

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-ISA
INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its charter **ALFM Euro Bond Fund Inc. ("Fund")**
3. **Philippines**
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number **CS2005-12264**
5. BIR Tax Identification Number **239-954-237**
6. **7/F BPI Buendia Center, Sen. Gill Puyat Ave., Makati City** **1209**
Address of principal office Postal Code
7. Registrant's telephone number, including area code **(632) 8580-0900**
8. Date, time and place of the meeting of security holders
June 27, 2024 2:00 p.m. via Zoom
9. Approximate date on which the Information Statement is first to be sent or given to security holders
June 04, 2024
10. Proxy Solicitation
Name of Person filing the Statement/Solicitor: Jose Teodoro K. Limcaoco
Address and Telephone No.: **24 Juno Street, Bel-Air, Makati City**
(632) 8580-0900
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA
(information on number of shares and amount of debt is applicable only to corporate registrants):
- | Title of Each Class | Number of Shares of Common Stock
Outstanding or Amount of Debt Outstanding
(as of 30 April 2024) |
|----------------------|--|
| <u>Common Shares</u> | 70,586 |
12. Are any or all of registrant's securities listed in a Stock Exchange?
Yes _____ No **X**
- If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
The fund is not listed with Philippine Stock Exchange

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Please be informed that the Annual Meeting of the Stockholders of ALFM EURO BOND FUND, INC. (the "Company" or the "Fund") will be conducted virtually via **Zoom** on **June 27, 2024 at 2:00 p.m** via **<https://bit.ly/ALFM-JUNE27>**.

The agenda for the Annual Stockholders' Meeting shall be as follows:

1. Call to Order
2. Certification of Notice
3. Determination and Declaration of Quorum
4. Reading and approval of the minutes of the Annual Stockholders' Meeting held on 14 July 2023
5. Approval of the 2023 Annual Report and Audited Financial Statements
6. Report on the Funds' Operational Highlights
7. Approval and Confirmation of all acts during the past year of the Board of Directors & Officers, the Fund Manager, and the Service Administrator
8. Election of Directors
9. Confirmation of BPI Wealth – A Trust Corporation as Fund Manager, Investment Advisor, and Service Administrator
10. Confirmation of BPI Investment Management, Inc. as Principal Distributor and Transfer Agent
11. Re-appointment of Isla Lipana and Co. as External Auditor
12. Other Matters
13. Question and Answer
14. Adjournment

The Board of Directors has fixed the 30 April 2024 (the "Record Date") as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting of the Stockholders. Only holders of shares of common stock as at the Record Date will be entitled to vote at the Annual Meeting of the Stockholders.

Stockholders may attend the meeting only by remote communication via Zoom Webinar format. Stockholders who intend to participate in the meeting through remote communication should notify the Company by sending an e-mail to alfm_asm@bpi.com.ph or registering via the provided Zoom link above on or before 2:00PM of 27 June 2024. The procedures for joining the meeting through remote communication will be sent via e-mail to stockholders who would send an e-mail notification to the Company or register via the said link. Such procedures will also be set forth in the Information Statement.

Stockholders as of record date who wish to exercise their right to vote on the matters in the above agenda have the option of casting their votes through any of the following modes, subject to validation:

1. Electronic voting *in absentia*; or
2. By appointing Mr. Jose Teodoro K. Limcaoco or in case of his non-attendance, the Chairman of the meeting chosen in accordance with the Company's By-Laws, as their proxy

To exercise either of the voting modes above, stockholders should accomplish the form accessible at https://bit.ly/ALFM_ASM_EBF not later than 5:00PM on 25 June 2024.

Stockholders who wish to be represented at the meeting and exercise their right to vote through a proxy may also manually accomplish the Proxy Form enclosed herein and submit the same to the Office of the Company's Corporate Secretary not later than 5:00PM on 25 June 2024 via mail or e-mail:

Via Mail : 7/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City
Via Email : alfm_asm@bpi.com.ph

If any stockholder casts vote electronically *in absentia* and also submitted a proxy form, either electronically or manually, the latest vote/s received by the Office of the Corporate Secretary shall be considered.

Other pertinent information regarding procedures for participation in the meeting through remote communication, electronic voting *in absentia* or through proxy, and the validation thereof are set forth in the Information Statement.

Very truly yours,

DocuSigned by:


ATTY. SABINO B. PADILLA IV
Corporate Secretary

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION**1. Date, time and place of meeting of security holders**

Date: **27 June 2024**
 Time: **2:00PM**
 Place: **Virtual meeting via Zoom at <https://bit.ly/ALFM-JUNE27>**

Registrant's Mailing Address: **7/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City**

The date on which the Information Statement is first to be sent or given to stockholders is **4 June 2024.**

2. Dissenters' Right of Appraisal

As provided by Title X of the Revised Corporation Code of the Philippines (Republic Act No. 11232) ("Revised Corporation Code"), any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- 2.1 In case an amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- 2.2 In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;
- 2.3 In case of merger or consolidation; and
- 2.4 In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

In order for the stockholder to exercise the right, he or she must vote against any of the enumerated instances which the corporation will pursue. The procedures in the exercise of the right are the following:

- 2.5 Written demand on the corporation within 30 days after the date that the vote was taken.
- 2.6 Submission of the shares of the dissenting stockholder to the corporation for notation within 10 days from the written demand. The corporation has to pay the stockholder with the fair value of the shares within 30 days after demanding payment for his or her shares.
- 2.7 Failure to make the demand within 30 days after the date on which the vote was taken shall be deemed a waiver of the appraisal right.

There will be no matters that will be taken up at the meeting which may warrant the exercise of this right.

3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

There is no person who has been a director or officer of ALFM Euro Bond Fund, Inc. at any time since the beginning of the last calendar year, or who is a nominee for election as director, who has a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting. No member of the Board of Directors (the "Board") has informed ALFM Euro Bond Fund, Inc. that he intends to oppose any action to be taken by ALFM Euro Bond Fund, Inc. at the Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION**4. Voting Securities and Principal Holders Thereof**

(a) The total number of outstanding shares as of April 30, 2024 is 70,586 all of which are common and voting. Each share shall be entitled to one vote with respect to all matters to be taken up during the Annual Stockholders' Meeting.

A stockholder entitled to vote at the Annual Stockholders' Meeting may vote, via electronic voting *in absentia* or by proxy, the number of shares registered in his name in the stock and transfer book of ALFM Euro Bond Fund, Inc. as of the Record Date. With respect to the election of directors, said stockholder may vote such number of shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.

(b) All stockholders of record as of April 30, 2024 are entitled to receive this Information Statement, and to receive notice of, and vote during the Annual Stockholders' Meeting. Stockholders are entitled to cumulative

voting in the election of the members of the Board of Directors, as provided in the Revised Corporation Code. More specifically, each stockholder shall be entitled to elect five members to the Board of ALFM Euro Bond Fund, Inc. and he or she may vote the number of shares standing in his or her name in the books of ALFM Euro Bond Fund, Inc. for each of the five persons whom he or she may choose from the list of nominees. Alternatively, he or she may cumulate said shares and give one candidate as many votes as the number of his or her shares multiplied by five shall equal, or he or she may distribute these votes on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him or her shall not exceed the number of shares owned by him or her multiplied by 5.

Security Ownership of Certain Record and Beneficial Owners

On June 5, 2014, the SEC en banc approved the confidential treatment of the Fund's list of top 20 shareholders and/or beneficial owners of more than five percent (5%) of the Fund's outstanding securities, which is submitted separately to SEC. This is for the security of the shareholders and for the protection of their privacy.

(c)(i) Security Ownership of Management as of 30 April 2024

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Jose Teodoro K. Limcaoco 24 Juno Street, Bel-Air, Makati City	50 (beneficial)	Filipino	0.07084%
Common	Adelbert A. Legasto 3 Building Ayala Avenue, Makati City /F, Makati Stock Exchange	222 (record, beneficial)	Filipino	0.31451%
Common	Simon R. Paterno 58 McKinley Road, Forbes Park, Makati City)	50 (beneficial)	Filipino	0.07084%
Common	David G. Sarmiento Jr.* 3 Bataan Place Ayala Heights, Barangay Matandang Balara	50 (beneficial)	Filipino	0.07084%
Common	Raymund Martin T. Miranda 12 Evening News st. West Triangle Homes, West Triangle, Quezon City,	50 (beneficial)	Filipino	0.07084%
Common	Fernando J. Sison III 3 Jocson St., Xavierville 1, Loyola Heights, Quezon City, (Treasurer)	47 (record)	Filipino	0.06659%
Common	Atty. Sabino Padilla IV 1678 Dasmaringas Ave., Dasmaringas Village, Quezon City (Corporate Secretary)	0	Filipino	0.0000%
Common	Hany Mae V. Dureza Unit 2172, Skyway Twin Towers, Capt. Henry Javier St., Oranbo, Pasig (Compliance and Risk Officer)	0	Filipino	0.0000%
TOTAL		469		066446%

* appointed effective 29 April 2024

(c)(iii) Voting Trust Holders of 5% or more

As of 30 April 2024, there is no voting trust or similar arrangement for 5% or more of ALFM Euro's shares. There are no arrangements which may result in a change of control in ALFM Euro Bond Fund, Inc.

(d) Change of Control

There was no change in control in ALFM Euro Bond Fund, Inc. that occurred since the beginning of the last calendar year.

5. Directors and Executive Officers

(a) The following are the current directors and officers of ALFM Euro Bond Fund, Inc.:

Name	Age	Citizenship	Position	Term
Jose Teodoro K. Limcaoco	62	Filipino	Chairman / Director	1 year (2023-2024)
Simon R. Paterno	65	Filipino	President / Director	1 year (2023-2024)
Adelbert A. Legasto	76	Filipino	Director	1 year (2023-2024)
David G. Sarmiento Jr.	71	Filipino	Independent Director	<1 year (2024)
Raymund Martin T. Miranda	61	Filipino	Independent Director	1 year (2023-2024)
Fernando J. Sison III	72	Filipino	Treasurer	1 year (2023-2024)
Atty. Sabino Padilla IV	63	Filipino	Corporate Secretary	1 year (2023-2024)
Hany Mae V. Dureza	34	Filipino	Compliance and Risk Officer	1 year (2023-2024)

(b) The following are the names of the persons who are nominees for election for year 2024-2025:

BOARD OF DIRECTORS	AGE	CREDENTIALS
Jose Teodoro K. Limcaoco (Incumbent Chairman of the Board)	62	Mr. Jose Teodoro K. Limcaoco, Filipino, 62 years old, became a member of BPI Wealth Board in April 2021. He is currently the Chairman of BPI Wealth Board of Directors and Executive Committee. Mr. Limcaoco is the current President and Chief Executive Officer of the Bank of the Philippine Islands (BPI). He also serves as chairman of BPI Capital Corporation, BPI/MS Insurance Corporation, BPI AIA Life Assurance Corporation and BPI Europe PLC; president and vice chairman of The Bank of the Philippine Islands Foundation, Inc., vice chairman of BPI Century Tokyo Lease & Finance Corporation and BPI Century Tokyo Rental Corporation, director and treasurer of Bankers Association of the Philippines, BAP Data Exchange, Inc., and director of Philippine Dealing System Holdings Corporation and Philippine Payments Management, Inc. Previously, he served as president of BPI Family Savings Bank from 2010-2015 and president of BPI Capital Corporation from 2007-2010. He was also director/treasurer of Ayala Life Assurance, Inc. in 2009, director/chairman of Ayala Plans, Inc. in 2010-2015, and director of Globe Fintech Innovations, Inc. in 2017-2022 and AC Energy International Inc. in 2019-2022. He also worked at BPI from 1989 to 1992 and at BPI Capital from 1995 to 1997. From 2015 to 2021, he was a Senior Managing Director and the Chief Finance Officer, Chief Risk Officer, Chief Sustainability Officer and Finance Group Head of Ayala Corporation. He served as a director of publicly listed companies, namely: Globe Telecom, Inc., Integrated Micro-Electronics, Inc. and as a director of SSI Group, Inc. He also served as a director of a number of Ayala group companies including those involved in healthcare, infrastructure, education, energy, and industrial technologies. Mr. Limcaoco joined Ayala Corporation as a managing director in 1998. His responsibilities prior to his secondment to BPI in 2007 included assistant treasurer of Ayala Corporation, trustee and treasurer of Ayala Foundation, Inc., president of myAyala.com, and director/treasurer of Azalea Technology Investments, Inc. from 2001-2006. He served as the president of the Chamber of Thrift Banks from 2013-2015. He was named as the ING-Finex CFO of the Year in 2018. He has held prior positions with JP Morgan & Co. and with BZW Asia. He is a director and treasurer of Just For Kids, Inc., a family-owned company. He graduated from Stanford University with a BS Mathematical Sciences (Honors Program)

		in 1984 and from the Wharton School of the University of Pennsylvania with an MBA (Finance and Investment Management) in 1988.
Simon R. Paterno (Incumbent Director and President)	65	Mr. Simon R. Paterno, Filipino, born in 1959, 65 years old, served as Head of the Financial Products and Services Group of the Bank of the Philippine Islands. He was responsible for managing the product businesses of the Bank, including Investment Banking, Corporate Loans, Transaction Banking, Retail Lending, Cards and Payments, Asset Management and Trust, Electronic Channels, and Deposits. He also supervised subsidiaries and affiliates in insurance, leasing, and merchant acquiring. He was a member of the Management Committee of BPI. Mr. Paterno is the former President and CEO of the Development Bank of the Philippines, serving from 2002-2004. He worked for 18 years at the New York, Hong Kong, and Manila offices of J.P. Morgan, serving finally as Managing Director in charge of sovereign clients during the Asian Financial Crisis of 1997-98, and as Country Manager for the Philippines until 2002. He also worked for 8 years at Credit Suisse as Managing Director and Country Manager for the Philippines. Mr. Paterno obtained his MBA from Stanford University in 1984. He was awarded his A.B., cum laude, Honors Program in Economics from Ateneo de Manila University in 1980. In 2005, he was elected President of the Management Association of the Philippines. He serves on the boards of the Foundation for Economic Freedom and Ateneo Scholarship Foundation. He was named a TOYM awardee for Investment Banking in 1999.
Raymund Martin T. Miranda (Incumbent Independent Director)	61	Mr. Raymund Martin T. Miranda, Filipino, born in 1962, 61 years old, and has been an Asia-Pacific media executive and strategist for more than 37 years. He is currently the Chief Strategy Officer, Chief Risk Management Officer, Compliance Officer of ABS-CBN Corporation, having served as Chief Strategy Officer since 2012. Before his appointment with ABS-CBN, Mr. Miranda formed a consulting firm and served as co-founder of the Dolphin Fire Group Asia. Previously, he was the Managing Director, Global Networks Asia-Pacific of NBC Universal from 2007 to 2011, based in Singapore, heading the entertainment channels division of NBC Universal across 33 countries. Before that, Mr. Miranda spent a year in Manila as the President/CEO of Nation Broadcasting Corporation (92.3xFM) and Head of Strategy and Content for Media quest Holdings, Inc. From 1998 to 2006, he was with The Walt Disney Company in Singapore and Manila as Managing Director South East Asia for Walt Disney International, Managing Director for South East Asia/Korea for Walt Disney Television International, and the Head of Radio Disney Asia. He started his career in FM radio before joining the GMA Network group in 1987. He was named Vice-President, Creative Services of GMA Network, Inc. in 1992. Mr. Miranda attended college at the University of the Philippines, Diliman, and is a grade school and high school alumni of the Ateneo de Manila.
Adelbert A. Legasto (Incumbent Director)	76	Mr. Adelbert A. Legasto, Filipino, born in 1947, 76 years old, is a director of ALFM Peso Bond Fund, Inc., ALFM Dollar Bond Fund, Inc., ALFM Euro Bond Fund, Inc., ALFM Money Market Fund, Inc., ALFM Growth Fund, Inc., the Philippine Stock Index Fund, Corp., ALFM Global Multi-Asset Income Fund, Inc., ALFM Retail Corporate Fixed Income Fund, Inc., ALFM Principal Preservation Fund, Inc., and BPI Investment Management, Inc. He has served as Governor of the Philippine Stock Exchange 1994-96, Governor of the Makati Stock Exchange 1994-97, was an incorporator of the Philippine Central Depository (PCD) and served as President of the Trust Officers Association of the Philippines in 1998-99. He graduated from the Ateneo de Manila University with an A.B. Economics degree and completed his M.B.A. academics at the Ateneo Graduate School of Business. He completed the Pension Funds and Money Management from the Wharton School of the University of Pennsylvania, and Investment Management at the CFA Institute at the Harvard Business School in Boston, Massachusetts.

David G. Sarmiento Jr (Incumbent Independent Director)	71	Mr. David G. Sarmiento Jr. has extensive experience in consumer banking, especially in the areas of marketing, sales, and credit. He served as President of Luzon Development Bank (2016 – 2019), SB Cards Corporation (2013 – 2015) and was Senior Vice-President of BPI Family Savings Bank until 2013. He is currently an Independent Director of BPI Investment Management, Inc., BPI Securities Corp., BPI Tokyo Century Rental Corp., BPI/MS Insurance Corp and BPI Century Tokyo Lease & Finance Corp. Mr. Sarmiento holds a degree in Business Management from the Ateneo de Manila University.
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The Nomination Committee is in charge of reviewing and evaluating the qualifications of all persons nominated to the Board as well as those nominated to other positions requiring appointment by the Board. The Nomination Committee shall also provide assessment on the Board's effectiveness in directing the process of renewing and replacing Board members.

The Head of the Nomination Committee is Jose Teodoro K. Limcaoco, with Mr. Simon R. Paterno and Mr. Raymund Martin T. Miranda as members. Mr. Jose Teodoro K. Limcaoco, as Director, nominated Mr. Miranda & Mr. Sarmiento as Independent Directors.

There is no person who is not an officer and is expected by ALFM Euro Bond Fund, Inc. to make significant contribution to the Fund.

The Nomination Committee pre-screened candidates and came up with a shortlist of nominees to be presented to the shareholders. Candidates must have the following qualifications to become a member of the Board:

- Every director shall own at least one (1) share of the capital stock of ALFM Euro Bond Fund, Inc., which share shall stand in his or her name in the books of the ALFM Euro Bond Fund, Inc.;
- Be a college graduate;
- Have adequate competency and an understanding of the business of an open-end investment company;
- At least 21 years of age;
- Proven to possess integrity and probity; and
- Must be assiduous.

The Nomination Committee selected the independent directors in accordance with Rule 38 of the Securities Regulation Code ("SRC") and the SEC Memorandum Circular No. 24, Series of 2019 Code of Corporate Governance for Public companies and Registered Issuers.

- (c) ALFM Euro Bond Fund, Inc. does not maintain any employees nor does it maintain any payroll. ALFM Euro Bond Fund, Inc. does not expect in the foreseeable future to have any employees.
- (d) The incumbent directors, officers, and nominees for director are not related to each other up to the fourth civil degree either by consanguinity or affinity.
- (e) None of the directors, officers and nominees for director has been involved in the following legal proceedings within the past 5 years:
 - Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
 - Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
 - Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
 - Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

- (f) There was no transaction or proposed transaction during the last 2 years to which ALFM Euro Bond Fund, Inc. was or is to be a party.

6. Compensation of Directors and Executive Officers

There is no existing Compensation Committee. ALFM Euro Bond Fund, Inc. does not maintain any employees nor does it maintain any payroll. ALFM Euro Bond Fund, Inc. does not expect in the foreseeable future to have any employees. Additionally, none of the directors or officers is given any compensation. However, the directors receive per diems and other reimbursements for their attendance at board meetings. There are no other arrangements, standard or otherwise, being paid to the directors. Directors are not compensated in any manner for committee participation, special assignments, or any other arrangements.

There are no compensatory plans or arrangements for any officer that will result in or will result from the resignation, retirement or any other termination of such officer in any amount.

Each director attending a board meeting receives a per diem of Php 100,000 every meeting, except for the Fund's President who receives Php 120,000 every meeting. The aggregate per diems paid to and received by the directors for the corresponding periods are as follows:

EXECUTIVE COMPENSATION

Payment Period	Aggregate Amount Received (in Php)
2022	579,283
2023	24,029.46
2024 (estimate)	468,565

7. Independent Public Accountants

The Board of Directors has appointed Isla Lipana & Co. (formerly Joaquin Cunanan & Co.), a member firm of PricewaterhouseCoopers, as independent public accountant of the company with respect to its operations for the year 2023, subject to ratification by the majority holders of Common Stock of the Company. Isla Lipana & Co. has been the external auditor of the company since 2001. Representatives of the firm will be present at the Annual Meeting to make a statement of the desire to do so and to answer appropriate questions that may be asked by stockholders. A proposal will be presented at the Annual Meeting for the ratification of this appointment, which the Board of Directors believe is advisable and in the best interests of the stockholders. If the appointment of Isla Lipana & Co. is not ratified, the matter of the appointment of the independent public accountants will be considered by the Board of Directors.

Ms. Blesilda A. Pestaño was the signing partner for the external auditor from fiscal year 2009 to 2013. For the Fund's Financial Statements as of December 31, 2014, December 31, 2015, December 31, 2016, December 31, 2017, December 31, 2018, December 31, 2019, and December 31, 2020 the signing partner was John-John Patrick V. Lim. For the fund's Financial Statement as of December 31, 2021, 2022 and 2023 the signing partner is Mr. Zaldy Aguirre. The corporation is compliant with Revised SRC Rule 68 Part 1(3)(B)(ix) re: rotation of external auditors. In taking this action, the members of the Board of Directors considered carefully Isla Lipana & Co.'s performance, its independence with respect to the services to be performed and its general reputation for adherence to professional auditing standards.

There is no disagreement in the past five (5) years on any matter of accounting principles and financial statement disclosures between the fund and the Accountant.

The Audit Committee which oversees the corporation's external audits is headed by Mr. David G. Sarmiento Jr. with Mr. Adelbert A. Legasto and Mr. Raymund Martin T. Miranda as members.

8. Compensation Plans

No action is to be taken with respect to Item 8 during the Annual Stockholders' Meeting.

C. ISSUANCE AND EXCHANGE OF SECURITIES

9. Authorization or Issuance of Securities Other than for Exchange

No action is to be taken with respect to Item 9 during the Annual Stockholders' Meeting.

10. Modification or Exchange of Securities

ALFM Euro Bond Fund, Inc. does not intend to modify any class of its securities, or issue or authorize the issuance of one class of securities in exchange for outstanding securities of another class.

11. Financial and Other Information

ALFM Euro Bond Fund, Inc. has incorporated by reference the following as contained in the Management Report (attached as Annex A), SEC Form 17-A (Annual Report) (attached as Annex B), and SEC Form 17-Q (Quarterly Report) for the period ended March 31, 2024 (Quarterly Report) (attached as Annex C).

12. Mergers, Consolidations, Acquisitions and Similar Matters

ALFM Euro Bond Fund, Inc. have no plans to merge or consolidate with any entity and plans to acquire the securities form other entity. It does not have any plan to sell or transfer all or any substantial parts of its assets. Neither does it have any plans to dissolve or liquidate.

13. Acquisition or Disposition of Property

ALFM Euro Bond Fund, Inc. does not own any real property and does not intend to acquire any real property.

14. Restatement of Accounts

ALFM Euro Bond Fund, Inc. does not intend to restate any of its asset, capital or surplus accounts.

D. OTHER MATTERS**15. Action with Respect to Reports**

The minutes of the previous Annual General Meeting of Stockholders held last 14 July 2023 shall be submitted to the stockholders for approval. Also, to be submitted for approval and/or ratification is the Annual Report and the Audited Financial Statements for the year ended 31 December 2023, and confirmation of all acts of the Board of Directors and Fund Manager.

16. Matters Not Required to be Submitted

All matters or actions to be taken up in the Annual Stockholders' Meeting require the vote of the stockholders.

17. Amendment of Charter, Articles of Incorporation, By-laws or Other Documents

None

18. Other Proposed Action

None

19. Voting Procedures

Unless otherwise provided by law, each stockholder shall, at every meeting of the stockholders, be entitled to one vote, which they may exercise via electronic voting *in absentia* or through proxy, for each share with voting rights held by such stockholder.

All elections and all questions, except as otherwise provided by law, shall be decided, either by majority or 2/3 votes in accordance with the Revised Corporation Code, of the stockholders entitled to vote thereat, a quorum (majority of the issued and outstanding capital stock having voting powers) being present. Stockholders who have notified the Company via e-mail of their intention to participate in the Annual Stockholders' Meeting by remote communication and voted electronically *in absentia* or by proxy will be included in the determination of the existence of a quorum.

Unless required by law, or demanded by a stockholder included in the determination of a quorum at any meeting and entitled to vote thereat, the vote on any question will not be by ballot. In case of a vote by ballot, each ballot shall be signed by the stockholder voting in his name or by his proxy if there be such proxy, and shall state the number of shares voted by him. The Corporate Secretary of ALFM Euro Bond Fund Inc. will count and tabulate the votes.

UNDERTAKING

UPON WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO:

BPI Wealth-A Trust Corporation
7F, BPI Buendia Center, Sen. Gil J. Puyat Ave.
Makati City, Philippines

PART II.

INFORMATION REQUIRED IN A PROXY FORM**1. Identification**

The proxy solicitation is made by ALFM EURO BOND FUND, INC. (the "Company"), represented by Jose Teodoro K. Limcaoco, Chairman of the Fund. The proxy solicitation is in favor of Teodoro K. Limcaoco or in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting chosen in accordance with the Company's By-Laws.

All costs and expenses incidental to the proxy solicitation will be borne, directly or indirectly, by the Company.

2. Instructions

- (a) The security holder is instructed to complete and affix their signature on either of the attached proxy forms.
 - (i) If the securities are owned by two or more joint owners, the proxy form must be signed by all of the joint owners.
 - (ii) If the securities are owned in an "and/or" capacity, the proxy form must be signed by either one of the owners.
 - (iii) If the securities are owned by a corporation, association, partnership or unincorporated entity, the proxy form must be accompanied by a certification, signed by a duly authorized officer, partner or representative of such corporation, association, partnership or unincorporated entity, that designates and empowers an authorized signatory to sign the proxy form pursuant to the constitutive documents or duly approved policies of such corporation, association, partnership or unincorporated entity for this particular purpose.
- (b) The security holder appoints Jose Teodoro K. Limcaoco, or in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting, to represent and vote all shares registered in his or her name as proxy of the undersigned security holder.
- (c) The security holder shall clearly indicate the date of execution of the proxy form. A proxy form which is undated, post-dated, or which provides that it shall be deemed to be dated as of any date subsequent to the date on which it is signed by the security holder, shall not be valid.
- (d) The security holder shall sign the proxy form either physically or electronically or have the form signed by a duly authorized representative and file the same with the Corporate Secretary not later than 5:00 p.m. on 25 June 2024.
- (e) Retrieval and validation of all the proxy forms shall be administered by the Corporate Secretary and persons designated by the Corporate Secretary who shall be under his supervision and control from 25 June 2024.
- (f) If any stockholder casts vote electronically in absentia and also accomplished and submitted a proxy form, the latest vote/s received by the Office of the Corporate Secretary shall be considered.

3. Revocability and Validity of Proxy

The proxy in favor of the Company shall be valid for the Annual Stockholders Meeting on 27 June 2024 and any postponement or adjournment thereof. The proxy shall be valid for a maximum period of five (5) years from the date of the proxy, unless withdrawn by the stockholder by a written notice duly submitted to the Corporate Secretary. There is no formal procedure or limitation for the right of revocation of a proxy before it is exercised. Nonetheless, the proxy may not be withdrawn unilaterally by the stockholder if it is coupled with an interest.

4. Persons Making the Solicitation

Mr. Jose Teodoro K. Limcaoco, is not soliciting any votes. Neither is ALFM Euro Bond Fund, Inc. aware of any director who intends to oppose any action intended to be taken by ALFM Euro Bond Fund, Inc.

5. Interest of Certain Persons in Matters to be Acted Upon

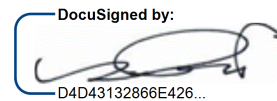
There is no person who has been a director, independent director, or nominee for election as director, or independent director, or officer of the Company and, to the best knowledge of the Company, no associate of a director or independent director, or officer, or nominee for election as a director or independent director, or officer of the Company, at any time since the beginning of the last calendar year, has any substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting.

PART III.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct. This report is signed in the City of Makati on June 4, 2024.

ALFM EURO BOND FUND, INC.

DocuSigned by:

D4D43132866E426...

By: Sabino B. Padilla IV
Corporate Secretary

ELECTRONIC FORM FOR STOCKHOLDERS
(Containing the *In Absentia* Voting Form and Proxy Form;
accessible via https://bit.ly/ALFM_ASM_EBF)

2024 ANNUAL GENERAL STOCKHOLDERS' MEETING
(*In Absentia* Voting Form | Proxy Form Solicitation)

Section 1: Data Privacy Notice

This form contains information intended only for users authorized by ALFM Mutual Funds. Authorized users should not disclose, disseminate, distribute, or copy this form, in whole or in part, without permission.

In compliance with the Data Privacy Act (R.A. 10173), we strive to keep your information private and confidential. Your personal and financial information, including your name, investment account number (e.g. Investment Account Number, Folio Number, Segregated Account Number) and number of shares will be collected to record your votes or your designation of a proxy for the ALFM Mutual Funds Annual Stockholders' Meeting. We ensure protection of your information, and these will be retained for as long as necessary for the fulfillment of your objective of voting or designating a proxy for the current and succeeding ALFM Mutual Funds Stockholders' Meeting. To learn more about how we collect, protect, use, share and store your private information, please email bpi_investment@bpi.com.ph.

Please identify your investment account type:

Joint (or)

1. Primary Account Holder _____
2. Secondary Account Holders (1) _____
3. Secondary Account Holders (2) _____
4. Secondary Account Holders (3) _____
5. Secondary Account Holders (4) _____
6. Investment Account Number: _____
7. Number of Shares: _____
8. Email Address: _____

Joint (and)

1. Primary Account Holder _____
2. Secondary Account Holders (1) _____
3. Secondary Account Holders (2) _____
4. Secondary Account Holders (3) _____
5. Secondary Account Holders (4) _____
6. Investment Account Number: _____
7. Number of Shares: _____
8. Email Address: _____

Corporate / Institutional

1. Corporation Name: _____
2. Authorized Representative: _____
3. Investment Account Number: _____
4. Number of Shares: _____
5. Email Address: _____

Individual / Sole (Non-Corporate, Non-Institutional, Not Joint)

1. Last Name: _____
2. First Name: _____
3. Investment Account Number: _____
4. Number of Shares: _____
5. Email Address: _____

Section 2: Manner of Voting

Stockholders as of record date who wish to exercise their right to vote on the matters in the above agenda have the option of casting their votes through any of the following modes, subject to validation:

Electronic voting *in absentia*; or

This form shall be accomplished not later than 5:00PM on 25 June 2024.

This form, when properly executed, will be voted in the manner as directed herein by the stockholder. If no direction is made, this form will be voted "For" the approval of the matter stated below and for such other matters as may properly come before the meeting, including matters which the solicitors do not know a reasonable time before the solicitation are to be presented at the meeting, and those incidental to the conduct of the meeting, in the manner described in the information statement and/or as recommended by management or the board of directors.

Stockholder Proxy (This Proxy Solicitation is being made by and on behalf of **ALFM Euro Bond Fund, Inc.**)

Should the stockholder wish to vote through this mode, this proxy form shall be accomplished not later than 5:00PM on 25 June 2024.

By accomplishing this form, the stockholder shall be appointing Mr. Jose Teodoro K. Limcaoco, with full power of substitution and delegation, or in case of his non-attendance, the Chairman of the meeting chosen in accordance with the Company's By-Laws, as his or her proxy to represent him or her and vote all shares registered in the stockholder's name in the books of the Company, at the Annual Meeting of the Stockholders to be conducted virtually via Zoom on 27 June 2024 at 2:00 pm, and any adjournments and postponements thereof, as fully to all intents and purposes as the stockholder might or could do if present in person, hereby ratifying and confirming any and all actions to be taken during any said meetings and adjournments thereof.

This proxy revokes and supersedes any previously executed proxy or proxies. This proxy shall be valid only for the Annual Stockholders Meeting on 27 June 2024 and any postponement or adjournment thereof. It shall be for a maximum period of five (5) years from the date of the proxy, unless withdrawn by the stockholder by a written notice duly submitted to the Corporate Secretary.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder. If no direction is made, this proxy will be voted "For" the approval of the matter stated in the agenda, and as are listed in the succeeding page of this form, and for such other matters as may properly come before the meeting, including matters which may not have reasonably come within the knowledge of the Company prior to the solicitation but which may be presented at the meeting, and those incidental to the conduct of the meeting, in the manner described in the information statement and/or as recommended by management or the board of directors.

1. Approval of minutes of previous Annual Stockholders' Meeting held on July 14, 2023

- For
- Against
- Abstain

2. Presentation and approval of 2023 Annual Report of the Fund Manager

- For
- Against
- Abstain

3. Approval of the 2023 Annual Report and Audited Financial Statements

- For
- Against
- Abstain

4. Election of Directors

Voting Instructions:

For election of Directors:

- 1) Multiply the number of your shares as of April 30, 2024 by five (5).
- 2) The result from number one (1) is the number of votes you may distribute among the five (5) nominees.

Example:

If you have 100 shares, you may distribute 500 votes among the nominees in whichever way you choose.

Kindly write the number of votes you wish to confer upon each nominee on the blank space provided beside their names.

Please check the box opposite the nominee you wish **to elect:**

*Independent Director

- Jose Teodoro K. Limcaoco
Enter number of votes: _____
- Simon R. Paterno
Enter number of votes: _____
- Raymund Martin T. Miranda*
Enter number of votes: _____
- Adelbert A. Legasto
Enter number of votes: _____
- David G. Sarmiento Jr*
Enter number of votes: _____

5. Election of Directors

The security holder may withhold authority to vote for any nominee by indicating the name of nominee/s.

(Please type the name of the nominee/s and separate with a comma)

6. Confirmation of BPI Wealth – A Trust Corporation as Fund Manager (continuing term unless expressly terminated)

- For
- Against
- Abstain

7. Confirmation of BPI Investment Management as **Principal Distribution and Transfer Agent** (continuing term unless expressly terminated)

- For
- Against
- Abstain

8. Re-appointment of Isla Lipana and Co. as external auditor

- For
- Against
- Abstain

Section 3: Attestation

By actively and deliberately selecting the checkbox, I hereby fully understand and give my consent to the following:

1. My act of accomplishing and submitting this form is equivalent to affixing my signature herein and signifies my unequivocal approval of its contents, including all the responses provided herein;
2. This form shall be accorded all the privileges and benefits of an original document bearing a physical or wet signature, and shall be conclusive, valid, and enforceable on my person; and

3. Upon request of ALFM Mutual Funds, I undertake to submit a wet-signed form bearing the same details indicated in this electronic submission, including any additional supporting document as may be required. Nonetheless, my failure to comply with the original submission requirements for whatever reason shall not constitute a revocation, nor affect the validity, of this electronic submission.

I agree to the above statement

9. Date Signed
Please input date (m/d/yyyy)

10. Current Location (Municipality)

NON-ELECTRONIC PROXY FORM

PLEASE FILL UP AND SIGN THIS PROXY FORM AND RETURN IMMEDIATELY VIA MAIL OR EMAIL TO:

**BPI WEALTH – A TRUST CORPORATION
7/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City
Email: alfm_asm@bpi.com.ph**

You may also opt to accomplish and submit this form electronically at and such electronic submission shall have the same effect as though it was returned via mail or email at the address and information stated above.

STOCKHOLDER PROXY

(This Proxy Solicitation is being made by and on behalf of **ALFM Euro Bond Fund, Inc.**)

Section 1: Data Privacy Notice

This form contains information intended only for users authorized by ALFM Mutual Funds. Authorized users should not disclose, disseminate, distribute, or copy this form, in whole or in part, without permission.

In compliance with the Data Privacy Act (R.A. 10173), we strive to keep your information private and confidential. Your personal and financial information, including your name, investment account number (e.g. Investment Account Number, Folio Number, Segregated Account Number) and number of shares will be collected to record your votes or your designation of a proxy for the ALFM Mutual Funds Annual Stockholders' Meeting. We ensure protection of your information, and these will be retained for as long as necessary for the fulfillment of your objective of voting or designating a proxy for the current and succeeding ALFM Mutual Funds Stockholders' Meeting. To learn more about how we collect, protect, use, share and store your private information, please email bpi_investment@bpi.com.ph.

Please identify your investment account type:

Joint (or)

1. Primary Account Holder _____
2. Secondary Account Holders (1) _____
3. Secondary Account Holders (2) _____
4. Secondary Account Holders (3) _____
5. Secondary Account Holders (4) _____
6. Investment Account Number: _____
7. Number of Shares: _____
8. Email Address: _____

Joint (and)

1. Primary Account Holder _____
2. Secondary Account Holders (1) _____
3. Secondary Account Holders (2) _____
4. Secondary Account Holders (3) _____
5. Secondary Account Holders (4) _____
6. Investment Account Number: _____
7. Number of Shares: _____
8. Email Address: _____

Corporate / Institutional

1. Corporation Name: _____
2. Authorized Representative: _____
3. Investment Account Number: _____
4. Number of Shares: _____

5. Email Address: _____
 Individual / Sole (Non-Corporate, Non-Institutional, Not Joint)

1. Last Name: _____
 2. First Name: _____
 3. Investment Account Number: _____
 4. Number of Shares: _____
 5. Email Address: _____

Section 2: Stockholder Proxy

The undersigned stockholder (the "Stockholder") of **ALFM EURO BOND FUND, INC.** (the "Company"), hereby appoints **Jose Teodoro K. Limcaoco**, with full power of substitution and delegation, or, in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting of the Company, chosen in accordance with the Company's By-Laws, as the Stockholder's proxy to represent the Stockholder and vote all shares registered in the Stockholder's name in the books of the Company, at the Annual Meeting of the Stockholders to be conducted virtually via Zoom on 27 June 2024 at 2:00 pm, and any adjournments and postponements thereof, as fully to all intents and purposes as the stockholder might or could do if present in person, hereby ratifying and confirming any and all actions to be taken during any said meetings and adjournments thereof.

This proxy shall be accomplished not later than 5:00PM on 25 June 2024. This proxy revokes and supersedes any previously executed proxy or proxies. This proxy shall be valid only for the Annual Stockholders Meeting on 27 June 2024 and any postponement or adjournment thereof. It shall be for a maximum period of five (5) years from the date of the proxy, unless withdrawn by the stockholder by a written notice duly submitted to the Corporate Secretary.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder. If no direction is made, this proxy will be voted "For" the approval of the matter stated below and for such other matters as may properly come before the meeting, including matters which the solicitors do not know a reasonable time before the solicitation are to be presented at the meeting, and those incidental to the conduct of the meeting, in the manner described in the information statement and/or as recommended by management or the board of directors.

1. Approval of minutes of previous Annual Stockholders' Meeting held on July 14, 2023

- For
 Against
 Abstain

2. Presentation and approval of 2023 Annual Report of the Fund Manager

- For
 Against
 Abstain

3. Approval of the 2023 Annual Report and Audited Financial Statements

- For
 Against
 Abstain

4. Election of Directors

Voting Instructions:

For election of Directors:

- 1) Multiply the number of your shares as of April 30, 2024 by five (5).
 2) The result from number one (1) is the number of votes you may distribute among the five (5) nominees.

Example:

If you have 100 shares, you may distribute 500 votes among the nominees in whichever way you choose.

Kindly write the number of votes you wish to confer upon each nominee on the blank space provided beside their names.

If you wish to withhold the authority to vote for any nominee, kindly strike out the nominee's name by lining through it.

Vote for all nominees listed below

*Independent Director

Jose Teodoro K. Limcaoco
 Enter number of votes: _____
 Simon R. Paterno
 Enter number of votes: _____
 Raymund Martin T. Miranda*
 Enter number of votes: _____
 Adelbert A. Legasto
 Enter number of votes: _____
 David G. Sarmiento Jr*
 Enter number of votes: _____

Withhold authority to vote for all nominees listed above

Withhold authority to vote for the nominees listed below

_____	_____
_____	_____
_____	_____

5. Confirmation of BPI Wealth – A Trust Corporation as Fund Manager (continuing term unless expressly terminated)

- For
- Against
- Abstain

6. Confirmation of BPI Investment Management as **Principal Distribution and Transfer Agent** (continuing term unless expressly terminated)

- For
- Against
- Abstain

7. Re-appointment of Isla Lipana and Co. as external auditor

- For
- Against
- Abstain

Signed on this _____ day of _____, _____ in _____.

Printed Name of Stockholder

Signature of Stockholder /
Authorized Signatory

Annex A. MANAGEMENT REPORT**Financial and Other Information***Market Information*

ALFM Euro Bond Fund, Inc. is not listed in the Philippine Stock Exchange. The shares are being sold by SEC Certified Investment Solicitors (CISols) thru the fund's authorized distributors.

Holders

As of 30 April 2024, there were a total of 602 holders of redeemable common stock (one class of shares only)

ALFM Euro Bond Fund, Inc.					
Top 20 Shareholders as of April 30, 2024					
No.	Title of Class	Shareholders Name	Number of Share Held	Citizenship	Percentage of Class
1	Common	BPI INVESTMENT MANAGEMENT, INC.	18,225	Filipino	25.82%
2	Common	CONGREGACION DE LA COMPANIA DE LAS HIJAS	5,226	Filipino	7.40%
3	Common	AZCONA, VIVIAN Q.	5,000	Filipino	7.08%
4	Common	GINA DEL BEN	2,281	Filipino	3.23%
5	Common	SEAMEO SEARCA	1,399	Filipino	1.98%
6	Common	MA ANICETA SJ VELASQUEZ	1,210	Filipino	1.71%
7	Common	ZOBEL DE AYALA, A. (M)	1,207	Filipino	1.71%
8	Common	FRANCISCO MORENO DOMAGOSO	949	Filipino	1.34%
9	Common	MARGARET MARIE H LIMGENCO	876	Filipino	1.24%
10	Common	JOAQUIN EMILIO G JISON III	816	Filipino	1.16%
11	Common	AZCONA, VIVIAN/EDUARDO	694	Filipino	0.98%
12	Common	ROSETTE G UY	657	Filipino	0.93%
13	Common	SEAMEO SEARCA	600	Filipino	0.85%
14	Common	DEENA JOY D AMATONG	478	Filipino	0.68%
15	Common	SUSAN DE LEON SYQUIA	476	Filipino	0.67%
16	Common	ROSALITA H HERNANDEZ	469	Filipino	0.66%
17	Common	JOSEPH DE DIOS TAYAO	450	Filipino	0.64%
18	Common	FRITS SPAARGAREN	449	Filipino	0.64%
19	Common	JUAN GARCIA BARANDIARAN	432	Filipino	0.61%
20	Common	MICHELLE BANOCNOC LIMONGCO	416	Filipino	0.59%

Security Owners of more than 5%, As of April 30, 2024					
No.	Title of Class	Shareholders Name	Number of Share Held	Citizenship	Percentage of Class
1	Common	BPI INVESTMENT MANAGEMENT, INC.	18,225	Filipino	25.82%
2	Common	CONGREGACION DE LA COMPANIA DE LAS HIJAS	5,226	Filipino	7.40%
3	Common	AZCONA, VIVIAN Q.	5,000	Filipino	7.08%

Dividends

ALFM Euro Bond Fund, Inc. has not declared any cash dividends for the last three (3) years. The Board of ALFM Euro Bond Fund, Inc. may decide to declare dividends, whether in the form of cash, property or stock, from the unrestricted retained earnings of the Fund at a time and percentage as the Board may deem proper and in accordance with the pertinent laws.

Under the Investment Company Act, the Fund shall not pay any dividend, or make any distribution in the nature of a dividend payment, wholly or partly from any source other than: (i) from the Fund's accumulated undistributed net income, determined in accordance with good accounting practices and including profits or losses realized upon the sale of securities or properties; or (ii) from the Fund's earned surplus so determined for the current or preceding fiscal year, unless such payment is accompanied by a written statement which adequately discloses the source or sources of such payment. The SEC may prescribe the form of such statement by rules or regulations or by order in the public interest and for the protection of investors. The Fund shall also not advertise

such dividends in terms of centavos or pesos per share without also stating the percentage they bear to the par value per share.

MANAGEMENT DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

AS OF MARCH 2024

Eurozone's economy still managed to post a positive growth in the first quarter of 2024 despite the geopolitical tensions happening in Ukraine and in the Middle East, increasing by 0.5% Y-o-Y which was a smaller increase compared to the 1.2% GDP print in the same period last year. Inflation in the Eurozone continues to slow down with the harmonized index of consumer prices (HICP) coming in at 2.6% in March 2024, decelerating from a high of 10% recorded in January 2023. Given the easing inflationary environment, the European Central Bank (ECB) has kept its key policy rate steady at a high of 4.50%. This was reaffirmed in their last meeting held last March 7. With this backdrop, the yield on 10Y German bunds declined to 2.28% by the end of the first quarter of 2024.

Top Five Key Performance Indicators

Performance vis-à-vis the Benchmark – As of end-March 2024, the Fund posted a year to-date return of 0.50%, net of fees and taxes, lagging behind its benchmark of 3-month German Treasury Bill by 39 bps.

Market Share in the Industry - The ALFM Euro Bond Fund is the only local player in this fund category.

NAV Growth vis-à-vis Industry Growth - The Fund's average daily NAV for the first quarter of 2024 was at EUR 15.30 Million. The ALFM Euro Bond Fund is the lone market player in the Euro bond fund segment with NAV at EUR 15.25M.

Portfolio Quality – As of end-March, the fund's portfolio had 58.9% invested in sovereign bonds, 12.5% in corporate bonds, 11.2% in fixed income funds and 17.4% in cash and deposits.

Performance vis-à-vis Competition – ALFM Euro Bond Fund has no competitors in this category. Discussion and analysis of material event/s and uncertainties known to the management that would address the past and would have an impact on future operations.

Any known trends, demands, commitments, events or uncertainties that will have material impact on the issuer's liquidity:

Liquidity of the fund may be affected by the market's depth or the existence of readily available buyers and sellers in the market.

Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation:

None

All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period:

None

Any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures:

None

Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations:

None

Any significant elements of income or loss that did not arise from the issuer's continuing operations:

The Fund Manager is not aware of any significant element of income or loss that did not arise from the Fund's continuing operations.

BPI Wealth – A Trust Corporation has registered under the Foreign Account Tax Compliance Act (FATCA) as a sponsoring entity for the Funds it manages. These Funds include the ALFM Mutual Funds, Ekklesia Mutual Fund, and Solidaritas Fund. As a sponsoring entity, BPI Wealth – A Trust Corporation will perform the due diligence, withholding, and reporting obligations of the sponsored entities.

In accordance with this, investors who make initial subscriptions to the Fund from July 1, 2014 onwards have been asked to submit the necessary documents if they are identified as US citizens, or if they fall under any of the US indicia categories.

Net Asset Value Per Share (“NAVPS”) for the 1st Quarter of 2024:

QUARTER	DATE	NAVPS	
1st	9-Jan-24	213.89	LOW
	31-Mar-24	215.12	HIGH

AS OF DECEMBER 31, 2023

The Eurozone suffered a slowdown in 2023 as its economy posted a mere 0.4% expansion versus the previous year’s GDP figure of 3.4%. Inflation also cooled off as the Eurozone experienced inflation as high as 8.6% in January of 2023 and ended the year at 2.9%. This allowed the European Central Bank (ECB) to pause in raising interest rates by September last year. The ECB’s policy rate was raised to 4.50% in that meeting and has remained at the same rate to the end of 2023. European bond yields followed suit by declining across the yield curve with the 10-year bund yields ending 2023 at close to 2%.

Over in the US, economic growth and jobs figures quickly turned the tide as investors began to price in more central bank hikes at the beginning of 2023. A similar narrative was seen across the globe, especially as rising supply side price pressures and sticky energy prices continued to keep headline CPI figures in the high single-digits. Consequently, most major central banks saw fit to raise policy rates, with the US Federal Reserve, the European Central Bank and the Bank of England hiking by as much as 100, 200 and 175 basis points, respectively in 2023.

On the local front, the Philippine Bureau of Treasury or BTr issued US\$ 1.2 billion worth of 5.5-year retail dollar bonds or RDBs with a coupon rate of 5.750% in September. The paper was likewise wellreceived with order books exceeding US\$630 million overall.

Top Five Key Performance Indicators

Performance vis-à-vis the Benchmark – As of December 2023, the Fund posted a full year return of 2.07% p.a., net of fees and taxes, outperforming its benchmark 3-Month German Treasury Bill by 42 basis points.

NAV Growth vis-à-vis Industry Growth - The Fund’s average daily NAV for 2023 was at EUR 15.49 Million. ALFM Euro Bond Fund’s trading net asset value ended 2023 at EUR 15.36 Million. Since ALFM Euro is the lone Euro Fixed Income Mutual Fund in the country, the industry’s net asset value also decreased by the same magnitude for the same period.

Portfolio Quality – The fund aims to be well diversified with 30.0% of the fund’s investment in Philippine government securities, 26.3% in other sovereign bonds, 15.6% in corporate bonds, 11.0% in fixed income funds and 17.1% in cash and deposits - net of receivables/liabilities.

Performance vis-à-vis Competition – ALFM Euro posted a full year return of 2.07% and it has no competition in the same category.

Market Share in the Industry - ALFM Euro is the lone Euro-denominated fixed income mutual fund.

NAVPS per quarter for the year 2023:

QUARTER	DATE	NAVPS	
1st	03-Jan-23	377.73	LOW
	30-Mar-23	381.02	HIGH
2nd	01-Apr-23	210.62	LOW
	26-Jun-23	211.49	HIGH
3rd	29-Sep-23	211.03	LOW
	31-Jul-23	211.69	HIGH
4th	03-Oct-23	210.80	LOW
	27-Dec-23	214.00	HIGH

AS OF DECEMBER 31, 2022

The U.S. economy grew by 2.1% in 2022, down from the 5.9% logged in 2021. GDP growth eased as spending was hampered by the Federal Reserve's fastest monetary policy tightening cycle since the 1980s. Coming from the low-rate environment in 2021, US inflation soared in 2022, peaking at 9.1% YoY in the month of June. Price pressures were exacerbated by Russia's invasion of Ukraine, which compounded existing supply chain bottlenecks. Consequently, the Fed hiked rates seven times beginning March 2022, for a total of 425 basis points for the year. For the period, the 10-year U.S. Treasury yield rose by about 236 basis points, closing at 3.87% as of December 31, 2022. Meanwhile, the 2-year U.S. Treasury yield rose by about 369 basis points to close at 4.43%.

In the Eurozone, economic activity also eased as the region grew 3.5% in 2022, slower than the 5.4% seen in 2021. In line with other major economies, the Eurozone's inflation jumped by 8.4% on average in 2022, after peaking at 10.6% YoY in October. Consequently, the European Central Bank raised benchmark rates by 200 basis points for the year. In 2022, the yield on the 10-year Bund rose by about 275 basis points to close at 2.57%.

The Philippine economy posted a robust 7.6% year-on-year growth in 2022 as post-pandemic reopening activities continued to drive consumer and business spending. The figure was higher than the government's target range of 6.5%-7.5% for the year. On the other hand, local inflation continued to accelerate, clocking in as high as 8.1% year-on-year in December as supply-side pressures persisted. Elevated prices, along with various global monetary policy tightening actions, drove the Bangko Sentral ng Pilipinas (BSP) to announce an off-cycle 75-basis point hike mid-year. In 2022, the BSP raised rates by a total of 350 basis points.

Top Five Key Performance Indicators

Performance vis-à-vis the Benchmark – As of December 2022, the Fund posted a full year return of -4.71% p.a., net of fees and taxes, outperforming its benchmark 3-Month German Treasury Bill by 475 basis points.

NAV Growth vis-à-vis Industry Growth - The Fund's average daily NAV for 2022 was at EUR 16.023 Million. ALFM Euro Bond Fund's net asset value ended 2022 at EUR 15.36 Million. Since ALFM Euro is the lone Euro Fixed Income Mutual Fund in the country, the industry's net asset value also increased by the same magnitude for the same period.

Portfolio Quality – The fund remains to be well diversified with 30.5% of the fund's investment in Philippine government securities, 25.2 in Asian and Mexican sovereign bonds, 24.4% in corporate bonds, 1042% in fixed income funds and 9.5% in cash and deposits.

Performance vis-à-vis Competition – ALFM Euro posted a full-year return of -4.71% in 2022 and has no competitor on the Euro-denominated bond fund segment.

Market Share in the Industry - ALFM Euro is the lone Euro-denominated fixed income mutual fund.

NAVPS per quarter for the year 2022:

QUARTER	DATE	NAVPS	
1st	28-Mar-22	215.75	LOW
	03-Jan-22	220.05	HIGH
2nd	30-Jun-22	210.64	LOW
	05-Apr-22	215.97	HIGH
3rd	30-Sep-22	208.73	LOW
	16-Aug-22	212.24	HIGH
4th	21-Oct-22	207.32	LOW
	15-Dec-22	210.24	HIGH

External Audit Fees

The following are the aggregate fees billed by the external auditors for each of the last two calendar years (in Php):

Year	Total
2022	PhP35,868.00
2023	Estimated PhP49,900.00

Note:

No tax fees were paid since there were no professional services rendered by Isla Lipana for tax accounting compliance, advice, planning and any other form of tax service.

Similarly, no other fees were paid for products and services provided by Isla Lipana other than the regular annual audit report.

The following are the ALFM Euro Bond Fund, Inc. Audit Committee's approval policies & procedures for the external auditor:

- Recommend to the Board the selection of the external auditor, who will be accountable to the Board and to the Audit Committee as representatives of the shareholders. The Board and the Audit Committee will consider the external auditor's independence, effectiveness, and the approval of the fees and other compensation to be paid to the external auditor. The Audit Committee should review and discuss with the accountants on an annual basis all significant relationships the accountants have with ALFM Euro Bond Fund, Inc. to determine the accountants' independence.
- Review the performance of the external auditor and approve any proposed discharge of the external auditor when circumstances warrant.
- Periodically consult with the external auditor regarding internal controls and the fullness and accuracy of ALFM Euro Bond Fund, Inc.'s financial statements.
- The Audit Committee will actively engage the external auditor in dialogues regarding independence.
- Adhere to the following procedures for the approval of services by the external auditor:
 - The Audit Committee will annually approve the scope of, and fees payable for, the year-end audit to be performed by ALFM Euro Bond Fund, Inc. external auditor for the next calendar year.
 - ALFM Euro Bond Fund, Inc. may not engage the external auditor for any services unless they are approved by the Audit Committee in advance of the engagement.
 - If ALFM Euro Bond Fund, Inc. wishes to engage the external auditor for any services, ALFM Euro Bond Fund, Inc. will define and present to the Audit Committee specific projects and categories of the services to be provided, and fee estimates, for which the advance approval of the Audit Committee is required. The Audit Committee will review these requests and determine whether to pre-approve the engagement of the external auditor for the specific projects and categories of service.
 - ALFM Euro Bond Fund, Inc. will report to the Audit Committee regarding the actual spending for these projects and services, compared to the approved amounts on a quarterly basis.
 - The Audit Committee Chairperson will report to the Audit Committee at each regularly scheduled meeting the nature and amount of any non-audit services that he has approved.

Corporate Governance

The evaluation system adopted by ALFM Euro Bond Fund, Inc. to determine the level of compliance of the Board and top level management with its Manual of Corporate Governance is based primarily on the SEC Corporate Governance Self-Rating Form (CG-SRF).

ALFM Euro Bond Fund, Inc. has undertaken the following measures to fully comply with the adopted leading practices on good corporate governance:

- Consider changes, improvements, or additions to current corporate disclosure procedures
- Implement processes for identifying items where timely corporate disclosure is necessary

Except for the required changes mandated by SEC, ALFM Euro Bond Fund, Inc. has no material deviations from its Manual of Corporate Governance since it filed its CG-SRF with the SEC.

Apart from the foregoing changes or improvements being considered for corporate disclosures, there are no plans to improve the current corporate governance of ALFM Euro Bond Fund, Inc.

Other Disclosures

- There were no disagreements with the former accountant, on any matter of accounting any financial disclosure.
- There were no known trends, events or uncertainties with material impact on liquidity and sales. Neither were there events that would trigger direct or contingent financial obligations that are material to the Fund, including any default or acceleration of an obligation.
- There were no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) and other relationships of the Fund with unconsolidated entities or other persons created during the reporting period.
- There were no material commitments for capital expenditures. The realized and unrealized gains on stock and fixed income investments brought by market appreciation represent the significant element of income from continuing operations.