPITAL UCITS FUND PLC - NEW CAPITAL GLOBAL EQUITY CONVICTION FUND | 156,884 | 7,164,324 | 2.19% | - | - | 0.00% |
| NEW CAPITAL US SMALL CAP GROWTH FUND | 54,903 | 7,164,324 | 0.77% | - | - | 0.00% |
| PIMCO FUNDS: GLOBAL INVESTORS SERIES PLC -INCOME FUND | 872,423 | 7,164,324 | 12.18% | - | - | 0.00% |
| SCHRODER ISF US LARGE CAP | 274,789 | 7,164,324 | 3.84% | - | - | 0.00% |
| THREADNEEDLE LUX - GLOBAL FOCUS | 227,793 | 7,164,324 | 3.18% | - | - | 0.00% |
| SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC | 170,032 | 7,164,324 | 2.37% | - | - | 0.00% |

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

As of December 31, 2021 and December 31, 2020

| | 2021 | | | 2020 | | |
|--|------------------|---|-----------------|------------------|---|-----------------|
| | Total Investment | Outstanding Securities of an Investee Company | % over Investee | Total Investment | Outstanding Securities of an Investee Company | % over Investee |
| Treasury Notes (ISIN) | | | | | | |
| US912810SZ21 | 220,000 | ** | - | - | ** | - |
| US912810SU34 | 180,000 | ** | - | - | ** | - |
| US912810SL35 | - | ** | - | 32,000 | ** | - |
| US912810SN90 | - | ** | - | 42,000 | ** | - |
| US912810SP49 | - | ** | - | 150,000 | ** | - |
| US91282CAV37 | - | ** | - | 70,000 | ** | - |
| Mutual Funds | | | | | | |
| BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND | 3,077 | 108,648,621 | 0.00% | 3,406 | 5,853,611,000 | 0.00% |
| MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND | 553 | 11,815,367 | 0.00% | 71 | ** | - |
| WELLINGTON GLOBAL QUALITY GROWTH FUND | 2,075 | - | 0.00% | 14,154 | ** | - |
| MORGAN STANLEY US ADVANTAGE FUND | 189 | 63,309,562 | 0.00% | 2,925 | ** | - |
| MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND | 3,287 | - | 0.00% | 12,454 | 1,603,919,000 | 0.00% |
| SPDR MSCI ACWI UCITS ETF | 1 | 17,126,767 | 0.00% | 1,720 | 2,777,946,000 | 0.00% |
| JPMORGAN FUNDS-INCOME FUND | 5,856 | 86,689,099 | 0.01% | 2,903 | 8,088,951,000 | 0.00% |
| MFS FI II USD GL HIGH YIELD | - | - | 0.00% | 1,398 | ** | - |
| JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND | 934 | 8,195,126 | 0.01% | 936 | 4,265,977,000 | 0.00% |
| MFS EQ II USD CONTINENTAL EUR | - | - | 0.00% | 5,247 | ** | - |
| NEW CAPITAL WEALTHY NATIONS BOND FUND | 1,896 | - | 0.00% | 1,775 | 2,288,997,000 | 0.00% |
| ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF | 186,934 | 143,026,861 | 0.13% | 185,494 | 4,904,024,000 | 0.00% |
| JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY | 252 | 2,220,080 | 0.01% | 1,542 | 761,517,000 | 0.00% |
| INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND | - | - | 0.00% | 15,029 | 2,485,914,000 | 0.00% |
| PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND | - | - | 0.00% | 1,895 | 602,396,000 | 0.00% |
| NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND | 211 | 1,212,849 | 0.02% | 328 | 152,686,000 | 0.00% |
| SCHRODER ISF CHINA OPPORTUNITIES | 35 | 3,004,655 | 0.00% | 60 | 1,801,009,000 | 0.00% |
| JPM FUNDS - CHINA FUND | 340 | 100,280,979 | 0.00% | 2,226 | 6,946,865,000 | 0.00% |
| JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND | 19,075 | 196,875,648 | 0.01% | 16,659 | 4,540,314,000 | 0.00% |
| INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND | 5,282 | 7,188,944 | 0.07% | 2,932 | 9,912,345,000 | 0.00% |
| WELLINGTON GLOBAL BOND FUND | - | - | 0.00% | 64,459 | 1,796,454,000 | 0.00% |
| ISHARES CORE MSCI WORLD UCITS ETF | 1,200 | 515,571,544 | 0.00% | - | - | - |
| NEW CAPITAL UCITS FUND PLC - NEW CAPITAL GLOBAL EQUITY CONVICTION FUND | 647 | 3,591,229 | 0.02% | - | - | - |
| NEW CAPITAL US SMALL CAP GROWTH FUND | 228 | 284,042 | 0.08% | - | - | - |
| PIMCO FUNDS: GLOBAL INVESTORS SERIES PLC -INCOME FUND | 51,109 | - | 0.00% | - | - | - |
| SCHRODER ISF US LARGE CAP | 857 | 7,873,921 | 0.01% | - | - | - |
| THREADNEEDLE LUX - GLOBAL FOCUS | 7,832 | - | 0.00% | - | - | - |
| SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC | 160,317 | 175,080,242 | 0.09% | - | - | - |

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

As of December 31, 2021 and December 31, 2020

| | 2021 | 2020 |
|--|-------------|-------------|
| Total Liquid and Semi-Liquid Assets | 7,178,262 | 7,759,972 |
| TOTAL ASSETS | 7,178,262 | 7,759,972 |
| Total Investment in Liquid or Semi-Liquid Assets to Total Assets | 100.00% | 100.00% |

iv. Total Operating Expenses to Total Net Worth

As of December 31, 2021 and December 31, 2020

| | 2021 | 2020 |
|---|-------------|-------------|
| Total Operating Expenses | 154,043 | 145,931 |
| Average Daily Net Worth | 7,356,865 | 6,789,133 |
| Total Operating Expenses to Average Daily Net Worth | 2.09% | 2.15% |

v. Total Assets to Total Borrowings

As of December 31, 2021 and December 31, 2020

| | 2021 | 2020 |
|----------------------------------|-------------|-------------|
| Total Assets | 7,178,262 | 7,759,972 |
| Total Borrowings | 13,938 | 65,839 |
| Total Assets to Total Borrowings | 51501.38% | 11786.28% |

** Figures not available

SUN LIFE PROSPERITY DOLLAR WELLSRING 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, 2021**

TABLE OF CONTENTS

| | <u>Page</u> |
|--|--------------------|
| Table of Contents | |
| A. Financial Assets | <u>2</u> |
| B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related parties) | <u>N.A.</u> |
| C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements | <u>N.A.</u> |
| D. Intangible Assets - Other Assets | <u>N.A.</u> |
| E. Long-Term Debt | <u>N.A.</u> |
| F. Indebtedness to Related Parties | <u>3</u> |
| G. Guarantees of Securities of Other Issuers | <u>N.A.</u> |
| H. Capital Stock | <u>4</u> |

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

SCHEDULE A - FINANCIAL ASSETS

As at December 31, 2021

| 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 |
|--|---|--------------------------------------|--------------------------------|
| Treasury Bonds and Notes Issued by the Nat'l. Government | 400,000.00 | \$ 400,163 | \$ 5,486 |
| Mutual Funds: | | | |
| BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND | 3,077 | 132,885 | |
| MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND | 553 | 153,801 | |
| WELLINGTON GLOBAL QUALITY GROWTH FUND | 2,075 | 95,374 | |
| MORGAN STANLEY US ADVANTAGE FUND | 189 | 33,985 | |
| FUND | 3,287 | 169,133 | |
| SPDR MSCI ACWI UCITS ETF | 1 | 202 | |
| JPMORGAN FUNDS-INCOME FUND | 5,856 | 810,061 | |
| MFS MERIDIAN FUNDS - GLOBAL HIGH YIELD FUND | - | 309,733 | |
| JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND | 934 | 640,685 | |
| FUND | - | 179,846 | |
| NEW CAPITAL WEALTHY NATIONS BOND FUND | 1,896 | 294,279 | |
| ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF | 186,934 | 972,431 | |
| JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX | | | |
| EQUITY | 252 | 88,535 | |
| NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH | | | |
| CONVICTION FUND | 211 | 53,225 | |
| SCHRODER ISF CHINA OPPORTUNITIES | 35 | 18,236 | |
| JPM FUNDS - CHINA FUND | 340 | 23,934 | |
| JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND | 19,075 | 379,980 | |
| INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND | 5,282 | 92,548 | |
| ISHARES CORE MSCI WORLD UCITS ETF | 1,200 | 107,808 | |
| NEW CAPITAL UCITS FUND PLC - NEW CAPITAL GLOBAL | | | |
| EQUITY CONVICTION FUND | 647 | 156,884 | |
| NEW CAPITAL US SMALL CAP GROWTH FUND | 228 | 54,903 | |
| FUND | 51,109 | 872,423 | |
| SCHRODER ISF US LARGE CAP | 857 | 274,789 | |
| THREADNEEDLE LUX - GLOBAL FOCUS | 7,832 | 227,793 | |
| SUN LIFE PROSPERITY DOLLAR STARTER FUND, INC | 160,317 | 170,032 | |
| | 452,187 | 6,313,506 | 14,705 |
| | | | |
| | 852,187 | \$ 6,713,668 | \$ 20,191 |

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

SCHEDULE F - INDEBTEDNESS TO RELATED PARTIES
As at December 31, 2021

| Name of Related Party | Relationship | Balance at beginning of period | Balance at end of period |
|---|--------------|--------------------------------|--------------------------|
| Sun Life Asset Management Company, Inc. | Fund Manager | \$11,086 | \$10,492 |
| TOTAL | | \$11,086 | \$10,492 |

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

SCHEDULE H - CAPITAL STOCK
As at December 31, 2021

| 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 | 10,000,000 | 6,400,040 | - | 780,771 | 5 | 5,619,264 |
| TOTAL | 10,000,000 | 6,400,040 | - | 780,771 | 5 | 5,619,264 |

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

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

(Company's Full Name)

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

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

Anna Katrina C. Kabigting - Ibero
 (Contact Person)

555-8888
 (Company Telephone Number)

SEC 17-C

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

(Form Type)

4th Wednesday of June
 Month Day
 (Annual Meeting)

 (Secondary License Type, If Applicable)

 Dept. Requiring this Doc.

 Amended Articles Number/Section

 Total No. of Stockholders

Total Amount of Borrowings

| | |
|----------|---------|
| _____ | _____ |
| Domestic | Foreign |

To be accomplished by SEC Personnel concerned

 File Number

 LCU

 Document ID

 Cashier

STAMPS

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

1. 12 March 2021
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698
4. Sun Life Prosperity Dollar Wellspring 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, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 28 February 2021) |
|------------------------------|---|
| <u>Common (Unclassified)</u> | <u>6,473,654</u> |

10. Indicate the item numbers reported herein:

Item 9 (b) - Other Events. During the regular meeting of the Board of Directors of the Issuer held on 09 March 2021 via Zoom Video Conference, where a quorum was present and acting throughout, the following were approved:

1. The 2020 Audited Financial Statements, as endorsed by its Audit and Compliance Committee;
2. Amended delegation of the power to amend the prospectus;
3. Amended delegation of the power to apply for increase in the authorized capital stock;
4. The holding of the Annual Stockholders' Meeting on 14 July 2021 through remote communications in accordance with SEC Memorandum No. 6, dated March 12, 2020, using Zoom's Video Conferencing facility. Attached herein as Annex A is the Internal Procedures for the conduct of the 2021 Annual Stockholders' Meeting;
5. The closing of the Issuer's Stock & Transfer Book on 30 April 2021 for the purpose of determining the stockholders entitled to notice of, to attend and vote at the annual stockholders' meeting; and
6. The Manual on Corporate Governance and the respective charters of the Board Committees, without any changes.

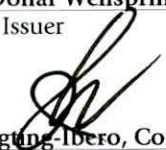
The Board of Directors was likewise informed that its Fund Manager, Sun Life Asset Management Company, Inc., had approved a fund management outsourcing arrangement to be entered into at a later time. The Board of Directors approved the necessary activities, such as access to the Corporation's pertinent accounts, in preparation for this arrangement.

Finally, the Audit and Compliance Committee, acting as the Independent Oversight Entity, approved the delegation of the power to suspend the redemption of shares/units of the Corporation.

SIGNATURES

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

Sun Life Prosperity Dollar Wellspring Fund, Inc.
Issuer


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

Date: 12 March 2021

Annex A: 2021 Annual Stockholders' Meeting Internal Procedures

1. **Date, Time and Venue of the Meeting.** The 2021 Sun Life Prosperity Funds Annual Stockholders' Meeting ("ASHM") will be held at 02:00 P.M. on Wednesday, 14 July 2021 via *Zoom Video Communications* ("Zoom"). Present during the said meeting will be the Board of Directors, Officers, and Stockholders of the Sun Life Prosperity Funds ("Funds").
2. **Notices of the Meeting.** The investors of the Funds as of 30 April 2021 ("Record Date") will be notified of the date, time, *Zoom* link, and other relevant information related to the ASHM no later than 14 June 2021 through electronic mail for investors with e-mail address/es on record. Notices of the Meeting will also be published in the website of Sun Life Asset Management (www.sunlifefunds.com), and in the business section of two (2) newspaper of general circulation, in print and online format, for two (2) consecutive dates prior to 14 June 2021.
3. **Registration.** Prior the ASHM, investors as of Record Date should pre-register using the link that will be provided through various communication channels. Client identification may be verified during the pre-registration process.
4. **Right to Vote.** The right to vote of investors as of the Record Date may be exercised in person, through proxy, or so when so authorized in the bylaws, through remote communication or *in absentia*. The Funds will accept votes from its stockholders by emailing SunLifeFunds@sunlife.com until Tuesday, 13 July 2021 (one business day prior to the ASHM). Investors who will decide to attend the ASHM via *Zoom* may also exercise their right to vote via the *Zoom* poll functionality available during the conduct of the ASHM.
5. **ASHM Conduct.** Suitable equipment and facilities will be available during the conduct of the ASHM. Participating investors will have the opportunity to read and hear the discussions substantially using *Zoom*. There will be both live and pre-recorded audio and visual presentations from the Officers and Directors of the Funds. Investors may be able to ask questions during the entire conduct of the ASHM. The audio and video of the ASHM via *Zoom* will be recorded, and this will be made available to clients after the meeting for thirty (30) days via the official Sun Life You Tube Channel.
6. **Quorum and Minutes of the Meeting.** The Corporate Secretary of the Funds will determine quorum in the meetings, as well as the voting results regarding the matters discussed in the ASHM. She will also be responsible for the preparation of the Minutes of the Meeting, and this will be forwarded to the stockholders for their approval in the next ASHM.
7. **Others.** Sun Life shall address any administrative, technical and logical issues as to the conduct of the said meeting. Should any stoppage or stoppage occur, the audio and visual recording shall start where it was interrupted, with the Chairman/Corporate Secretary acknowledging where in the agenda they left off.

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

S U N L I F E P R O S P E R I T Y D O L L A R
W E L L S P R I N G 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)

FRANCES IANNA S. CANTO
 (Contact Person)

555-8888
 (Company Telephone Number)

SEC FORM 17-C

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

(Form Type)

4th Wednesday of June
 Month Day
 (Annual Meeting)

 (Secondary License Type, If Applicable)

 Dept. Requiring this Doc.

 Amended Articles Number/Section

 Total No. of Stockholders

Total Amount of Borrowings

| | |
|----------|---------|
| _____ | _____ |
| Domestic | Foreign |

To be accomplished by SEC Personnel concerned

 File Number

 LCU

 Document ID

 Cashier

STAMPS

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

1. 19 July 2021

Date of Report (Date of earliest event reported)

2. SEC Identification Number CS201517778

3. BIR Tax Identification No. 009-123-698

4. Sun Life Prosperity Dollar Wellspring 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, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634

Address of principal office

Postal Code

8. (632) 8555-8888

Issuer's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 30 June 2021) |
|------------------------------|--|
| <u>Common (Unclassified)</u> | <u>6,034,620</u> |

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

A. During the Annual Stockholders' Meeting of the Issuer held on 14 July 2021 at 2:00 p.m. via Zoom Video Conference, during which 2,447,555 shares or 41.92% of the outstanding capital stock ("OCS") as of 30 April 2021 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 10 September 2021, 10:00 a.m. via Zoom, and until their successors have been duly elected and qualified:

- Benedicto C. Sison
- Maria Josefina A. Castillo
- Oscar M. Orbos (independent)
- Aleli Angela G. Quirino (independent)
- Cielito F. Habito (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 2020 annual stockholders' meeting;
2. All acts and proceedings of the Board and Corporate Officers (confirmation and ratification thereof); and
3. Appointment of Navarro, Amper & Co. (Deloitte Touche Tohmatsu) as external auditor for 2021.

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

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

| | |
|------------------------|---------------------------------|
| Chairman: | Benedicto C. Sison |
| President: | Maria Josefina A. Castillo |
| Treasurer: | Candy S. Esteban |
| Corporate Secretary: | Anna Katrina C. Kabigting-Ibero |
| Asst. Corp. Secretary: | Frances Ianna S. Canto |

Compliance Officer: Ma. Jemilyn S. Camania
Data Protection Officer: Ma. Jemilyn S. Camania
Risk Officer: Ria V. Mercado
Internal Auditor: Joel O. Bungabong
Corporate Governance Committee: Cielito F. Habito (Chairman), Benedicto C. Sison and Oscar M. Orbos; and
Audit and Compliance Committee: Oscar M. Orbos (Chairman), Cielito F. Habito and Aleli Angela G. Quirino
Representatives to the Philippine Investment Funds Association, Inc.:
Primary: President/Maria Josefina A. Castillo
Alternate: Any one (1) of the following:
President (Sun Life Asset Management Company, Inc.)
General Counsel (Sun Life Financial Philippines)
Treasurer/Chief Financial Officer (SLAMC)
Head (Bank and Alternative Distribution, SLAMC)
Head (MF Agency Sales, SLAMC)

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

SIGNATURES

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

Sun Life Prosperity Dollar Wellspring Fund, Inc.

Issuer



Frances Ianna S. Canto, Assistant Corporate Secretary
Signature and Title

Date: 19 July 2021

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

S U N L I F E P R O S P E R I T Y D O L L A R
W E L L S P R I N G 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 Kabigting-Ibero

(Contact Person)

555-8888 loc. 5699

(Company Telephone Number)

SEC 17 - C

1 2

Month

(Fiscal Year)

3 1

Day

(Form Type)

4th Wed. of June

Month Day

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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

1. **15 September 2021**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **CS201517778**
3. BIR Tax Identification No. **009-123-698**
4. **Sun Life Prosperity Dollar Wellspring 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, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634**
Address of principal office Postal Code
8. **(632) 8555-8888**
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 31 August 2021) |
|-------------------------------------|--|
| <u>Common (Unclassified)</u> | <u>6,086,487</u> |

10. Indicate the item numbers reported herein: **Item 4 (b), and Item 9 (a) (13).**

A. During the continuation of the Annual Stockholders' Meeting of the Issuer held on 10 September 2021 at 10:00 a.m. via Zoom Webinar, the following event 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 holdover capacity: Benedicto C. Sison, Maria Josefina A. Castillo, Cielito F. Habito (Independent), Aleli Angela G. Quirino (Independent), and Oscar M. Orbos (Independent).

B. During the Regular Meeting of the Board of Directors of the Issuer held on 14 September 2021 at 9:00 a.m. via Zoom Meeting Conference, the following event transpired:

Item (9) (a) (13). Other Events. The Board of Directors unanimously approved the declaration of stock dividends amounting to up to 1.58% of outstanding shares with record date shall of 25 November 2021, and payout date of 26 November 2021. The stock dividend shall be distributed out of the Corporation's 10 million authorized capital stock. Execution of the dividend payout is conditional on the approval of the shareholders during their special meeting scheduled on 12 November 2021.

SIGNATURES

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

Sun Life Prosperity Dollar Wellspring Fund, Inc.

Issuer



Anna Katrina C. Kabigting-Ibero, Corporate Secretary

Signature and Title

Date: **15 September 2021**

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

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

W E L L S P R I N G 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)

FRANCES IANNA S. CANTO

(Contact Person)

8555-8888

(Company Telephone Number)

SEC FORM 17-C

1 2

Month Day (Fiscal Year)

3 1

(Form Type)

4th Wednesday of June

Month Day (Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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

1. 13 October 2021
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698
4. Sun Life Prosperity Dollar Wellspring 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, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 30 September 2021) |
|------------------------------|---|
| <u>Common (Unclassified)</u> | <u>6,054,132</u> |

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

Atty. Oscar M. Orbos has resigned as Independent Director of the Sun Life Prosperity Funds effective 08 October 2021 after his decision to run for election as a Congressman. The company is already in the process of searching for a replacement to fill in this vacancy in the Board of Directors

SIGNATURES

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

Sun Life Prosperity Dollar Wellspring Fund, Inc.
Issuer



Frances Ianna S. Canto, Assistant Corporate Secretary
Signature and Title

Date: 13 October 2021

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

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

W E L L S P R I N G 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)

FRANCES IANNA S. CANTO

(Contact Person)

8555-8888

(Company Telephone Number)

SEC FORM 17-C

1 2

Month Day (Fiscal Year)

3 1

(Form Type)

4th Wednesday of June

Month Day (Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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

1. 15 November 2021
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201517778
3. BIR Tax Identification No. 009-123-698
4. Sun Life Prosperity Dollar Wellspring 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, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City, 1634
Address of principal office Postal Code
8. (632) 8555-8888
Issuer's telephone number, including area code
9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 31 October 2021) |
|------------------------------|---|
| <u>Common (Unclassified)</u> | <u>5,883,510</u> |

10. Indicate the item numbers reported herein: **Item 9 (a) (13).**

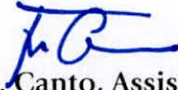
Item (9) (a) (13). Other Events. During the Special Meeting of the Stockholders of the Issuer held on 12 November 2021 at 9:00 a.m. via Zoom Webinar, during which 4,191,633 shares or 69.24 % of the outstanding capital stock as of 30 September 2021 were present in person or by proxy, the declaration of stock dividends amounting to 1.58% of outstanding shares with record date of 25 November 2021, and payout date of 25 November 2021, as previously approved by a majority of the Board of Directors during its regular meeting last 14 September 2021, was approved. The stock dividend shall be distributed out of the Issuer's 10 million authorized capital stock.

SIGNATURES

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

Sun Life Prosperity Dollar Wellspring Fund, Inc.
Issuer

Date: 15 November 2021


Frances Ianna S. Canto, Assistant Corporate Secretary
Signature and Title

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

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

W E L L S P R I N G 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 Kabigting-Ibero

(Contact Person)

555-8888 loc. 5699

(Company Telephone Number)

SEC 17 - C

1 2

Month

3 1

Day

(Fiscal Year)

(Form Type)

4th Wed. of June

Month Day

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

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. 23 November 2021

Date of Report (Date of earliest event reported)

2. SEC Identification Number CS201517778

3. BIR Tax Identification No. 009-123-698

4. Sun Life Prosperity Dollar Wellspring Fund, Inc.

Exact name of issuer as specified in its charter

5. Metro Manila, Philippines

Province, country or other jurisdiction of incorporation

6. (use Only)

Industry Classification Code:

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

Address of principal office

Postal Code

8. (632) 8555-8888

Issuer's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of 31 October 2021) |
|------------------------------|---|
| <u>Common (Unclassified)</u> | <u>5,883,510</u> |

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

During the Special Meeting of the Board of Directors of the Issuer held on 19 November 2021 at 5:15 p.m. via Zoom Meeting Conference, where a quorum was present and acting throughout, the following matters were unanimously approved:

Item 4 (b) (i). Resignation, Removal or Election of Registrant's Directors or Officers.

1. Election of Mr. Cesar Luis F. Bate as replacement Independent Director, in lieu of Atty. Oscar M. Orbos, to serve the unexpired portion of the term of the latter, and until his successor is elected and qualified;
2. Appointment of Mr. Bate to the Corporate Governance Committee, in lieu of Atty. Oscar M. Orbos, to serve the unexpired portion of the term of the latter, and until his successor elected and qualified;
3. Appointment of Mr. Bate to the Audit and Compliance Committee, in lieu of Atty. Oscar M. Orbos., to serve the unexpired portion of the term of the latter, and until his successor is elected and qualified;
4. Resignation of Ms. Maria Josefina A. Castillo as Director and President effective 19 November 2021;
5. Election of Ms. Candy S. Esteban as replacement Director and President, to serve the unexpired portion of Ms. Castillo's term, and until her successor is elected and qualified; and
6. Appointment of Mr. Sherwin S. Sampang as Treasurer, to replace Ms. Esteban effective 19 November 2021.

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

SIGNATURES

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

Sun Life Prosperity Dollar Wellspring Fund, Inc.

Issuer

Date: 23 November 2021

Anna Katrina C. Kabigting-Lopez, Corporate Secretary

Signature and Title

CESAR LUIS F. BATE

7 Beaterio Street, Urdaneta Village, Makati City Philippines

Telephone No (632) 8896 9675

Office landline (632) 8864 0808

Mobile No (63917) 5625 6021

EXPERIENCE

Managing Director
LMN Advisors/Partners Inc.

Louie established the consultancy firm **LMN Advisors/Partners Inc.**, in October 2006 after being a stockbroker for 20 years. Prior to LMN, Louie was head of the Philippine operations of **Macquarie Securities Philippines** from 2004 to 2006. From 1995 to 2004, He was president of Dutch-owned **ING Securities Philippines** which was the country's largest stock brokerage house for four years under his ten-year tenure. He started his career as a stockbroker with the local house **A&A Securities** in 1987 and joined British-owned **Baring Securities** as Head of Philippine sales in 1992. Louie is presently a registered and authorized salesman of **A&A Securities, Inc.**, as such he actively advises high-net worth individuals and two institutions. He also handles discretionary accounts.

Independent Director 2021
RL Commercial REIT, Inc.

Director 1980 – present
Acacia Lane, Inc.

Trustee 2007 – 2016
Jose Rizal University

EDUCATION

1984 BS Management Engineering
Ateneo de Manila University

FAMILY

Born March 24, 1961
Married September 2000 to Ana Melissa Tang Yao
Has four boys ages 12 to 19

OTHERS

Collects Philippine Art

CANDY S. ESTEBAN

Academic Background

Candy is a Master of Business Administration (MBA) from INSEAD. She also holds a bachelor's degree in Management Engineering from the Ateneo De Manila University.

Professional Career

Candy was the Head for Financial Planning and Analysis for the Sun Life group of companies where she led strategic and business planning, management reporting and expense management activities. She was also the Treasurer for Sun Life of Asset Management Company, Inc. (SLAMCI) and the 16 Sun Life Prosperity Funds (SLP Funds). In this role, Candy co-managed the day to day activities of treasury operations, as well as financial accounting and reporting for SLAMCI and the SLP Funds.

Before joining Sun Life, Candy held various positions in the Philippine business of Citigroup. From 2006 to 2014 – she led business planning and analysis functions for the Wealth Management business of Citibank Philippines covering the Deposits, Investments, Personal Loans and Insurance. Candy was also the Chief Financial Officer for Citibank Savings Incorporated (CSI) from 2011 to March 2014 where she covered the financial management of the legal vehicle CSI, including local regulatory, US GAAP reporting, and compliance to internal and external regulations. She was one of the key members in the sale and transition of CSI to a local Philippine bank in 2014.

Candy also held the position of Lead Finance Office at American Express Bank from 2004-2006 where she supported the Commercial Cards business for the Philippines, Thailand, Indonesia and Malaysia, and the Wealth Management business in the Philippines. Her first role after graduating from the Ateneo was as a Management Reporting Officer/Business Process Analyst for the financial reporting shared services division of Citigroup where she led automation and financial reporting for various countries in the Central and Eastern Europe, Middle East and Africa (CEEMEA), and Southeast Asia region.

SHERWIN S. SAMPANG

Mr. Sherwin S. Sampang is Sun Life PH's Head of Financial Planning & Analysis (October 2021 to present). Concurrently, Mr. Sampang is the Treasurer of Sun Life Financial Plans, Inc. (October 2017 to present). He joined Sun Life as Head of Finance Systems, Processes and Internal Controls (September 2016 to October 2018). He later assumed the role of Head of Accounting and Controllershship (November 2018 to September 2021).

Mr. Sampang has over 20 years of local and international experience in Finance and Audit. Prior to joining Sun Life, he was the Head of Finance of QBE Seaboard Insurance Philippines, Inc. His experience includes financial management leadership covering financial reporting, budgeting, forecasting, strategic planning, cost management, business process re-engineering, taxation and treasury. Prior to QBE Seaboard, he was a Director in the assurance practice of PwC Philippines and has acquired extensive international exposure from his 18-month secondment with Deloitte in Boston, MA, USA. He graduated with a degree in Bachelor of Science in Accountancy from Far Eastern University and attended the Management Development Program of the Asian Institute of Management. Mr. Sampang maintains active membership in the Philippine Institute of Certified Public Accountants (PICPA) and is currently a Board of Director of the Philippine Federation of Pre-Need Plan Companies, Inc.

COVER SHEET

C S 2 0 1 5 1 7 7 7 8

SEC Identification Number

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

W E L L S P R I N G F U N D , I N C .

(Company's Full Name)

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

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

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

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

Anna Katrina Kabigting-Ibero

(Contact Person)

555-8888 loc. 5699

(Company Telephone Number)

SEC 17 - C

1 2

Month

(Fiscal Year)

3 1

Day

(Form Type)

4th Wed. of June

Month Day

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

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. 17 December 2021

Date of Report (Date of earliest event reported)

2. SEC Identification Number CS201517778

3. BIR Tax Identification No. 009-123-698

4. Sun Life Prosperity Dollar Wellspring Fund, Inc.

Exact name of issuer as specified in its charter

5. Metro Manila, Philippines

Province, country or other jurisdiction of incorporation

6. (use Only)

Industry Classification Code:

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

Address of principal office

Postal Code

8. (632) 8555-8888

Issuer's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class

Number of Shares of Common Stock Outstanding and
Amount of Debt Outstanding
(as of 30 November 2021)

Common (Unclassified)

6,082,262

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

During the Regular Meeting of the Board of Directors of the Issuer held on 14 December 2021 at 11:30 a.m. via Zoom Meeting Conference, where a quorum was present and acting throughout, the Board of Directors unanimously approved:

Item 9 (b). Other events. Amendment of Prospectus. (1) Approve, confirm, ratify the existing securities offered by the Sun Life Prosperity Funds, and authorize the filing of the individual Registration Statements and Prospectuses of the Funds, as amended, to the Securities and Exchange Commission; and (2) Approve the disclosures contained in the individual Registration Statements and Prospectus, and assume responsibility for the information contained therein.

SIGNATURES

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

Sun Life Prosperity Dollar Wellspring Fund, Inc.

Issuer

Date: 17 December 2021

Anna Katrina C. Kabigaitan-Libero, Corporate Secretary

Signature and Title