

**Re: CGFD\_AIB MONEY MARKET MUTUAL FUND, INC.\_SEC FORM 17-A\_15APRIL2024**

**IS** ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>  
Mon, 15 Apr 2024 3:21:21 PM +0800 •  
To "infosec" <infosec@aibaami.com>

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

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

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

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1. AFS 7. IHFS 13. SSF
2. GIS 8. LCFS 14. AFS with Affidavit of No Operation
3. BDFS 9. LCIF 15. AFS with NSPO Form 1,2, and 3
4. FCFS 10. OPC\_AO 16. AFS with NSPO Form 1,2,3 and 4,5,6
5. FCIF 11. PHFS 17. FS - Parent
6. GFFS 12. SFFS 18. FS - Consolidated

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

For your information and guidance.

Thank you.

# COVER SHEET

**C S 2 0 1 5 0 6 3 0 9**

SEC Registration Number

A	I	B	M	O	N	E	Y	M	A	R	K	E	T	M	U	T	U	A	L	F	U	N	D	I	N	C	.	
(	A	n	O	p	e	n	-	E	n	d	M	u	t	u	a	l	F	u	n	d	C	o	m	p	a	n	y	)

(Company's Full Name)

1	1	t	h	F	l	o	o	r	,	M	u	l	t	i	n	a	t	i	o	n	a	l						
B	a	n	c	o	r	p	o	r	a	t	i	o	n	C	e	n	t	r	e	6	8	0	5	,				
A	y	a	l	a	a	v	e	.	,	1	2	2	6	M	a	k	a	t	i	C	i	t	y					

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

**Marco Antonio S. Palanca**

**8588-4242**

1 2    3 1  
Month    Day  
(Fiscal Year)

**SEC Form 17-A**

**June 14, 2023**

(Annual Meeting)

**Investment Company**  
(Secondary License Type, if Applicable)

Dept Requiring this Doc

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

Total Amount of Borrowings

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To be accomplished by SEC Personnel concerned

File Number

\_\_\_\_\_ LCU

Document ID

\_\_\_\_\_ Cashier

S T A M P S

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, *AS AMENDED*

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

1. For the fiscal year ended DECEMBER 31, 2023
2. SEC Identification Number CS201506309 3. BIR Tax Identification No. 008-994-370
4. Exact name of issuer as specified in its charter AIB MONEY MARKET MUTUAL FUND, INC.
5. MAKATI CITY 6.  (SEC Use Only)  
Province, Country or other jurisdiction of Industry Classification Code:  
incorporation or organization
7. 11F Multinational Bancorporation Centre 6805 Ayala Ave., Makati City 1226  
Address of principal office Postal Code
8. (+632) 8588-4242  
Issuer's telephone number, including area code
9. NOT APPLICABLE  
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<b>COMMON</b>	<b>146,490,712</b>

11. Are any or all of these securities listed on a Stock Exchange.

Yes [ ] No []

If yes, state the name of such stock exchange and the classes of securities listed therein:

12. Check whether the issuer:

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

Yes [] No [ ]

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

Yes [] No [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant.

**N/A**

## **PART I - BUSINESS AND GENERAL INFORMATION**

### **Item 1. Business**

AIB Money Market Mutual Fund, Inc. (the "Fund") was registered with the Philippine Securities and Exchange Commission (SEC) on March 27, 2015.

The Fund was organized and existing under the laws of the Philippines, to carry on the business as an open-end investing company and to subscribe for, invest and re-invest in, sell, transfer or otherwise dispose of, fixed-income instruments; promissory notes; exchange-listed securities; marketable securities that are traded in an organized exchange; loans traded in an organized market; and such other tradable investment outlets/categories as the SEC may allow.

The Fund has already secured the custodial agreement with Land Bank of the Philippines – Trust Banking Group (LBP-TBG) as the Fund's custodian bank. As a custodian bank, LBP-TBG shall be paid a reasonable fee as may be agreed upon from time to time and which shall be accordingly deducted from the Fund as allowable expenses. The shares of stock of the Fund shall be sold through AIB Asia Asset Management, Inc. (AIBAAMI) and its qualified mutual fund sales agents. A local bank shall serve as the Fund's receiving bank which shall implement contributions and withdrawals related to the Fund as may be instructed by AIBAAMI. AIBAAMI shall serve as the receiving institution for further deposit to the funds account at Unionbank of the Philippines, East West Bank and/or Rizal Commercial Banking Corporation.

### **Distribution Methods of the Products or Services**

The shares of the Fund are sold over-the-counter through the Fund's Principal Distributor, AIBAAMI, and its eligible sales agents, who have taken and passed the required licensing examination given by the SEC. There is no sales load upon subscription.

### **Competition**

The industry in which the Fund is selling or expects to sell its products or services is the mutual fund industry. As of December 31, 2023, there are about sixty-nine (69) active mutual funds in the industry – subdivided into Stock/Equity Funds, Balanced Funds, Bonds Funds (Peso and Foreign-Denominated) and Money Market Funds. The industry is highly concentrated. The Fund competes with other mutual funds managed by other fund managers operating in the Philippines. The Fund's sources of competitive advantage are its investment performance, which will ultimately drive the direction of the fund price, and customer service, which will be marked by regular updates and client information briefings geared at keeping the investors abreast of market developments.

### **Investment Objective and Legal Restriction**

The Fund is an open-end, conservative or low-risk, low-return mutual fund denominated in Philippine currency (PHP). The investment objective is capital preservation with returns and inflows derived out of investments in a diversified portfolio primarily composed of Philippine Peso and Foreign currency denominated short-term securities or fixed-income instruments representing high-quality, liquid debt and monetary instruments issued by the government of the Philippines and Filipino corporations. Thus, the Fund can be classified as a conservative or low risk investment.

In line with its stated investment objective, the Fund shall pursue a general investment policy of maintaining an optimal balance between maximizing short-term investment returns and minimizing investment risk by the proper allocation of assets among selected marketable securities and instruments depending on prevailing and anticipated market conditions. The Fund portfolio and investment strategy is to acquire Philippine Peso and Foreign currency denominated short-term securities or fixed income securities representing high-quality, liquid debt and monetary instruments issued by the Philippine government and established Philippine companies, such as PLDT, Globe, SM Development Corporation, and the like. The Fund will invest in companies that are well-known, highly-rated, well-tracked, and whose possibility of default is possible yet highly improbable. The Fund

has no plans to stray away from this investment objective, thus minimizing default risk. Also, ten percent (10%) of the fund will remain in liquid assets such as cash.

The Fund Manager will exercise thorough credit analysis and due diligence when determining which securities to invest in. It will analyze various credit reports and ratings, analyst reports, market reports and the general sentiment of other banks toward that security.

## Item 2. Properties

The Fund has financial assets in the form of cash, cash equivalents, and fixed income securities. It does not own any real property. As prescribed by SEC rules, all of the Fund's assets must be held by the custodian bank as disclosed in this prospectus. Operations will be conducted within the premises of the Fund Manager. All facilities are either owned or provided by the Fund Manager. The Fund has neither property under its fixed asset account nor hires employees for its operations.

## Item 3. Legal Proceedings

There is no material pending legal proceeding to which the Fund, its Fund Manager or any of its subsidiaries or affiliates is a party or in which any of its properties are the subject of the proceeding.

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

The Fund's application to amend its Registration Statement was approved by the Securities and Exchange Commission (SEC) on January 31, 2024. This amendment pertains to the decrease in authorized capital, which the SEC approved on May 15, 2023.

## PART II - OPERATIONAL AND FINANCIAL INFORMATION

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

#### Market Information

The Fund's shares are not traded in any Stock Exchange and only sold through its Principal Distributor, AIB Asia Asset Management, Inc. ("AIBAAMI"). Below is the history of NAVPS of the Fund for the first quarter of 2024 and the years 2023 and 2022:

Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2024	High	1.1034	-	-	-
	Low	1.0941	-	-	-
2023	High	1.0635	1.0728	1.0842	1.0940
	Low	1.0556	1.0636	1.0729	1.0840
2022	High	1.0424	1.0425	1.0501	1.0555
	Low	1.0402	1.0405	1.0425	1.0500

#### Holdings

As of December 31, 2023, there are 7 account holders of the Fund's outstanding common stock, of which, Amalgamated Investment Bancorporation holds 146,485,706 shares out of the 146,490,712 outstanding shares.

## Dividends

Under the Revised Corporation Code, the Board of Directors of the Fund may declare dividends from the unrestricted retained earnings of the Fund at a time and percentage as the same Board may deem proper and in accordance with law. If dividends are to be declared, the computation and distribution shall be proportionate to the holdings or ownership of each of the stockholders. A Philippine corporation may retain all or any portion of such surplus when:

- justified by definite corporate expansion projects or programs approved by the Board of Directors; or
- the corporation is prohibited under any loan agreement with financial institutions or creditors, whether local or foreign, from declaring dividends without their consent, and such consent has not yet been secured; or
- it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation, such as when there is need for special reserve for probable contingencies.

The Fund shall comply with Revised Corporation Code rulings, SEC MC No. 16, Series of 2023 on Revised Guidelines on the Determination of Retained Earnings Available for Dividend Declaration or any amendment thereto.

Consistent with the Fund, the Fund may retain the surplus profits of the Fund in the retained earnings account when justified for a definite project or programs approved by the Board of Directors, or prohibited under any loan agreements with financial institutions or creditor, or when the retention is necessary under special circumstances in the Fund. Such accumulation is reflected in the computation of the NAVPS. Shareholders realize their gains when shares are redeemed. To date, there has been no distribution of dividends to shareholders. The Board of Directors of the Fund may amend the dividend policy as conditions warrant as long as the dividends to be declared will not impair the capital stock of the company.

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

### Plan of Operation for the next 12 months

On December 12, 2018, the Fund obtained its certificate of permit to offer securities for sale from the SEC. Before initiating full operations, the Fund applied to the SEC for a reduction in its par value. On May 15, 2023, the SEC issued the Fund's Certificate of Approval for the Decrease of Capital Stock. The initial application to amend its Registration Statement to reflect the approved reduction in par value was submitted on October 19, 2023. Subsequently, on December 1, 2023, the Fund submitted revised documents as instructed by the SEC. As at December 31, 2023, the Fund's application to amend its Registration Statement to reflect the approved reduction in par value is still outstanding.

On January 30, 2024, the Fund received the SEC Order, rendering its amended Registration Statement effective January 26, 2024. Subsequently, the Fund started soliciting investments from the public on February 15, 2024.

The Fund does not own, lease or intend to acquire real properties in the next twelve (12) months. Neither will the Fund be purchasing or selling significant properties nor will it do the same for equipment. The Fund will not engage in research and development for any new projects. Lastly, the Fund does not expect any changes in the number of employees in the next twelve (12) months.

There are 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.

## MANAGEMENT'S DISCUSSION OF FINANCIAL PERFORMANCE FOR 2023, 2022, 2021

### FINANCIAL CONDITION (December 31, 2023 vs. December 31, 2022)

	December 31, 2023	December 31, 2022	Movement	Percentage (%)
<b>Assets</b>				
Cash and cash equivalents	₱66,169,597	₱212,905,806	(₱146,736,209)	(68.92%)
FI at amortized cost	94,054,053	–	94,054,053	N/A
Receivables	122,801	34,931	87,870	251.55%
<b>Liabilities</b>				
Accounts payable, accrued expenses and taxes payable	156,124	87,500	68,624	78.43%
<b>Equity</b>				
Common shares	146,490,712	201,663,126	(55,172,414)	(27.36%)
Additional paid in capital	198	198	–	–
Retained earnings	13,699,417	11,189,913	2,509,504	22.43%

#### ASSETS

The total assets of the Fund decreased by ₱52.59 million or 24.70% from ₱212.94 million to ₱160.35 million. The changes in total assets are primarily due to the movements in the following accounts:

##### *Cash and cash equivalents*

This account consists of cash deposits in banks, time deposits and short-term placements. This account went down by ₱146.74 million or 68.92%, from ₱212.91 million in December 31, 2022 to ₱66.17 million in December 31, 2023. The decrease in cash and cash equivalents is due to the redemption of shares in the last quarter of 2023 amounting to ₱60.00 million, and net of purchases and maturities of government securities throughout the year with face value amounting ₱95.00 million.

##### *Financial instruments at amortized cost*

As at December 31, 2023, this account amounted to ₱95.00 million, which consists of government securities. There were no outstanding financial instruments at amortized cost as at December 31, 2022.

##### *Receivables*

This account consists of accrued interest receivable from time deposits, short-term placements and fixed-income securities. This account went up by ₱0.09 million or 251.55%, from ₱0.03 million in December 31, 2022 to ₱0.12 million in December 31, 2023. This increase is due to the lower collections of interest than the interest income recognized during the year.

#### LIABILITIES

This account consists of withholding taxes payable and accruals of custody fees, transfer agent fees and audit fees. This account increased by ₱0.07 million or 78.43% from ₱0.09 million in December 31, 2022 to ₱0.16 million in December 31, 2023. The increase is due to higher accrual of expenses, mainly the audit fees.

## EQUITY

### *Capital stock*

The authorized capital of the Fund is ₱1.00 billion divided into 1.00 billion redeemable shares of ₱1.00 par value with each share carrying one vote. As at December 31, 2023, the issued and outstanding shares amounted to ₱146.49 million, a decrease of 27.36% or ₱55.17 million from ₱201.66 million as at December 31, 2022. The decrease is due to the redemption of 55.17 million shares during the last quarter of the year.

### *Additional paid in capital*

This account represents payments for new issuances in excess of ₱1.00 par per share and its succeeding redemptions. There were no new issuances nor redemptions during the year that affected this account ended December 31, 2023. The redemption during the last quarter of the year was originally issued at par.

### *Retained earnings*

This account went up by ₱2.51 million or 22.43%, from ₱11.19 million in December 31, 2022 to ₱13.70 million in December 31, 2023. The increase is due to the results of operation and redemptions during the period.

## RESULTS OF OPERATION (December 31, 2023 vs. December 31, 2022)

	December 31, 2023	December 31, 2022	Movement	Percentage (%)
<b>Income</b>				
Interest income	₱10,368,221	₱3,629,240	₱6,738,981	185.69%
Miscellaneous income	–	608,500	608,500	(100.00%)
<b>Expenses</b>				
Professional fees	212,795	292,100	(79,305)	(27.15%)
Custodianship fees	241,475	70,200	171,275	243.98%
Transfer agent fees	134,400	–	134,400	–
Membership fee	55,000	–	55,000	–
Taxes and licenses	41,815	43,766	(1,951)	28.72%
Miscellaneous expenses	272,002	7,910	264,092	3,338.71%

For the year ended December 31, 2023, the Fund has earned a net income of ₱7.34 million, an increase of ₱4.24 million or 136.84%, compared to the net income of ₱3.10 million reported for the previous year.

### *Interest income*

This account consists of interest earned from cash in banks, time deposits, short-term placements and government securities. For the year ended December 31, 2023, the Fund earned interest amounting to ₱10.37 million, an increase of ₱6.74 million or 185.69% from ₱3.63 million interest earned from the previous year. This is mainly due to the higher placements in high interest rate

government securities and higher interest rates of time deposits and short-term placements compared to the previous year.

#### ***Miscellaneous income***

As of December 31, 2023, the Fund did not recognize any miscellaneous income. As of December 31, 2022, this account consists of reimbursement by the asset management for the penalties paid to SEC in the year 2021.

#### ***Professional fees***

This account consists of per diem of the directors and the accrual of audit fees. This account went down by ₱0.08 million or 27.15%, from ₱0.29 million to ₱0.21 million, due to lower number of board meetings during the year compared to the previous year.

#### ***Custodianship fees***

This account pertains to custody fees. As of December 31, 2023, this account amounted to ₱0.24 million, ₱0.17 million or 243.98% higher than the balance of previous year amounting to ₱0.07 million.

#### ***Transfer agent fees***

For the years ended December 31, 2023 and 2022, this account amounted to ₱0.13 million and nil, respectively. The charging of transfer agent fees started during the year.

#### ***Membership fee***

For the years ended December 31, 2023 and 2022, this account amounted to ₱0.06 million and nil, respectively. The Fund started its annual membership payment to PIFA during the year 2023.

#### ***Taxes and licenses***

This account pertains to local taxes and fees paid to the SEC. For the years ended December 31, 2023 and 2022, this account amounted to ₱0.04 million and ₱0.04 million, respectively.

#### ***Miscellaneous expenses***

This account consists of various expenses such as notarial fees, bank charges and publication charges. This account increased by ₱0.26 million from ₱0.01 million as of December 31, 2022 to ₱0.27 million as of December 31, 2023. The increase is due to publication charges incurred during the year 2023.

**FINANCIAL CONDITION (December 31, 2022 vs. December 31, 2021)**

	December 31, 2022	December 31, 2021	Movement	Percentage (%)
<b>Assets</b>				
Cash and cash equivalents	₱212,905,806	₱208,986,181	₱3,919,625	1.88%
FI at amortized cost	–	–	–	–
Receivables	34,931	839,511	(804,580)	(95.84%)
<b>Liabilities</b>				
Accounts payable, accrued expenses and taxes payable	87,500	70,371	17,129	24.34%
<b>Equity</b>				
Common shares	201,663,126	201,663,126	–	–
Additional paid in capital	198	198	–	–
Retained earnings	11,189,913	8,091,997	3,097,916	38.28%

**ASSETS**

The total assets of the Fund increased by ₱3.12 million or 1.48% from ₱209.83 million to ₱212.94 million. The changes in total assets are primarily due to the movements in the following accounts:

***Cash and cash equivalents***

This account consists of cash deposits in banks, time deposits and short-term placements. This account went up by ₱3.92 million or 1.88%, from ₱208.99 million in December 31, 2021 to ₱212.91 million in December 31, 2022. This increase is due to the interest received during the year.

***Financial instruments at amortized cost***

As at December 31, 2022 and 2021, the Fund has no outstanding financial instruments at amortized cost.

***Receivables***

This account consists of accrued interest receivable from time deposits and short-term placements. This account went down by ₱0.80 million or 95.84%, from ₱0.84 million in December 31, 2021 to ₱0.03 million in December 31, 2022. This increase is due to the higher collections of interest than the interest income recognized during the year.

**LIABILITIES**

This account consists of withholding taxes payable and accruals of custody fees, transfer agent fees and audit fees. This account increased by ₱0.02 million or 24.34% from ₱0.07 million in December 31, 2021 to ₱0.09 million in December 31, 2022. The increase is due to higher accrual of expenses, mainly the custody fees.

**EQUITY*****Capital stock***

The authorized capital of the Fund is ₱1.00 billion divided into 1.00 billion redeemable shares of ₱1.00 par value with each share carrying one vote. As at December 31, 2022, the issued and

outstanding shares amounted to ₱201.66 million. There were no new issuances nor redemptions during the year.

***Additional paid in capital***

This account represents payments for new issuances in excess of ₱1.00 par per share and its succeeding redemptions. There were no new issuances nor redemptions during the year ended December 31, 2022.

***Retained earnings***

This account went up by ₱3.10 million or 38.28%, from ₱8.09 million in December 31, 2021 to ₱11.19 million in December 31, 2022. The increase is due to the results of operation during the period.

**RESULTS OF OPERATION (December 31, 2022 vs. December 31, 2021)**

	December 31, 2022	December 31, 2021	Movement	Percentage (%)
<b>Income</b>				
Interest income	₱3,629,239	₱2,550,315	₱ 1,078,924	42.31%
Miscellaneous income	608,500	–	608,500	N/A
<b>Expenses</b>				
Professional fees	292,100	387,771	(95,671)	(24.67%)
Custodianship fees	70,200	25,000	45,200	180.80%
Taxes and licenses	43,766	36,587	7,179	28.72%
Penalties	–	723,500	(723,500)	N/A
Miscellaneous expenses	7,910	23,985	(16,076)	(67.03%)

For the year ended December 31, 2022, the Fund has earned a net income of ₱3.10 million, an increase of ₱2.25 million or 267.31%, compared to the net income of ₱0.84 million reported for the previous year.

***Interest income***

This account consists of interest earned from cash in banks, time deposits, short-term placements and government securities. For the year ended December 31, 2022, the Fund earned interest amounting to ₱3.63 million, an increase of ₱1.08 million or 42.31% from ₱2.55 million interest earned from the previous year. This is mainly due to the higher interest rate of the time deposits and short-term placements compared to the interest rate from the previous year.

***Miscellaneous income***

As of December 31, 2022, this account consists of reimbursement by the asset management for the penalties paid to SEC in the year 2021.

***Professional fees***

This account consists of per diem of the directors and the accrual of audit fees. This account went down by ₱0.10 million or 24.67%, from ₱0.39 million to ₱0.29 million, due to higher frequencies of board meetings during the year compared to the previous year.

***Custodianship fees***

This account pertains to custody fees. As of December 31, 2022, this account amounted to ₱0.07 million, ₱0.05 million or 180.80% higher than the balance of previous year amounting to ₱0.02 million.

### ***Taxes and licenses***

This account pertains to local taxes and fees paid to the SEC amounting to ₱0.04 million and is 19.62% higher compared to the previous year. The increase is due to the filing fees paid to the SEC.

### ***Penalties***

This account consists of penalties paid by the Fund to the SEC and BIR during the year 2021. As at December 31, 2022, the Fund has no penalty payable to the SEC and BIR.

### ***Miscellaneous expenses***

This account consists of various expenses such as notarial fees, bank charges and publication charges. This account decreased by ₱0.01 million from ₱0.02 million as of December 31, 2021 to ₱0.01 million as of December 31, 2022.

## **FINANCIAL CONDITION (December 31, 2021 vs. December 31, 2020)**

	<b>December 31, 2021</b>	<b>December 31, 2020</b>	<b>Movement</b>	<b>Percentage (%)</b>
<b>Assets</b>				
Cash and cash equivalents	₱208,986,181	₱218,838,690	(₱9,852,509)	(4.50%)
Receivables	839,511	241,333	598,178	247.86%
<b>Liabilities</b>				
Accounts payable, accrued expenses and taxes payable	70,371	10,173,309	(10,102,938)	(99.31%)
<b>Equity</b>				
Common shares	201,663,126	201,658,126	5,000	>0.01%
Additional paid in capital	198	–	198	N/A
Retained earnings	8,091,997	7,248,588	843,409	11.64%

## **ASSETS**

The total assets of the Fund decreased by ₱9.25 million or 4.22% from ₱219.08 million to ₱209.83 million. The changes in total assets are primarily due to the movements in the following accounts:

### ***Cash and cash equivalents***

This account consists of cash deposits in banks, time deposits and short-term placements. This account went down by ₱9.85 million or 4.50%, from ₱218.84 million in December 31, 2020 to ₱208.99 million in December 31, 2021. This decrease is mainly due to the payment of payable to AIB amounting to ₱10.10 million during the year.

### ***Receivables***

This account consists of accrued interest receivable from time deposits and short-term placements. This account went up by ₱0.60 million or 247.86%, from ₱0.24 million in December 31, 2020 to ₱0.84

million in December 31, 2021. This increase is due to the higher interest income recognized than the collections of interest during the year.

## LIABILITIES

This account consists of withholding taxes payable, accruals of expenses and payables to related parties. This account decreased by ₱10.10 million from ₱10.17 million in December 31, 2020 to ₱0.07 million in December 31, 2021. The decrease is due to the payment of payable to AIB.

## EQUITY

### *Capital stock*

The authorized capital of the Fund is ₱1.00 billion divided into 1.00 billion redeemable shares of ₱1.00 par value with each share carrying one vote. As at December 31, 2021, the issued and outstanding shares amounted to ₱201.66 million. The Fund has a net subscription of 5,000 shares during the year compared to the net redemption of 48.34 million shares during the previous year.

### *Additional paid in capital*

This account represents payments for new issuances in excess of ₱1.00 par per share and its succeeding redemptions. For the year 2021, the net subscription resulted to an increase of ₱198 in additional paid in capital. The net redemption of the previous year did not affect this account.

### *Retained earnings*

This account went up by ₱0.84 million or 11.64%, from ₱7.25 million in December 31, 2020 to ₱8.09 million in December 31, 2021. The increase is due to the results of operation during the year.

## RESULTS OF OPERATION (December 31, 2021 vs. December 31, 2020)

	December 31, 2021	December 31, 2020	Movement	Percentage (%)
<b>Income</b>				
Interest income	₱2,550,315	₱4,931,778	(₱2,381,463)	(48.29%)
<b>Expenses</b>				
Professional fees	387,771	47,145	340,626	722.51%
Custodianship fees	25,000	–	25,000	N/A
Taxes and licenses	36,587	35,411	1,176	3.32%
Penalties	723,500	–	723,500	N/A
Miscellaneous expenses	23,985	–	23,985	N/A

For the year ended December 31, 2021, the Fund has earned a net income of ₱0.84 million, a decrease of ₱3.02 million or 78.17%, compared to the net income of ₱3.86 million reported for the previous year.

### *Interest income*

This account consists of interest earned from cash in banks, time deposits and short-term placements. For the year ended December 31, 2021, the Fund earned interest amounting to ₱2.55 million, a decrease of ₱2.38 million or 48.29% from ₱4.93 million interest earned from the previous

year. This is mainly due to the lower interest rate of the time deposits and short-term placements compared to the interest rate from the previous year.

#### ***Miscellaneous income***

As of December 31, 2021 and 2020, the Fund did not recognize any miscellaneous income.

#### ***Professional fees***

This account consists of per diem of the directors, audit fees and per diem of the Corporate Secretary. This account went up by ₱0.34 million or 722.51%, from ₱0.05 million to ₱0.39 million, due to the per diem of the new Corporate Secretary of the Fund during the year.

#### ***Custodianship fees***

This account pertains to custody fees. As of December 31, 2021 and 2020, this account amounted to ₱0.03 million and nil, respectively. The difference is due to the engagement of custodian during the year.

#### ***Taxes and licenses***

This account pertains to local taxes and fees paid to the SEC amounting to ₱0.04 million during the year ended December 31, 2021 and 2020. There were no major changes or difference in the taxes and licenses paid by the Fund during the year 2021 and 2020.

#### ***Penalties***

This account consists of penalties paid by the Fund to the SEC and BIR during the year 2021 amounting to ₱0.72 million. As at December 31, 2020, the Fund has no penalty payable to the SEC and BIR.

#### ***Miscellaneous expenses***

This account consists of various expenses such as notarial fees, bank charges and publication charges amounting to ₱0.02 million and nil during the period ended December 31, 2021 and 2020, respectively. The increase in this account is mainly due to various notarial fees, bank charges and printing of official receipts during the year 2021.

## Management's Discussion of Financial Performance for Interim Period

Discussion of Financial Performance for the period ended March 31, 2024

### FINANCIAL CONDITION (March 31, 2024 vs. December 31, 2023)

#### ASSETS

The total assets of the Fund increased by ₱12.55 million or 7.83% from ₱160.35 million to ₱172.90 million. The changes in total assets are primarily due to the movements in the following accounts:

##### *Cash and cash equivalents*

This account consists of cash deposits in banks, time deposits and short-term placements. This account went up by ₱5.63 million or 8.50%, from ₱66.17 million in December 31, 2023 to ₱71.80 million in March 31, 2024. This increase is mostly due to the net proceeds from subscriptions during the period that were not placed in investments at amortized cost.

##### *Financial instruments at amortized cost*

This account consists of government securities. This account went up by ₱6.83 million or 7.26%, from ₱94.05 million in December 31, 2023 to ₱100.88 million in March 31, 2024. This increase is due to the net effect of purchases amounting to ₱63.60 million, maturities amounting to ₱55.00 million and amortization amounting to ₱1.77 million.

##### *Receivables*

This account consists of accrued interest receivable from time deposits, short-term placements and interest-bearing government securities. This account went up by ₱0.03 million, from ₱0.12 million in December 31, 2023 to ₱0.15 million in March 31, 2024. This increase is due to the higher interest recognized during the period compared to actual interest received.

#### LIABILITIES

This account consists of withholding taxes payable and accruals of custody fees, transfer agent fees and audit fees. This account increased by ₱0.12 million or 75.07% from ₱0.16 million to ₱0.27 million. The increase is due to the accruals made during the period.

#### EQUITY

##### *Capital stock*

On January 30, 2024, the Fund received the SEC Order, rendering its Registration Statement effective. Subsequently, the Fund effected the decrease in its par value from ₱1.00 to ₱0.05.

The authorized capital of the Fund is ₱0.05 billion divided into 1.00 billion redeemable shares of ₱0.05 par value with each share carrying one vote. As at March 31, 2024, the issued and outstanding shares amounted to ₱7.82 million, a decrease of ₱138.67 million from ₱146.49 million as at December 31, 2023. This decrease is due to the adjustment of the effect of the decrease in par value amounting to ₱139.17 million and net sales for the period amounting to ₱0.50 million.

### ***Additional paid in capital***

This account represents payments for new issuances in excess of par value per share and its succeeding redemptions. As at March 31, 2024, this account amounted to ₱149.61 million. During the period, this account was adjusted by the effect of the decrease in par value amounting to ₱139.17 million and net sales of ₱10.45 million.

### ***Retained earnings***

This account went up by ₱1.49 million or 10.87%, from ₱13.70 million as of December 31, 2023 to ₱15.19 million as of March 31, 2024. The increase is due to the results of operation during the period.

## **RESULTS OF OPERATION (March 31, 2024 vs. March 31, 2023)**

For the period ended March 31, 2024, the Fund has earned a net income of ₱1.49 million, a decrease of ₱0.14 million or 8.35%, compared to the net income of ₱1.62 million reported for the same period of the previous year. The difference is due to movements in various accounts discussed below.

### ***Interest income***

This account consists of interest earned from cash in banks, time deposits, short-term placements and government securities. For the period ended March 31, 2024, the Fund earned interest amounting to ₱2.26 million, an increase of ₱0.01 million or 0.39% from ₱2.25 million interest earned from the same period of the previous year. This is mainly due to the higher interest rate of the time deposits and short-term placements compared to the interest rate from the previous year.

### ***Miscellaneous income***

There was no recognized miscellaneous income for the periods ended March 31, 2024 and 2023.

### ***Professional fees***

This account consists of per diem of the directors and the accrual of audit fees and management fees. The balance in this account increased by ₱0.14 million or 848.29%, moving from ₱0.02 million to ₱0.16 million. This increase can be attributed mainly due to the commencement of the charging of management fees of the Fund's Fund Manager.

### ***Custodianship fees***

This account pertains to accrual of custody fees started during the last quarter of the previous year. As of March 31, 2024 and 2023, this account amounted to ₱0.60 million and ₱0.59 million, respectively.

### ***Transfer agent fees***

This account pertains to accrual of transfer agent fees started during the year. As of March 31, 2024 and 2023, this account amounted to ₱0.03 million and ₱0.03 million, respectively.

### ***Membership fee***

This account pertains to payment of membership fee to Philippine Investment Funds Association (PIFA), a self-regulatory organization. The Fund joined the PIFA in 2023. As of March 31, 2024 and 2023, this account amounted to ₱0.03 million and ₱0.06 million, respectively. The decrease of ₱0.03 million or 54.55% is due to higher fee paid during its first year of membership.

### ***Taxes and licenses***

This account pertains to local taxes and fees paid to the SEC. As of March 31, 2024 and 2023, this account amounted to ₱0.02 million and ₱0.02 million, respectively.

### ***Miscellaneous expenses***

This account pertains to notarial fees, bank charges, penalties and other expenses. As of March 31, 2024 and 2023, this account amounted to ₱0.03 million and ₱75, respectively.

On December 12, 2018, the Fund obtained its certificate of permit to offer securities for sale from the SEC. Before initiating full operations, the Fund applied to the SEC for a reduction in its par value. On May 15, 2023, the SEC issued the Fund's Certificate of Approval for the Decrease of Capital Stock. The initial application to amend its Registration Statement to reflect the approved reduction in par value was submitted on October 19, 2023. Subsequently, on December 1, 2023, the Fund submitted revised documents as instructed by the SEC. As at December 31, 2023, the Fund's application to amend its Registration Statement to reflect the approved reduction in par value is still outstanding.

On January 30, 2024, the Fund received the SEC Order, rendering its amended Registration Statement effective January 26, 2024. Subsequently, the Fund started soliciting investments from the public on February 15, 2024.

The Fund will still be able to meet all its monetary obligations to its shareholders (for redemption) and creditors for the next 12 months. It does not foresee any event that could trigger a direct or contingent financial obligation that is material to its operations.

No material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Fund with unconsolidated entities/other persons are expected to be created for the next 12 months. Furthermore, there are no known trends, events, or uncertainties that have had or that are reasonably expected to occur that will have a material favorable or unfavorable impact on the continuing operations and liquidity of the Fund.

### **Financial Condition - Key Variable and Other Qualitative and Quantitative Factors and material matters**

The Fund's capital is sufficient to cover the operations within the next twelve months. Consequently, the Fund does not anticipate any cash flow or liquidation problems.

There are no events that will trigger direct or contingent financial obligation that are material to the Fund, including any default or acceleration of an obligation. There are also no material off-balance sheet transactions, arrangements, obligations and other relationships of the Fund with unsolicited entities or other created persons during the reporting period. There are no material commitments for capital expenditures. There are also no known trends, events, or uncertainties that have had or that are reasonably expected to have a material or unfavorable impact on net sales or revenues. There are also no significant elements of income or loss that did not arise from the Fund's operations. There was no material change from period to period and no seasonal aspects that had a material effect on the financial condition or results of operations.

## Top 5 Key Performance Indicators

The Key Performance Indicators (KPI) are a set of quantifiable measures that is necessary to gauge its performance in terms of meeting the Fund's investment objective while consistently following its investment policy. The following are the top 5 KPIs related to the Fund:

1. **Total Return.** The performance of a mutual fund is expressed in terms of its total return, which is the sum of the change in a fund's NAV, its dividends and its capital gains distributions over a given period of time, net of its expenses.
2. **Market Conditions.** A fund's true performance potential needs to be evaluated within the context of the market environment prevailing during the different periods used. It is most relevant to investors to measure the performance of a fund within a 5-year time frame as it will most likely cover a mix of market conditions that may be translated into a more reliable long-term indicator of the fund manager's investment management abilities.
3. **Peer Comparisons.** Mutual funds are also compared to their peers, or peer groups, and relevant fund categories. For example, it is common for investment research materials to compare a bond fund, like the Fund, to funds similar in nature (peers or peer group).

It is important to note that our fund is new, and is therefore not of the same size as funds available in the market. The table below summarizes the details of AIB Money Market Mutual Fund's main peers:

	ALFM Money Market mutual Fund, Inc	First Metro Save and Learn Money Market Fund, Inc.	Sun Life Prosperity Money Market Fund, Inc.
5-Year Return	2.52%	n.a.	2.44%
3-Year Return	1.78%	1.88%	1.99%
1-Year Return	2.72%	3.24%	2.79%

\*As of Dec. 31, 2023

4. **Asset Size.** Open-ended mutual funds grow their asset size in two ways:
  - i. Increase in the value of the underlying assets as a result of the strong performance of the securities in the fund's portfolio. When the underlying assets in a portfolio increase in value, the fund's asset size increases.
  - ii. The inflow of investors' money. This is why a fund's asset size will continue to grow even if it has a negative return.

The increase in a fund's asset size signifies solid fund management skills which, combined with favorable market conditions backed by a strong economic outlook, illustrates how effectively a fund manager has performed and the extent to which value has been added through active management.

The second indicates investor confidence in the fund manager, the Fund, or both.

5. **Ability of the Fund and Fund Manager to generate income from investing in fixed-income securities.** This is a detrimental performance indicator as Fund size may grow despite experiencing negative returns, so long as more clients subscribe to the Mutual Fund.

## Item 7. Financial Statements

The Audited Financial Statements are herewith attached as "ANNEX A"

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

For the audit of the financial statements of the Fund as at and for the year ended December 31, 2022, the Board of Directors of the Fund appointed Isla Lipana & Co., PWC Member Firm to replace Roxas Cruz Tagle and Co., as the external auditor. Ms. Ruth F. Blasco-Viguilla will be the assigned partner to audit the Fund for the year 2023. The change of the external auditor is a group-wide policy of AIB.

There had been no disagreements with Roxas Cruz Tagle & Co. with regard to accounting policies and financial disclosures of the Company.

## PART III - CONTROL AND COMPENSATION INFORMATION

### Item 9. Directors and Executive Officers of the Issuer

#### Directors

Name of Directors	Term Served
Robert M. Lehmann	6 years
Servando B. Alvarez Jr.	6 years
Augusto M. Cosio Jr.	2 years
Justina F. Callangan	2 years
Vicente Julian A. Sarza	2 years

#### Officers

Officers	Position
Robert M. Lehmann	Chairman
Servando B. Alvarez Jr.	President & CEO
Jonef A. Samonte	Vice President & Compliance Officer
Stanley L. Saguinsin	Corporate Secretary
Marco Antonio S. Palanca	Treasurer

Each Director shall serve for a term of 1 year from his appointment and until his successor has been duly elected and qualified, provided however, that any director may be removed from office at any time with or without cause by a  $\frac{3}{4}$  vote of the subscribed capital stock entitled to vote.

No current member of the Board of Directors of the Fund, its Fund Manager, its Principal Distributor or any one of its distributors is related to each other up to the fourth civil degree either by consanguinity or affinity and no member of the Board has been the subject of any legal/criminal proceedings for the past five years.

All of the above directors and officers are Filipino citizens. Below is a description of each directors/officer's business experience during the last five (5) years.

**Robert M. Lehmann**, 68, Filipino, is the chairman of the Fund since 2018. He joined Amalgamated Investment Bancorporation in 2017 and is also currently the President and CEO of the investment house. He used to be the Executive Vice President of Security Bank (2000-2002) and the Senior Vice President of Standard Chartered New York (1999-2000). He is also a director of the Philippine Eagle Foundation and Fruitropic, Inc. He finished his Masters in Business Administration from the University of San Francisco in 1979.

**Servando B. Alvarez, Jr.**, 61, Filipino, is the incorporator, director, and the current President of the Fund since 2015. He joined Amalgamated Investment Bancorporation in 1998 and is also currently the Chief Finance Officer and Executive Vice President of the investment house. He used to be a Senior Manager – Treasury Department in Urban Bank (1996-1998) and previously held various positions in Philippine American Life Insurance Company (1985-1996). He completed the Executive Program in International Management from Stanford University – National University of Singapore in 2011 and finished his Bachelors of Accountancy Degree in Polytechnic University of the Philippines in 1987.

**Augusto M. Cosio Jr.**, 71, is an independent director of the Fund since 2021. He served as President of First Metro Asset Management, Inc and has been a member of the First Metro Investment Corporation (FMIC) Investment committee since 2008. In FMIC, he held the position of Vice President from September 2006 – 2010. Mr. Cosio has had extensive experience in investments and the capital markets both locally and internationally. He served as consultant to the Mutual Fund Company of the Philippines (Kabuhayan Fund) in 2003. He was Vice President at Bank Austria Private Banking in Hong Kong from 2000 to 2001 managing portfolios for private clients. He was previously President of PNB Securities Inc. and a nominee and a member of the board of the Philippine Stock Exchange in 1999.

He had been an International capital markets practitioner from 1977 to 1994 having been connected with Banque Nationale de Paris (1977 – 1981) and Banque Paribas (1984 – 1994), the predecessors of the present BNP Paribas. Mr. Cosio worked in Hong Kong and Singapore for the Paribas capital markets group.

He is also a resource speaker for a fixed income resource courses at the Ateneo Center for Continuing Education and the University of Asia and the Pacific as well as for the PSE Certified Securities Specialist Course. He pursued his course of AB Social Science at the University of the Philippines finishing in 1974. He received further training in international capital markets through seminars and courses conducted by BNP Paribas in London, Paris, Tokyo and New York.

**Justina F. Callangan**, 71, Filipino, is an independent director of the Fund since 2021. Ms. Callangan also serves as a member at the Board of Directors of Securities Investor Protection Fund, and previously served as the Director of Corporate Governance and Finance Department (CGFD), formerly, Corporation Finance Department (CFD) of the Securities and Exchange Commission (SEC). Currently, Ms. Callangan is also an Independent Director of ORIX Metro Leasing Finance Corporation, a Consultant in ASA Philippines Foundation Inc., and MCLE Lecturer on various SEC matters for UP Institute for the Administration of Justice, Center for Global Best Practices, Inc., Publicly-Listed Companies and other organizations. Ms. Callangan was also a Former Chief of Staff in Office of the SEC Commissioner Fe Eloisa C. Gloria, an Assistant Professor in University of Santo Tomas Faculty of Civil Law and a Consultant in Listings department of Philippine Stock Exchange. She finished her Bachelor of Arts in Political Science as a Cum Laude in University of the East and Bachelor of Laws in San Sebastian College.

**Vicente Julian A. Sarza**, 71, Filipino, is an independent director of the Fund since 2021. He also serves as a member of the Board of Vitarich Corporation and HC Consumer Philippines Inc. as an Independent Director. Mr. Sarza also served at the Board of Mabuhay Capital Inc. as Director and Chief Operating Officer. He was a Consultant in Radiowealth Finance Corporation, Chairman/President of Central Negros Power Reliability Corp., Senior Vice President at Asia United Bank Corp., Principal at KPMG Manabat Sanagustin & Co., General Manager of Trinity Insurance Consultants, Inc., Assistant Vice President at Producers Bank of the Philippines, President & Chief Operating Officer for UCPB Savings Bank, Inc. and a Manager for United Coconut Planters Bank. He received an undergraduate degree and a graduate degree from the University of Ateneo de Manila.

**Jonef A. Samonte**, 53, is the Vice President and Compliance Officer of the Fund since 2021. Prior to joining AIBAAMI, he was a Vice President and Head of Partnership Distribution Unit in First Metro Asset Management, Inc. from 2016 to 2020. Mr. Samonte was also with Manulife Philippines from 2012 to 2016 during which time he held the position of Assistant Vice President – New Markets

Development & Agency Recruitment and Branch Head of Perseus Branch. From 2009 to 2012 he was the director of Gnostek and headed the non-technical glass reinforced systems. In Generali Pilipinas Insurance, Co., from 2006 to 2009, he was the Senior Assistant Vice President and the Channel Head (Nonlife). Mr. Samonte was also with One Gen Marketing Services as a General Manager and the Operations Head of Agencies and Branches for American International Group (AIG) Philam Insurance. Other notable positions held were Assistance Vice President Specialized Marketing Services, International Operations in Platinum Plans Phil., Inc (2000 to 2002). He finished his tertiary education at the University of the Philippines earning a Bachelor of Science in Hotel & Restaurant Administration.

**Stanley L. Saguinsin**, 58, Filipino, is the Corporate Secretary of the Fund since 2019. He is also currently a Vice President of Amalgamated Investment Bancorporation since 2000. Mr. Saguinsin received his MBA from the Asian Institute of Management in 1991.

**Marco Antonio S. Palanca**, 39, is the Treasurer of the Fund since 2023. He was also the Assistant Treasurer of the Fund from 2020 to 2022. He is also an Assistant Vice President at AIB Asia Asset Management, Inc. since 2020. He was previously the Head of Agency in Generali Life Assurance Philippines from 2019 to 2020, an Agency Development Department Head in First Metro Asset Management, Inc. from 2016 to 2019 and a Senior Training Officer in Manulife Philippines from 2014 to 2016. He finished his Bachelor of Sports Science in University of the Philippines Diliman in 2008.

## Item 10. Executive Compensation

The Fund's executive officers and directors who are officers and/or employees of Amalgamated Investment Bancorporation and/or AIBAAMI do not receive any form of compensation as such from the time of their appointments up to the present.

The Fund's Directors and Key Officers who are not officers and/or employees of Amalgamated Investment Bancorporation and AIBAAMI (i.e., "Independent Directors") receive a per diem for their attendance at regular or special meetings of the board at the rate of ₱25,000.00 per meeting per Independent Director (the Fund has three [3] Independent Directors). There are no other forms of compensation which such Directors and Key Officers are entitled to receive for meetings attended. There are no standard 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.

## Item 11. Security Ownership of Certain Beneficial Owners and Management

### Security Ownership of Certain Record and Beneficial Owners

Type of Share Class	Name and Address	Nature of Ownership	Citizenship	Number of shares	% holdings
Common	Amalgamated Investment Bancorporation 11F Multinational Bancorporation Center, 6805 Ayala Avenue, 1226, Makati City	Record / Beneficial / Shareholder	Filipino	146,485,706 shares	99.99%
Common	Robert M. Lehmann Unit 38 BC Tower 2 Alphaland Makati Place, 7232 Ayala Avenue, Makati City	Record / Beneficial	Filipino	1 share	<0.01%
Common	Servando B. Alvarez, Jr. Unit 2306, Rada Regency, 100 Rada cor. Dela Rosa St., Makati City	Record / Beneficial	Filipino	1 share	<0.01%

Common	Augusto M. Cosio Jr. 11 New Jersey Street, New Manila, Quezon City	Record / Beneficial	Filipino	1 share	<0.01%
Common	Justina F. Callangan B164 L17 Castello St., Casa Milan, North Fairview, Quezon City	Record / Beneficial / Shareholder	Filipino	5,001 shares	<0.01%
Common	Vicente Julian A. Sarza 164 Champaca St. Tahanan Village, Parañaque	Record / Beneficial	Filipino	1 share	<0.01%
Common	Stanley L. Saguinsin 5623 Tengco St., Makati City	Record / Beneficial	Filipino	1 share	<0.01%

### Security Ownership of Management

Type of Share Class	Name of Beneficial Owners	Number of shares	Citizenship	% holdings
Common	Robert M. Lehmann	1 share	Filipino	<0.01%
Common	Servando B. Alvarez, Jr.	1 share	Filipino	<0.01%
Common	Augusto M. Cosio Jr.	1 share	Filipino	<0.01%
Common	Justina F. Callangan	5,001 shares	Filipino	<0.01%
Common	Vicente Julian A. Sarza	1 share	Filipino	<0.01%

### Voting Trust Holders of 5% Or More

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

### Change in Control

As of December 31, 2023, there are no arrangements which may result in a change in control of the Fund.

### Item 12. Certain Relationships and Related Transactions

There is no family relationship between and among the directors and executive officers of the Fund. The fund does not employ personnel. Day-to-day operations are carried out by AIBAAMI, pursuant to the terms and conditions of the Management Agreement by the Fund with AIBAAMI. Further, there is no person who is an executive officer who is expected to make significant contribution to the business of the Fund.

## PART IV – CORPORATE GOVERNANCE

### Item 13. Corporate Governance

AIB Money Market Mutual Fund Inc. shall set up an evaluation system that will determine and measure compliance with the Manual on Corporate Governance.

## **PART V - EXHIBITS AND SCHEDULES**

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

#### **(a) Exhibits**

The Company's audited financial statements are hereby attached as "**ANNEX A**".

#### **(b) Reports on SEC Form 17-C**

There were no material fact or event occurred for the last six months that would reasonably be expected to affect investor's decisions in relation to the shares the Fund is offering.

**SIGNATURES**

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on \_\_\_\_\_, 2024.

By:

  
**SERVANDO B. ALVAREZ JR.**  
 President & CEO

  
**MARCO ANTONIO S. PALANCA**  
 Treasurer

  
**STANLEY L. SAGUINSIN**  
 Corporate Secretary

APR 15 2024

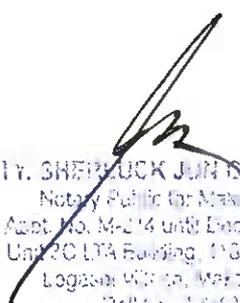
**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2024 affiant(s) exhibiting to me his/her valid government identification card, as follows:

NAME	Competent Evidence of Identity	Date / Place of Issue
Servando B. Alvarez Jr.	UMID / CRN 0003-8309275-1	
Marco Antonio S. Palanca	Driver's License / D11-02-045321	
Stanley L. Saguinsin	Driver's License / N11-84-041478	

\_\_\_\_\_  
 Notary Public

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 Book No. 21  
 Series of 2024



  
**ATTY. SHERLUCK JUN C. VILLEGAS**  
 Notary Public for Makati City  
 Acct. No. M-214 unit 801, 802, 803, 804  
 Unit 20 LTA Building, 118 Pateros St  
 Legaspi Village, Makati City  
 Roll No. 70942  
 IBP No. 263040r 11-Jul-2023 / Makati City  
 PTR No. 1007r 313r 1-2-2023 / Makati City  
 AICL Compliance No. VII-2023-018 April 15, 2025

## SEC eFast Initial Acceptance

**NO** noreply-cifssost@sec.gov.ph <noreply-cifssost@sec.gov.ph>

Mon, 15 Apr 2024 2:52:10 PM +0800

Sent by 010e018ee086fa62-ba96c164-7557-42ff-8279-a19f0e5d31b5-000000@ap-southeast-1.amazonaws.com

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Greetings!

**SEC Registration No:** CS201506309

**Company Name:** AIB MONEY MARKET MUTUAL 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.

**REMINDER:** TO ALL FILERS OF REPORTS IN THE e-FAST Please strictly follow the instruction stated in the form. Filings not in accordance with the prescribed template for the following reports will be automatically reverted by the system to the filer. 1. General Information Sheet (GIS-Stock) 2. General Information Sheet (GIS-Non-stock) 3. General Information Sheet (GIS- Foreign stock & non-stock) 4. Broker Dealer Financial Statements (BDFS) 5. Financing Company Financial Statements (FCFS) 6. Investment Houses Financial Statements (IHFS) 7. Publicly – Held Company Financial Statement 8. General Form for Financial Statements 9. Financing Companies Interim Financial Statements (FCIF) 10. Lending Companies Interim Financial Statements (LCIF) Per Section 18 of SEC Memorandum Circular No. 3 series of 2021, the reckoning date of receipt of reports is the date the report was initially submitted to the eFast, if the filed report is compliant with the existing requirements. A report, which was reverted or rejected, is considered not filed or not received. A notification will be sent to the filer, stating the reason for the reports rejection in the remarks box.

### **SECURITIES AND EXCHANGE COMMISSION**

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

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# COVER SHEET

for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

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**COMPANY NAME**

A	I	B		M	O	N	E	Y		M	A	R	K	E	T		M	U	T	U	A	L		F	U	N	D			
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C	O	M	P	A	N	Y	)																							

**PRINCIPAL OFFICE (No./Street/Barangay/City/Town/Province)**

1	1	T	H		F	L	O	O	R		M	U	L	T	I	N	A	T	I	O	N	A	L						
B	A	N	C	O	R	P	O	R	A	T	I	O	N		C	E	N	T	R	E		6	8	0	5				
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Form Type

A	F	S	
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Department requiring the report

C	G	F	D
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Secondary License Type, if Applicable

Investment Company
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**COMPANY INFORMATION**

Company's Email Address

infosec@aibaami.com
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Company's Telephone Number/s

588-4242
----------

Mobile Number

0998-841-9337
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No. of Stockholders

7
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Annual Meeting (Month/Day)

APRIL 21
----------

Fiscal Year (Month/Day)

December 31
-------------

**CONTACT PERSON INFORMATION**

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Servando B. Alvarez, Jr.
--------------------------

Email Address

sbalvarez@aib.com.ph
----------------------

Telephone Number/s

588-4270
----------

Mobile Number

0920-902-3991
---------------

**CONTACT PERSON'S ADDRESS**

11th Floor Multinational Bancorporation Centre, 6805 Ayala Avenue, Makati City
--

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

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



## **Independent Auditor's Report**

To the Board of Directors and Shareholders of  
**AIB Money Market Mutual Fund, Inc.**  
11th Floor, Multinational Bancorporation Centre  
6805 Ayala Avenue, Makati City

### ***Report on the Audits of the Financial Statements***

#### **Our Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of AIB Money Market Mutual Fund, Inc. (the "Fund") as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

#### *What we have audited*

The financial statements of the Fund comprise:

- the statements of financial position as at December 31, 2023 and 2022;
- the statements of comprehensive income for the years ended December 31, 2023 and 2022;
- the statements of changes in equity for the years ended December 31, 2023 and 2022;
- the statements of cash flows for the years ended December 31, 2023 and 2022; and
- the notes to the financial statements, including material accounting policy information.

#### **Basis for Opinion**

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Fund 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 audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics.

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T: +63 (2) 8845 2728, [www.pwc.com/ph](http://www.pwc.com/ph)



Independent Auditor's Report  
To the Board of Directors and Shareholders of  
AIB Money Market Mutual Fund, Inc.  
Page 2

#### **Other Matter**

The financial statements of the Fund for the year ended December 31, 2021 have been audited by another auditor, who expressed an unqualified opinion on those statements on April 11, 2022.

#### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A (Annual Report), but does not include the financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A (Annual Report) are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, 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 Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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



Independent Auditor's Report  
To the Board of Directors and Shareholders of  
AIB Money Market Mutual Fund, Inc.  
Page 3

### **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 these 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 Fund'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 Fund'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 Fund 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 audit.



Independent Auditor's Report  
To the Board of Directors and Shareholders of  
AIB Money Market Mutual Fund, Inc.  
Page 4

***Report on the Bureau of Internal Revenue Requirements***

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under BIR Revenue Regulations Nos. 15-2010 and 34-2020 in Note 13 to the financial statements is presented for the purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management of the Fund. The information has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**Isla Lipana & Co.**

A handwritten signature in black ink that reads "Ruth F. Blasco". The signature is written in a cursive style with a prominent flourish at the end of the word "Blasco".

Ruth F. Blasco  
Partner

CPA Cert No. 112595

P.T.R. No. 0018519, issued on January 11, 2024, Makati City

TIN 235-725-236

BIR A.N. 08-000745-133-2023, issued on May 9, 2023; effective until May 8, 2026

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City  
April 4, 2024



## **Statements Required by Rule 68 Securities Regulation Code (SRC)**

To the Board of Directors and Shareholders of  
**AIB Money Market Mutual Fund, Inc.**  
11th Floor, Multinational Bancorporation Centre  
6805 Ayala Avenue, Makati City

We have audited the financial statements of AIB Money Market Mutual Fund, Inc. as at and for the year ended December 31, 2023, on which we have rendered the attached report dated April 4, 2024. The supplementary information shown in the Reconciliation of Retained Earnings Available for Dividend Declaration, as additional component required by Part I, Section 5 of the Revised SRC Rule 68, and Schedules A, B, C, D, E, F and G, as required by Part II of the Revised SRC Rule 68, is presented for the purposes of filing with the Securities and Exchange Commission 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 the audit of the basic financial statements. In our opinion, the supplementary information has been prepared in accordance with the Revised SRC Rule 68.

**Isla Lipana & Co.**

A handwritten signature in black ink that reads "Ruth F. Blasco".

Ruth F. Blasco

Partner

CPA Cert No. 112595

P.T.R. No. 0018519, issued on January 11, 2024, Makati City

TIN 235-725-236

BIR A.N. 08-000745-133-2023, issued on May 9, 2023; effective until May 8, 2026

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City  
April 4, 2024

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T: +63 (2) 8845 2728, [www.pwc.com/ph](http://www.pwc.com/ph)

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## Statements Required by Rule 68, Part I, Section 3F Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of  
**AIB Money Market Mutual Fund, Inc.**  
11th Floor, Multinational Bancorporation Centre  
6805 Ayala Avenue, Makati City

We have audited the financial statements of AIB Money Market Mutual Fund, Inc. (the "Fund") as at and for the year ended December 31, 2023, on which we have rendered the attached report dated April 4, 2024.

In compliance with the Revised SRC Rule 68 and based on the certification received from the Fund's corporate secretary and the results of the work performed, as at December 31, 2023, the said Fund has two (2) shareholders owning more than one hundred (100) shares each.

**Isla Lipana & Co.**

A handwritten signature in black ink that reads "Ruth H. Blasco".

Ruth H. Blasco

Partner

CPA Cert No. 112595

P.T.R. No. 0018519, issued on January 11, 2024, Makati City

TIN 235-725-236

BIR A.N. 08-000745-133-2023, issued on May 9, 2023; effective until May 8, 2026

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April 4, 2024

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T: +63 (2) 8845 2728, [www.pwc.com/ph](http://www.pwc.com/ph)

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Statements of Financial Position  
As at December 31, 2023 and 2022  
(All amounts in Philippine Peso)

	Notes	2023	2022
<b>Assets</b>			
Current assets			
Cash and cash equivalents	2	66,169,597	212,905,806
Investments at amortized cost	3	94,054,053	-
Interest receivable	2,3	122,801	34,931
<b>Total assets</b>		<b>160,346,451</b>	<b>212,940,737</b>
<b>Liabilities and Equity</b>			
Current liabilities			
Accrued expenses and other payables		156,124	87,500
<b>Total liabilities</b>		<b>156,124</b>	<b>87,500</b>
Equity			
Share capital	4	146,490,712	201,663,126
Share premium		198	198
Retained earnings		13,699,417	11,189,913
<b>Total equity</b>		<b>160,190,327</b>	<b>212,853,237</b>
<b>Total liabilities and equity</b>		<b>160,346,451</b>	<b>212,940,737</b>
<b>Net asset value per share</b>	4	<b>1.0935</b>	<b>1.0555</b>

(The notes on pages 1 to 13 are an integral part of these financial statements.)

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Statements of Comprehensive Income  
For the years ended December 31, 2023 and 2022  
(With comparative figures for the year ended December 31, 2021)  
(All amounts in Philippine Peso)

	Notes	2023	2022	2021
<b>Income</b>				
Interest income	6	10,368,221	3,629,240	2,550,315
Miscellaneous income		-	608,500	-
		10,368,221	4,237,740	2,550,315
<b>Operating expenses</b>				
Custodianship fees	7	241,475	70,200	25,000
Professional fees	8	212,795	292,100	387,771
Transfer agent fees		134,400	-	-
Membership fees and dues		55,000	-	-
Taxes and licenses		41,815	43,766	36,587
Penalties	9	-	-	723,500
Miscellaneous expense		272,002	7,910	23,985
		957,487	413,976	1,196,843
<b>Income before income tax</b>		9,410,734	3,823,764	1,353,472
Income tax expense	5	2,073,644	725,848	510,063
<b>Net income for the year</b>		7,337,090	3,097,916	843,409
Other comprehensive income		-	-	-
<b>Total comprehensive income</b>		7,337,090	3,097,916	843,409
<b>Basic and diluted earnings per share</b>	4	0.0380	0.0154	0.0042

(The notes on pages 1 to 13 are an integral part of these financial statements.)

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Statements of Changes in Equity  
For the years ended December 31, 2023 and 2022  
(With comparative figures for the year ended December 31, 2021)  
(All amounts in Philippine Peso)

	Share capital (Note 4)	Share premium (Note 4)	Retained earnings (Note 4)	Total
<b>Balance at January 1, 2021</b>	201,658,126	-	7,248,588	208,906,714
<b>Comprehensive income</b>				
Net income for the year	-	-	843,409	843,409
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	843,409	843,409
<b>Transactions with owners</b>				
Issuance of shares	5,000	198	-	5,198
<b>Balance at December 31, 2021</b>	201,663,126	198	8,091,997	209,755,321
<b>Comprehensive income</b>				
Net income for the year	-	-	3,097,916	3,097,916
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	3,097,916	3,097,916
<b>Transactions with owners</b>				
Issuance of shares	6	-	-	6
Redemption of shares	(6)	-	-	(6)
<b>Balance at December 31, 2022</b>	201,663,126	198	11,189,913	212,853,237
<b>Comprehensive income</b>				
Net income for the year	-	-	7,337,090	7,337,090
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	7,337,090	7,337,090
<b>Transactions with owners</b>				
Issuance of shares	-	-	-	-
Redemption of shares	(55,172,414)	-	(4,827,586)	(60,000,000)
<b>As at December 31, 2023</b>	146,490,712	198	13,699,417	160,190,327

(The notes on pages 1 to 13 are an integral part of these financial statements.)

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Statements of Cash Flows  
For the years ended December 31, 2023 and 2022  
(With comparative figures for the year ended December 31, 2021)  
(All amounts in Philippine Peso)

	Notes	2023	2022	2021
<b>Cash flows from operating activities</b>				
Income before income tax		9,410,734	3,823,764	1,353,472
Adjustment for interest income	6	(10,368,221)	(3,629,240)	(2,550,315)
Operating (loss) income before change in operating liabilities		(957,487)	194,524	(1,196,843)
Increase in accrued expenses and other payables		68,624	17,129	2,049
Net cash (used in) from operations		(888,863)	211,653	(1,194,794)
Interest received		7,890,123	4,446,763	1,952,137
Income taxes paid	5	(2,073,644)	(725,848)	(510,063)
Net cash from operating activities		4,927,616	3,932,568	247,280
<b>Cash flows from investing activities</b>				
Acquisition of investments at amortized cost	3	(116,663,825)	(25,012,943)	-
Redemption of investments at amortized cost	3	25,000,000	25,000,000	-
Net cash used in investing activities		(91,663,825)	(12,943)	-
<b>Cash flows from financing activities</b>				
Issuance of shares	4	-	6	5,198
Redemption of shares	4	(60,000,000)	(6)	-
Payments of advances from a related party		-	-	(10,104,987)
Net cash used in financing activities		(60,000,000)	-	(10,099,789)
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(146,736,209)</b>	<b>3,919,625</b>	<b>(9,852,509)</b>
<b>Cash and cash equivalents</b>				
January 1		212,905,806	208,986,181	218,838,690
December 31	2	66,169,597	212,905,806	208,986,181

(The notes on pages 1 to 13 are an integral part of these financial statements.)

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Notes to the Financial Statements

As at and for the years ended December 31, 2023 and 2022

(With comparative figures and notes for the year ended December 31, 2021)

(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

**1 General information**

AIB Money Market Mutual Fund, Inc. (the "Fund") was incorporated in the Philippines to establish and carry on the business of an open-end investment company. It was registered on March 27, 2015 with the Philippine Securities and Exchange Commission (SEC) under the Investment Company Act of 1960 (Republic Act (RA) No. 2629) and the Securities Regulation Code (RA No. 8799). The Fund's principal place of business is located at the 11th Floor, Multinational Bancorporation Centre, 6805 Ayala Avenue, Makati City.

The Fund's objective is capital preservation with returns and inflows derived out of investments in a diversified portfolio composed mostly of Peso-denominated short-term securities or fixed-income instruments representing high-quality, liquid debt and monetary instruments.

The shares of stock are being offered by the Fund through AIB Asia Asset Management, Inc., the fund manager and principal distributor (the "Fund Manager"), an entity wholly-owned by Amalgamated Investment Bancorporation (the "Parent Company"). The Fund Manager is responsible in formulating and implementing the investment strategy of the Fund, and in providing and rendering management and technical services to the Fund.

The Fund has no employees. The principal management and administrative functions of the Fund are outsourced from the Fund Manager. Nonetheless, the Fund vests upon its Board of Directors (BOD) the responsibility to oversee the Fund's overall operations.

*Status of operations*

On December 12, 2018, the Fund obtained its certificate of permit to offer securities for sale from the SEC. Before initiating full operations, the Fund applied to the SEC for a reduction in its par value. On May 15, 2023, the SEC issued the Fund's Certificate of Approval for the Decrease of Capital Stock. The initial application to amend its Registration Statement to reflect the approved reduction in par value was submitted on October 19, 2023. Subsequently, on December 1, 2023, the Fund submitted revised documents as instructed by the SEC. As at December 31, 2023, the Fund's application to amend its Registration Statement to reflect the approved reduction in par value is still outstanding.

On January 30, 2024, the Fund received the SEC Order, rendering its amended Registration Statement effective January 26, 2024. Subsequently, the Fund started soliciting investments from the public on February 15, 2024.

*Approval of financial statements*

These financial statements have been approved and authorized for issuance by the Fund's BOD on April 4, 2024.

**2 Cash and cash equivalents**

The account at December 31 consists of:

	2023	2022
Savings deposits	35,975,920	54,653,545
Short-term time deposits	30,193,677	158,252,261
	66,169,597	212,905,806

Interest rate for cash in bank ranges from 0.12% to 4.00% per annum in 2023 and 2022. Interest rate for short-term placements ranges from of 2.00% to 6.10% per annum in 2023 (2022 - 1.25% to 5.75%).

Interest income earned on cash and cash equivalents for the year ended December 31, 2023 amounts to P6,916,026 (2022 - P3,430,227) (Note 6), of which P83,218 represents interest receivable as at December 31, 2023 (2022 - P34,931).

### 3 Investments at amortized cost

The account as at December 31, 2023 consists of government securities amounting to P94,054,053 (2022 - nil).

Movements in investments at amortized cost are as follows:

	2023	2022
Balance at the beginning of the year	-	-
Purchases	116,663,825	25,012,943
Redemptions	(25,000,000)	(25,000,000)
Amortization of discount	2,390,228	(12,943)
Balance at the end of the year	94,054,053	-

The effective interest rate of investments at amortized cost in 2023 ranges from 5.750% to 6.400% (2022 - 4.625%). Interest income for the year ended December 31, 2023 amounts to P3,452,195 (2022 - P199,013) (Note 6) of which P39,583 represents interest receivable as at December 31, 2023 (2022 - nil).

Investments at amortized cost are classified as current assets and are expected to be realized within 12 months from the reporting date.

### 4 Equity

The details of the Fund's authorized shares at December 31, 2023, 2022 and 2021 are as follows:

Number of shares	1,000,000,000
Par value per share	P1
Amount	P1,000,000,000

The movements in the number of redeemable shares for the years ended December 31 are as follows:

	2023	2022	2021
At January 1	201,663,126	201,663,126	201,658,126
Issuance	-	6	5,000
Redemptions	(55,172,414)	(6)	-
At December 31	146,490,712	201,663,126	201,663,126

As at December 31, 2023 and 2022, the Fund has seven (7) shareholders (2021 - 13).

Subsequently, following the SEC Order received via email dated January 30, 2024, which rendered its amended Registration Statement effective on January 26, 2024, the Fund reduced the par value of authorized shares from P1.00 to P0.05 by creating an additional paid-in capital on February 1, 2024. The changes in the Fund's equity balances after the adjustment in par value are as follows:

	January 26, 2024	Adjustment	February 01, 2024
Common shares at par	146,490,712	(139,166,176)	7,324,536
Additional paid-in capital	198	139,166,176	139,166,374
Total paid up capital	146,490,910	-	146,490,910

#### *Earnings per share*

Earnings per share is calculated by dividing the net income by the weighted average number of outstanding redeemable shares.

The information used in the computation of basic and diluted earnings per share for the years ended December 31 follow:

	2023	2022	2021
Net income for the year	7,337,090	3,097,916	843,409
Weighted average number of units outstanding during the year	193,198,317	201,663,126	201,660,209
Basic and diluted earnings per share	0.0380	0.0154	0.0042

#### *Net Asset Value (NAV) per share*

NAV per share is computed as follows:

	2023	2022
Net assets attributable to shareholders	160,190,327	212,853,237
Number of shares outstanding	146,490,712	201,663,126
NAV per share	1.0935	1.0555

## **5 Income taxes**

The Fund's income tax expense pertains to final taxes on interest income.

The reconciliation between income tax expense at the statutory income tax rate and the actual income tax expense presented in the statement of total comprehensive income for the years ended December 31 follow:

	2023	2022	2021
Income before income tax	9,410,734	3,823,764	1,353,472
Provision for income tax at statutory rate	2,352,684	955,941	338,368
Adjusted for the tax effects of:			
Income subjected to final tax	(518,412)	(181,462)	(127,516)
Non-taxable income	-	(152,125)	-
Non-deductible expenses	-	-	180,875
Unrecognized deferred income tax (DIT) assets	239,372	103,494	118,336
Income tax expense	2,073,644	725,848	510,063

Deferred income tax (DIT) assets are recognized only to the extent that taxable income will be available against which the DIT assets can be used. The Fund does not recognize DIT asset on its net operating loss carryover (NOLCO) in view of its limited capacity to generate sufficient taxable income to allow the utilization of NOLCO since the Fund's income are either tax-exempt or are subject to final tax.

The details of the Fund's NOLCO are as follows:

Year of incurrence	Year of expiration	2023	2022	2021
2023	2026	957,487	-	-
2022	2025	413,976	413,976	-
2021	2026	473,343	473,343	473,343
2020	2025	82,556	82,556	82,556
2019	2022	-	2,615,709	2,615,709
2018	2021	-	-	483,359
Expired NOLCO		1,927,362	3,585,584	3,654,967
		-	(2,615,709)	(483,359)
Tax rate		1,927,362	969,875	3,171,608
		25%	25%	25%
Unrecognized DIT asset on NOLCO		481,841	242,469	792,902

The NOLCO incurred in 2020 and 2021 can be carried over as a deduction for the next five consecutive years pursuant to the provisions of Revenue Regulations (RR) No. 25-2020 and Section 4 COVID-19 Response and Recovery Interventions of RA No. 11494, otherwise known as "Bayanihan to Recover as One Act". For all other years, NOLCO can be carried forward as a deduction for the next three consecutive years.

## 6 Interest income

The account consists of:

	Note	2023	2022	2021
Interest income on cash and cash equivalents	2	6,916,026	3,430,227	2,550,315
Interest income on investments at amortized cost	3	3,452,195	199,013	-
		10,368,221	3,629,240	2,550,315

Interest income on investments at amortized cost relates to retail treasury bonds purchased by the Fund during the year.

## 7 Custodian agreement

The Fund has an existing custodian agreement with Land Bank of the Philippines - Trust Banking Group (the "Custodian") for custodial services of the Fund's proprietary assets and/or assets owned in the Philippines. Under this agreement, the Fund shall pay a reasonable fee to the Custodian related to charges and other fees associated with custody and clearing transactions of the Fund.

Custodian fees for the year ended December 31, 2023 amount to P241,475 (2022 - P70,200).

## 8 Related party transactions

In November 2023, a redemption of 55,172,414 shares (2022 - 6) was made by the Parent Company at P60,000,000 (2020 - P6). Aside from this, there were no other related party transactions or outstanding balances as at and for the years ended December 31, 2023 and 2022.

### *Compensation of key management personnel and BOD*

The authority and responsibility for planning, directing and controlling the activities of the Fund, including the administrative and accounting functions are undertaken by the Fund's BOD.

Details of compensation paid to key management personnel and BOD of the Fund are as follows:

	2023	2022
Per diem of independent directors	75,000	225,000

The above amounts are presented as part of Professional fees in the statement of comprehensive income.

## 9 Penalties

In 2021, the Fund paid penalties amounting of P608,500 and P115,000 to SEC and to BIR, respectively, both of which were treated as non-deductible expenses. On June 24, 2022, the Fund Manager received a letter from the SEC instructing it to reimburse the Fund for any penalties incurred by the Fund.

As at December 31, 2022, the Fund Manager has already fully reimbursed the Fund for the SEC penalties it has previously paid. Reimbursement from the Fund Manager is recognized by the Fund as Miscellaneous income in the statement of comprehensive income. The said income is considered as non-taxable as it is only a reimbursement of a non-deductible expense.

## 10 Critical accounting estimate and judgments

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events, that are believed to be reasonable as at reporting date. The resulting accounting estimates and judgments will, by definition, seldom equal the related actual results. There are no areas involving accounting estimates on the Fund's financial statements.

The judgment that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

### *Recognition of DIT asset*

DIT assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which these can be utilized. Significant management judgment is required to determine the amount of DIT assets that can be recognized. These assets are periodically reviewed for realization.

Based on management's assessment, the Fund is not expecting to generate sufficient taxable income within the carry-over period to which the deferred tax asset on its NOLCO may be applied. As at December 31, 2023, unrecognized DIT asset on NOLCO amounts to P481,841 (2022 - P242,469) (Note 5).

## 11 Financial risk and capital management

The Fund's financial assets comprise of cash and cash equivalents, investments at amortized cost and interest receivable. The main purpose of these financial instruments is to finance the Fund's pre-operations. The Fund's financial liabilities comprise of accrued expenses and other payables, which arise directly from its pre-operating activities. During the year, no changes were made by the Fund to its investment objectives and policies from the previous year.

### 11.1 Governance framework

The Fund Manager has established a risk management function with clear terms of reference and with the responsibility for developing policies on market, credit, liquidity and operational risk. It also supports the effective implementation of policies.

The policies define the Fund's identification of risks and its interpretation, limit structure to ensure the appropriate quality and diversification of assets to the corporate goals and specific reporting requirements.

A local bank shall serve as the Fund's receiving bank which shall implement contributions and withdrawals related to the Fund as may be instructed by the Fund Manager. The Fund Manager shall serve as the receiving institution for further deposit to the Fund's designated depository bank accounts. Under this agreement, the Fund Manager shall make monthly fee equivalent to up to 1.5% (net of VAT) per annum of the average net asset value of the Fund's assets, computed on a daily basis. Subsequently, on February 15, 2024, the Fund Manager began charging management fees to the Fund.

## 11.2 Regulatory framework

The operations of the Fund are subject to the regulatory requirements of the SEC. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provision (e.g., investment portfolios repurchase, capital requirements, etc.).

## 11.3 Credit risk

Credit risk is the risk that one party to a financial instrument may fail to discharge an obligation and cause the other party to incur a financial loss. The Fund's credit risk is considered to be minimal since the transactions of the Fund are still limited and the counterparties are deemed to be reputable. The Fund transacts only with recognized and creditworthy third parties. It is the Fund's policy that all counterparties are subject to credit verification procedures.

The table below summarizes the maximum credit risk exposure of the Fund as at December 31:

	2023	2022
Cash and cash equivalents	66,169,597	212,905,806
Investments at amortized cost	94,054,053	-
Interest receivable	122,801	34,931
	160,346,451	212,940,737

All of the Fund's financial assets are classified as neither past due nor impaired and are considered fully collectible as at December 31, 2023 and 2022.

The Fund's exposure to credit risk is limited to that with the Philippine government and universal and Philippine banks with good credit rating. Thus, the Fund's credit risk exposure is considered to be very low.

## 11.4 Liquidity risk

Liquidity risk is the risk of being unable to meet payment obligations as these come due without incurring unacceptable losses due to disruption in funding sources, and/or inability to liquidate assets quickly due to changes in market conditions, and/or unplanned utilization of cash resources.

The Fund seeks to manage its liquidity profile to be able to finance its working capital requirements. It intends to use internally generated funds and advances from a related party to cover its financing requirements.

As at December 31, 2023, the contractual maturity of the Fund's financial liabilities is one (1) to six (6) months and amounts to P156,124 (2022 - P87,500).

## 11.5 Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

The Fund's financial assets at amortized cost bear fixed interest rates, hence, not subject to significant cash flow interest rate risk. Also, the Fund, has no financial asset measured at fair value, hence, not subject to significant market interest rate risk.

## 11.6 Price risk

Price risk is the risk that the fair value of debt and equity securities increases or decreases as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or factors affecting all instruments in the market.

As at December 2023 and 2022, the Fund has no investments in debt and equity securities measured at fair value. As such, the Fund is not exposed to price risk.

## 11.7 Capital management

The Fund's objective for managing its capital is to maximize profit consistent with its policy to preserve capital and to maintain liquidity of its investments through a diversified portfolio of high-grade fixed income securities and equity securities. The capital of the Fund is supposed to consist mainly of proceeds from issuance of shares which are subject to redemption by the shareholders.

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, are held by its receiving banks.

The Fund's objectives when managing capital are:

- (a) to safeguard the Fund's ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits for other stakeholders;
- (b) to provide an adequate return to shareholders by pricing services commensurately with the level of risk; and
- (c) to maintain an optimal capital structure to reduce the cost of capital.

To substantially meet these capital management objectives, the Fund monitors its operational performance and ensures that enough cash flows are generated by its operations to repay the creditors. In addition, the Fund manages its capital structure and adjusts it, in light of changes in economic conditions and the risk characteristics of the underlying assets.

Externally-imposed capital requirements are set and regulated by the Investment Company Act of 1960 and its 2018 Implementing Rules and Regulations. The Fund has complied with the externally-imposed capital requirements during the financial reporting period and no changes were made to its capital base, investment objectives and policies from the previous year.

As at December 31, 2023 and 2022, the Fund is in compliance with the minimum subscribed and paid-in capital of P50 million required for investment companies under the Investment Company Act of 1960.

The equity ratio as at December 31 is as follows:

	2023	2022
Total equity	160,190,327	212,853,237
Total assets	160,346,451	212,940,737
Equity ratio	0.9990:1	0.9996:1

## 11.8 Fair value estimation

The carrying amounts of cash and cash equivalents, investments at amortized cost, interest receivable and accrued expenses and other payables approximate their fair values due to the relatively short-term maturities of these financial assets and financial liabilities.

As at December 31, 2023 and 2022, the Fund has no financial asset and financial liability carried at fair value. As such, presentation of fair value hierarchy is not necessary.

## 12 Summary of material accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### 12.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs). The term PFRSs in general includes all applicable PFRSs, Philippine Accounting Standards (PAS) and interpretations of the Philippine Interpretations Committee, Standing Interpretations Committee and International Financial Reporting Interpretations Committee which have been approved by the Financial and Sustainability Reporting Standards Council and adopted by the SEC.

These financial statements have been prepared under the historical cost convention.

The preparation of these financial statements in conformity with PFRSs requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. There are no areas where assumptions and estimates are significant to the financial statements of the Fund as at reporting date. The area involving a higher degree of judgment is disclosed in Note 10.

These financial statements are presented in Philippine Peso, which is the Fund's functional currency.

### 12.2 Changes in accounting policy and disclosures

#### *Amendments to existing standards adopted by the Fund*

The Fund has adopted the following amendments to existing standards effective January 1, 2023:

- Amendments to PAS1, '*Presentation of Financial Statements*', and PFRS Practice Statement 2

The amendments require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' (being information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements) and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

To support these amendments, PFRS Practice Statement 2, Making Materiality Judgements, was also amended to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The adoption of these amendments resulted in changes in the accounting policies disclosed by the Fund.

There are no other new standards, amendments to existing standards, or interpretations that are effective for annual periods beginning on or after January 1, 2023 that are considered relevant or expected to have a material effect on the financial statements of the Fund. Likewise, there are no other new standards, amendments to existing standard or interpretations effective subsequent to December 31, 2023 that are relevant or expected to have a material impact on the Fund's financial statements.

### 12.3 Financial instruments

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, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

### **12.3.1 Financial assets**

#### Classification

The Fund classifies its financial assets in the amortized cost measurement category.

#### Recognition

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.

#### Classification and subsequent measurement

The classification is based on both the business model for managing the financial assets and their contractual cash flow characteristics. 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 assets' performance is evaluated and reported to key management personnel, how risks are assessed and managed, and how managers are compensated.

As at December 31, 2023, the Fund only holds financial assets classified and measured at amortized cost.

These are the Fund's assets that are held for collection of contractual cash flows, which represent solely payments of principal and interest, and are measured at amortized cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/losses. Impairment losses are presented as separate line item in the statement of total comprehensive income.

Financial assets are included in current assets, except for maturities greater than 12 months after the reporting date which are presented as non-current assets. Financial assets measured at amortized cost comprise cash in bank, financial assets at amortized cost and interest receivable in the statement of financial position.

#### Impairment

The Fund assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost. At each reporting date, the Fund assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime expected credit loss.

The Fund's financial assets, which are composed of cash in bank, time deposits, government securities and interest receivable, are considered to be fully collectible and performing, hence, no loss allowance was recognized in 2023 and 2022.

#### Derecognition

The Fund derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or are settled, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

### **12.3.2 Financial liabilities**

#### Classification

As at December 31, 2023 and 2022, the Fund only has financial liabilities at amortized cost.

The Fund's financial liabilities at amortized cost comprise of accrued expenses and other payables in the statement of financial position.

### Recognition and measurement

Financial liabilities at amortized cost are initially measured at fair value less transaction costs and subsequently measured at amortized cost using the effective interest rate method.

### Derecognition

Financial liabilities are derecognized when the obligation is settled, discharged, cancelled or has expired.

## **12.4 Cash and cash equivalents**

Cash includes cash in bank which are stated at amortized cost. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

## **12.5 Accrued expenses and other payables**

Accrued expenses are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. It is necessary to estimate the amount or timing of accruals, however, the uncertainty is generally much less than for provisions.

## **12.6 Equity**

### *Share capital*

The shares issued by the Fund are redeemable at the holder's option and are classified as equity. The consideration received for the issuance of shares is based on net asset value per share at the transaction date. The amount of consideration pertaining to the par value of the shares issued is recognized as share capital and the excess of the consideration received over the par value is recognized as share premium.

The Fund classifies puttable financial instruments that meet the definition of a financial liability as equity where certain strict criteria are met. Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and the features of that class must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. Should terms or conditions of the redeemable shares change such that they do not comply with those criteria, the share capital would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying value of the equity instrument and fair value of the liability on the date of reclassification would be recognized in equity.

Redeemable shares can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's trading net asset value calculated in accordance with the Fund's prospectus. The excess of redemption amount over the par value of shares redeemed is first applied against the related share premium, to the extent there is a balance attributable to the holder, and then to the retained earnings.

### *Retained earnings*

Retained earnings represent the cumulative balance of the increases and decreases in net assets attributable to shareholders of the Fund.

### *Earnings per share*

Earnings per share is computed by dividing the net income attributable to shareholders for the year by the weighted average number of shares issued and outstanding during the year.

Diluted earnings per share is computed by adjusting the weighted-average number of shares issued and outstanding to assume conversion of all dilutive potential redeemable shares.

The Fund has no dilutive potential redeemable shares as at December 31, 2023 and 2022.

#### *NAV per share*

NAV per share is computed by dividing the net assets attributable to shareholders (i.e. total assets less total liabilities) by the total number of shares issued and outstanding at the reporting date.

### **12.7 Revenue recognition**

#### *Interest income*

Interest is recognized as it accrues and is presented gross of final tax.

#### *Miscellaneous income*

Income from other sources is recognized when earned.

### **12.8 Expenses**

Expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Expenses are recognized when incurred.

### **12.9 Income taxes**

Income tax is recognized in the statement of comprehensive income except to the extent that it relates to items recognized directly in equity.

#### *Current tax*

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

#### *DIT*

DIT is recognized using the liability method in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

DIT liabilities are recognized using the liability method for all taxable temporary differences.

DIT assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits or MCIT, and unused tax losses or NOLCO, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of MCIT and NOLCO can be utilized.

The carrying amount of DIT assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the DIT asset to be utilized. Unrecognized DIT asset is reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the DIT asset to be recovered.

The unrecognized DIT asset amounts to P481,841 as at December 31, 2023 (2022 - P242,469) (Note 5).

The measurement of DIT reflects the tax consequences that would follow the manner in which the Fund expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

DIT assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and DIT are recognized in profit or loss, except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

DIT assets and DIT liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the DIT relate to the same taxable entity and the same taxation authority.

#### *Final tax*

Final tax is recognized on interest income from cash and cash equivalents and investments at amortized cost.

### **12.10 Related parties**

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under common control with the reporting enterprise, or between, and/or among the reporting enterprises and their key management personnel, directors, or their shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

### **12.11 Events after the reporting date**

Post year-end events that provide additional information about the Fund's financial position at the reporting date (adjusting events) are reflected in the financial statements when material. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

## **13 Supplementary information required by the Bureau of Internal Revenue (BIR)**

The following supplementary information is presented for the purposes of filing with the BIR and is not a required part of the basic financial statements.

### **13.1 RR No. 15-2010**

#### *(i) Value-added tax*

There were no output taxes declared and input taxes claimed during the year ended December 31, 2023.

#### *(ii) Other taxes and licenses*

Details of the Fund's other taxes and licenses for the year ended December 31, 2023 are as follows:

	Amount
SEC fees	25,875
Business permits	15,440
BIR registration fee	500
	<u>41,815</u>

#### *(iii) Withholding taxes*

In 2023, the Fund paid withholding taxes amounting to P19,355.

#### *(iv) Deficiency tax assessments and tax cases*

As at December 31, 2023, the Fund has no pending tax court case and has not received any tax assessment notice from the BIR.

### **13.2 RR No. 34-2020**

BIR issued RR No. 34-2020, Prescribing the Guidelines and Procedures for the Submission of BIR Form No. 1709, Transfer Pricing Documentation (TPD) and other Supporting Documents, Amending for this Purpose the Pertinent Provisions of RR Nos. 19-2020 and 21-2002, as amended by RR No. 15-2010, to streamline the guidelines and procedures for the submission of BIR Form No. 1709, TPD and other supporting documents. Section 2 of the RR enumerated the taxpayers required to file and submit the RPT Form, together with the Annual Income Tax Return.

The Fund is not covered under Section 2 of RR 34-2020, hence, the requirements and procedures for related party transactions provided under the said RR is not applicable.

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Reconciliation of Retained Earnings Available for Dividend Declaration  
For the year ended December 31, 2023  
(All amounts in Philippine Peso)

<b>Unappropriated retained earnings, beginning of the year</b>		<b>11,189,913</b>
Add: Category A: Items that are directly credited to		
Unappropriated retained earnings		
Reversal of Retained earnings appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others (describe nature)	-	-
		<b>11,189,913</b>
Less: Category B: Items that are directly debited to		
Unappropriated retained earnings		
Dividend declaration during the reporting period	-	
Retained earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments	-	
Others (describe nature)		
Redemption of redeemable shares	(4,827,586)	<b>(4,827,586)</b>
<b>Unappropriated retained earnings, as adjusted</b>		<b>6,362,327</b>
Add/Less: Net Income (loss) for the current year		7,337,090
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)		
		<b>7,337,090</b>

(continued)

Add: Category C.2: Unrealized income recognized in profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	-	
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	-
		<b>7,337,090</b>
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)	-	
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-	-
<b>Adjusted net income/loss</b>		<b>7,337,090</b>
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)		-
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others (describe nature)	-	-
		-

(continued)

Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution	
Net movement of treasury shares (except for reacquisition of redeemable shares)	-
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and setup of service concession asset and concession payable	-
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
Others (describe nature)	-
<b>Total retained earnings, end of the year available for dividend declaration</b>	<b>13,699,417</b>

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Schedule of Financial Soundness Indicators  
For the years ended December 31, 2023 and 2022  
(All amounts in Philippine Peso)

Ratio	Formula	2023	2022
Current ratio	Current assets/Current Liabilities	1,027.05	2,433.61
Acid test ratio	Liquid Assets/Current Liabilities	424.61	2,433.61
Solvency ratio	Expenses/Average Liabilities	7.8604	5.2445
Debt-to-equity ratio	Total Liabilities/Net Assets Attributable to Shareholders	0.0010	0.0004
Asset-to-equity	Total Assets/Net Assets Attributable to Shareholders	1.0010	1.0004
Return on equity	Net Income/Average Shareholder's Equity	0.0354	0.0147
Return on assets	Net Income/Total Assets	0.0458	0.0147
Net profit margin	Net Income/Total Revenue	0.7077	0.7310

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Schedule for Mutual Funds  
For the years ended December 31, 2023 and 2022  
(All amounts in Philippine Peso)

<b>Ratios/Percentages</b>	<b>2023</b>	<b>2022</b>
1. Percentage of Investment in a single enterprise to Total Net Asset Value	-	-
2. Total Investment of the Fund to the Outstanding Securities of an Investee Fund	-	-
3. Total Investment in Liquid or Semi-Liquid Assets to Total Assets	0.413	1.000
4. Total Operating Expenses to Net Worth	0.0060	0.0019
5. Total Assets to Total Borrowings	1,027.05	2,433.61

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Supplementary Schedules Under Annex 68-J  
Pursuant to the Revised SRC Rule 68  
As at December 31, 2023  
(All amounts in Philippine Peso)

**Schedule A - Financial assets**

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the statement of financial position	Income received and accrued
Republic of the Philippines - RPTB 0 02/14/24	40,000,000.00	39,768,684	1,615,542
Republic of the Philippines - RRGB 6 1/4 03/12/24	15,000,000.00	14,999,615	463,318
Republic of the Philippines - RPTB 0 06/19/24	20,000,000.00	19,548,737	584,541
Republic of the Philippines - RPTB 0 04/03/24	20,000,000.00	19,737,017	163,728
	<b>95,000,000.00</b>	<b>94,054,053</b>	<b>2,827,129</b>

*Total interest income from investments at amortized cost amounts to P3,452,195 for the year ended December 31, 2023. The amount shown above relates only to outstanding investments as at December 31, 2023.*

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Supplementary Schedules Under Annex 68-J  
Pursuant to the Revised SRC Rule 68  
As at December 31, 2023  
(All amounts in Philippine Peso)

**Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)**

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not current	Balance at the end of period
NOT APPLICABLE							

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Supplementary Schedules Under Annex 68-J  
Pursuant to the Revised SRC Rule 68  
As at December 31, 2023  
(All amounts in Philippine Peso)

**Schedule C - Amounts Receivable from Related parties which are eliminated during the consolidation of financial statements**

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not current	Balance at the end of period
NOT APPLICABLE							

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Supplementary Schedules Under Annex 68-J  
Pursuant to the Revised SRC Rule 68  
As at December 31, 2023  
(All amounts in Philippine Peso)

**Schedule D - Long-Term Debt**

Name and designation of debtor	Balance at beginning of period	Additions	Amounts collected
NOT APPLICABLE			

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Supplementary Schedules Under Annex 68-J  
Pursuant to the Revised SRC Rule 68  
As at December 31, 2023  
(All amounts in Philippine Peso)

**Schedule E - Indebtedness to Related Parties (Long-Term Loans from Related Companies)**

Name of related party	Balance at beggning of period	Balance at end of period
NOT APPLICABLE		

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Supplementary Schedules Under Annex 68-J  
Pursuant to the Revised SRC Rule 68  
As at December 31, 2023  
(All amounts in Philippine Peso)

**Schedule F - Guarantees of Securities of Other Issuers**

Name of issuing entity of securities guaranteed by the fund for which this statement is filed	Title of issue each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by a person for which statement is filed	Nature of guarantee
NOT APPLICABLE				

**AIB Money Market Mutual Fund, Inc.**  
(An Open-End Investment Company)

Supplementary Schedules Under Annex 68-J  
Pursuant to the Revised SRC Rule 68  
As at December 31, 2023 and 2022  
(All amounts in Philippine Peso)

**Schedule G - Share capital**

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related financial position caption	Number of shares reserved for options, warrants, conversion and other rights	No of shares held by		
				Affiliates	Directors and Officers	Others
Common shares	1,000,000,000	146,490,712	-	146,485,706	5,006	-

# AIB Money Market Mutual Fund, Inc.

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of AIB Money Market Mutual Fund, Inc. (the "Fund") is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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

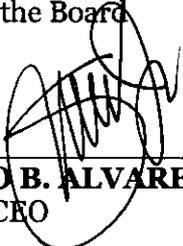
The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the shareholders.

Isla Lipana & Co., the independent auditor appointed by the shareholders, has audited the financial statements of the Fund in accordance with Philippine Standards on Auditing, and in its report to the shareholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



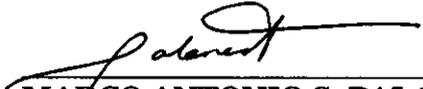
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**ROBERT CHARLES M. LEHMANN**  
Chairman of the Board



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**SERVANDO B. ALVAREZ JR.**  
President & CEO



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**MARCO ANTONIO S. PALANCA**  
Treasurer

Signed this 4th day of April 2024

## Your BIR AFS eSubmission uploads were received

**EA** eafs@bir.gov.ph  
Mon, 15 Apr 2024 2:41:17 PM +0800  
To "AIBMUTUALFUND" <AIBMUTUALFUND@GMAIL.COM>  
Cc "GLENMORITO" <GLENMORITO@AIBAAMI.COM>

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Hi AIB MONEY MARKET MUTUAL FUND, INC.,

### Valid files

- EAFS008994370ITRTY122023.pdf
- EAFS008994370AFSTY122023.pdf

### Invalid file

- <None>

Transaction Code: **AFS-0-4323VNTX0A6GH9KG8PWXZNQSQ0CDFCDG8E**  
Submission Date/Time: **Apr 15, 2024 02:40 PM**  
Company TIN: **008-994-370**

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

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