SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.

NOTICE OF SPECIAL SHAREHOLDERS' MEETING

To all shareholders:

NOTICE IS HEREBY GIVEN that the Special Meeting of the Shareholders of the Sun Life Prosperity Dollar Wellspring Fund, Inc. shall be held on 12 November 2021 (Friday) at 9:00 a.m. via Zoom Webinar at https://bit.ly/DollarWellspring-SpecialASHM2021 to consider the following:

AGENDA

1. Call to Order
2. Proof of Notice of Meeting
3. Certification of Quorum
4. Approval of Dividend Declaration of 1.58% to stockholders of record as of 25 November 2021
5. Adjournment

The Board of Directors has, in accordance with the By-Laws, fixed the close of business on 30 September 2021 as the date for the determination of the shareholders entitled to notice of and to vote as such in the special shareholders' meeting and any adjournment thereof.

The Fund will accept proxy votes from its stockholders by emailing SunLifeFunds@sunlife.com until Tuesday, 02 November 2021 (at least 10days prior to the SSHM). The same shall be remotely validated by the Fund before the close of business hours on or before 07 November 2021 (at least 5 days prior to the SSHM).

Shareholders and/or their proxies must pre-register using the provided link. Identification of the registrant will be verified during the pre-registration process.

Taguig City, Metro Manila, 30 September 2021

ATTY. FRANCES IANNA S. CANTO
Assistant Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement [X] Definitive Information Statement

2. Name of Registrant as specified in its charter: Sun Life Prosperity Dollar Wellspring Fund, Inc.

3. Province, country or other jurisdiction of incorporation or organization: Philippines

4. SEC Identification Number: CS201517778

5. BIR Tax Identification Code: 008-123-698-000

6. Address of Principal Office: 8th Floor Sun Life Center, 5th Avenue cor Rizal Drive, Bonifacio Global City, Taguig City 1634

7. Registrant's telephone number, including area code: (632) 8555-8888

8. Date, time, place of the meeting of security holders:

   12 November 2021 (Friday), 9:00 a.m.
   Via Zoom Webinar at https://bit.ly/DollarWellspring-SpecialASHM2021
   to be hosted from 8F Sun Life Centre, 5th Avenue corner Rizal Drive
   Bonifacio Global City, Taguig City 1634

9. Approximate date on which the Information Statement is first to be sent or given to security holders: 18 October 2021.

10. In case of Proxy Solicitations:

    Name of Person Filing the Statement / Solicitor: Ms. Maria Josefina A. Castillo

    Address and Telephone Number: 5th Floor Sun Life Center, 5th Avenue cor Rizal Drive, Bonifacio Global City, Taguig City 1634; (632) 8555-8888 local 5621

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
Common Shares, PHP1.00 par value	6,034,620 shares (as of 30 June 2021)

12. Are any or all of the Company's securities listed on the Philippine Stock Exchange ("PSE")?

    [ ] Yes [X] No

PART I.
INFORMATION REQUIRED IN THE INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Meeting of Security Holders

a. The Special Shareholders' Meeting of Sun Life Prosperity Dollar Wellspring Fund, Inc. (the "Company") will be held on 12 November 2021 (Friday) at 9:00 a.m., via Zoom Webinar at https://bit.ly/DollarWellspring-SpecialASHM2021 to be hosted from 8F Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City 1634. The principal office of the Company is located at 8th Floor Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City 1634.

b. The approximate date on which the information statement and proxy form ("SSHM materials") will be sent to all shareholders is on 18 October 2021. Shareholders will receive the SSHM materials personally, by mail (by physical or electronic transmission). Further, shareholders will also receive an advance copy via e-mail and will have access to the SSHM materials via the Sun Life Asset Management Company, Inc. ("SLAMCI") website.

Item 2. **Dissenter's Right of Appraisal**. The Revised Corporation Code of the Philippines, specifically its Sections 80 to 85 of Title X, gives a dissenting shareholder or a shareholder who votes against certain corporate actions specified by law, the right to demand payment of the fair market value of his/her shares, commonly referred to as Appraisal Right. There is no matter or item to be submitted to a vote or acted upon in the Special Shareholders' Meeting of the Company which falls under the instances provided by law when dissenting shareholders can exercise their Appraisal Right.

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

a. No current director or officer of the Company or any associate thereof, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon.

b. No director has informed the Company in writing that he intends to oppose any action to be taken by the Company at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

a. The Company has 6,034,620 outstanding common shares as of 30 June 2021. Each common share shall be entitled to one (1) vote with respect to all matters to be taken up during the special shareholders' meeting.

b. The date for determining shareholders entitled to notice of and to vote during the special shareholders' meeting is 30 September 2021.

c. Security Ownership of Certain Beneficial Owners and Management

1. Security Ownership of Certain Beneficial Owners. Holders of more than 5%, if any, are included in the list of the Top 20 Shareholders, which is submitted to the SEC through a confidential disclosure.

On 22 September 2016, SEC en banc approved the confidential treatment of the list of Top 20 shareholders of the Sun Life Prosperity Funds, including its 5% and 10% beneficial owners. This is to protect the investors' privacy, which is a privilege they enjoy when they invest in other shared investment vehicles, such as unit investment trust funds, and when they invest in bank deposits.

2. Security Ownership of Management as of 30 August 2021 follows:

Title of Class	Name of Beneficial Owner	Number of Shares[1]	Nature of Ownership	Citizenship	Percent of Class
Common	Benedicto C. Sison	1	Beneficial (B) and Record (R)	Filipino and American	0.00%
Common	Ma. Josefina A. Castillo	1	B & R	Filipino	0.00%
Common	Aleli Angela G. Quirino	1	B & R	Filipino	0.00%
Common	Cielito F. Habito	1	B & R	Filipino	0.00%
Common	Oscar M. Orbos	1	B & R	Filipino	0.00%

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

3. Voting Trust Holders of 5% or More. No holder of 5% or more of the Company's common shares has any voting trust or similar agreement that vest voting rights or other powers to a voting trustee.

4. Changes in Control. There has been no change in control of the Company since the beginning of the last fiscal year.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 5. Authorization or Issuance of Securities Other than for Exchange. No action is to be taken with respect to the authorization or issuance of any securities otherwise than for exchange for outstanding securities of the Company.

Item 6. Modification or Exchange of Securities. No action is to be taken with respect to the modification of any class of securities of the Company, or the issuance or authorization for issuance of one class of securities of the Company in exchange for outstanding securities of another class.

Item 7. Financial and Other Information.

a. **Management's Discussion and Analysis (MD&A) or Plan of Operation**.

1. Plan of Operation. For the next twelve (12) months, management will continue its current plan of operation, with a focus on improving cost efficiency.

2. **Management's Discussion and Analysis**. The performance of the Company could be measured by the following indicators:

2.1 Increase / Decrease in Net Assets Value Per Share (NAVPS) NAVPS is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding plus the total number of shares outstanding due to deposit for future subscriptions (DFFS) and for conversion to shares, if any, as of the end of the reporting day. Any increase or decrease in NAVPS translates to a prospective capital gain or capital loss, respectively, for the Company's shareholders.

[1] Number of shares held in their capacity as Director or Chairperson

2.2 Net Investment Income. Represents the total earnings of the Company from its investment securities, less operating expenses and income tax. This gauges how efficiently the Company has utilized its resources in a given time period.

2.3 Assets under Management (AUM). The assets under the Company's disposal. This measures the profitability of the Company (increase / decrease brought about by its operational income) as well as investor confidence (increase / decrease brought about by investor subscriptions / redemptions).

2.4 Cash Flow. Determines whether the Company was able to achieve the optimal level of liquidity by being able to meet all its scheduled payments while at the same time maintaining the maximum level of investments and minimum level of cash.

Accounting Policies on Financial Assets

Financial assets

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

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

As at June 30, 2021 and December 31, 2020, the Company does not have financial assets classified at FVTOCI.

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

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

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

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

Debt instruments

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

- Amortized cost. Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- FVTPL. Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of comprehensive income within other gains (losses) in the period in which it arises. Interest income from these financial assets is included in finance income.

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

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

Amortized cost and effective interest method

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

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

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

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

Equity instruments

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

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

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

As at June 30, 2021 and December 31, 2020, the Company does not have financial assets at FVTOCI.

Impairment of financial assets

The Company recognizes a loss allowance for ECL on investments in debt instruments that are measured at amortized cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

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

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

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

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

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

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

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

Significant increase in credit risk

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

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

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

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

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

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

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

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

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

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

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

Default

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

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

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

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

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes observable data about the following events:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

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

Write-off

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

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

Measurement and recognition of expected credit losses

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

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

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

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

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

Presentation of allowance for ECL in the statement of financial position

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

Derecognition

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

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

3. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure. There have been no changes in and / or any disagreement with accountants on any accounting and financial disclosures and / or on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

b. Registrant's Common Equity and Related Stockholder Matters

1. Market Information. Being an investment company that is not listed with the PSE and required to follow rules specific to mutual funds, shares are distributed through its principal distributor, SLAMCI.

The following data are the range of high and low prices (NAVPS) of the Fund's common shares for each quarter within the last three calendar years:

	2021		2020		2019	
	High	Low	High	Low	High	Low
Q1	$1.2318	$1.1719	$1.1546	$0.9456	$1.0838	$1.0100
Q2	$1.2204	$1.1863	$1.1153	$0.9955	$1.1128	$1.0808
Q3	-	-	$1.1845	$1.1096	$1.1233	$1.1055
Q4	-	-	$1.2021	$1.1546	$1.1288	$1.1023

2. Holders. There are approximately 659 stockholders as of 30 June 2021.

FINANCIAL STATEMENT ANALYSIS
Statement of Financial Position and Statements of Changes in Equity – 30 June 2021 and 31 December 2020

	30-Jun-21	31-Dec-20	Movement	Percentage (%)	MDAS
	Unaudited	Audited			
Cash in banks	$ 423,339	$ 475,438	($ 52,099)	-10.96%	Liquidity requirements are still met.
Financial assets at fair value through profit or loss	6,964,446	7,283,361	(318,915)	-4.38%	The decrease was due to net disposal of investments and unrealized loss incurred during the period.
Accrued interest receivable	2,038	1,173	865	100.00%	Collection of interest depends on the scheduled interest payments of each asset.
Other current assets	953	-	953	100.00%	Prepaid expenses to be amortized until end of the accounting period.
Total Assets	**7,390,776**	**7,759,972**	**(369,196)**	**-4.76%**	
Accrued expenses and other payables	16,029	4,685	11,344	242.13%	The increase was due to outstanding proceeds payable to investors for redemption of their investments processed on or before end of the reporting period, which are usually settled four (4) days after the transaction date.
Payable to fund manager	10,105	11,086	(981)	-8.85%	The decrease was due to lower outstanding recoverable fees from fund manager as of period end.
Due to brokers	-	50,000	(50,000)	-100.00%	This account pertains to amounts payable to brokers for the purchase of investments processed on or before the reporting period, which are settled four days after the transaction date.
Income tax payable	20	68	(48)	100.00%	Accrual of income tax for the 2nd quarter of 2021.
Total Liabilities	**26,154**	**65,839**	**(39,685)**	**-60.28%**	
Share capital	142,731	140,801	1,930	1.37%	New issuance of shares during the period.
Additional paid in capital	6,464,803	6,361,847	102,956	1.62%	
Retained earnings	1,286,737	1,191,485	95,252	7.99%	Net income for the period.
Treasury Shares	(529,649)	-	(529,649)	100.00%	Due to net acquisition of treasury shares during the period.
Net Assets	**7,364,622**	**7,694,133**	**(329,511)**	**-4.28%**	Due to net acquisition of treasury shares and partly offset with new shares issuance and net income for the period.
Net Assets Value per Share	**$ 1.2204**	**$ 1.2022**	**P 0.0182**	**1.51%**	

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

There was no contingent liability reflected in the accompanying interim unaudited 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 quarter.

Statement of Comprehensive Income for Six months ended – June 30, 2021 vs. June 30, 2020

	30-Jun-21 Unaudited	30-Jun-20 Unaudited	Movement	Percentage (%)	MDAS
Investment Income	$ 410,910	($ 1,977)	$ 412,887	-20884.52%	The increase mainly pertains to the higher trading gains realized upon disposal of securities and higher interest and dividend income earned during the period.
Investment Expense	60	591	(531)	-89.85%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses	74,891	69,624	5,267	7.56%	This is due to the increase in management and distribution fees brought by higher AUM and partly offset with the decline in recorded custodian fees and taxes and licenses incurred for the period.
Net Unrealized Losses on Investments	(240,602)	(48,757)	(191,845)	393.47%	Due to impact of unfavorable market condition during the period.
Provision for Income Tax	105	32	73	228.13%	Income tax under MCIT and final taxes of interest income earned from fixed income investments.
Net Investment Loss	**$ 95,252**	**($ 120,981)**	**216,233**	**178.73%**	

Average daily net asset value from January to June 2021 and January to June 2020 are $7,375,512 and $6,502,166, respectively.

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

There were no commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Fund which are not reflected in the accompanying interim unaudited financial statements.

The management of the Fund is of the opinion that there were no income or losses from these items that will have any material effect on its interim unaudited financial statements.

There were no known material events subsequent to the end of the quarterly reporting period that have not been reflected in the Fund's interim unaudited financial statements as at the period ended June 30, 2021. There were no significant elements of income or loss that did not arise from the Fund's continuing operations.

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

Top 5 Key Performance Indicators

The performance of a fund is important to its investors. Oftentimes, it is used when making investment decisions. That is why Key Performance Indicators (KPI), a set of quantifiable measures, 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 always expressed in terms of its total return, which is the sum of the change in a fund's net asset value (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. Benchmarks. Benchmarking is one of the most important aspects of a mutual fund's total return performance. A fund's performance metrics only have meaning if they are compared to appropriate "guideposts," or benchmarks.

The Bloomberg Barclays Global-Aggregate Total Return Index Value Unhedged USO (LEGATRUU Index) consists of U.S. dollar denominated, investment-grade index spanning asset classes from developed to emerging markets including multi-currency, investment-grade instruments. The MSCI All Country World Index (MSCI ACWI) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

	Total Return vs Benchmark	
	Benchmark: 65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day Dollar Deposit Rate	**Sun Life Prosperity Dollar Wellspring Fund, Inc.**
5-Year Return	27.88%	32.99%
3-Year Return	17.72%	21.52%
1-Year Return	12.28%	13.41%
YTD Return	1.73%	2.06%

*As of June 30, 2021

The benchmark may be changed by the Fund's Board of Directors from time to time.

4. 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). While this information is made available to the Fund's investors, the same may be found in the website of the PIFA - at www.pifa.com.ph.

Comparative Returns

Sun Life Prosperity Dollar Wellspring Fund, Inc.	% of MF Industry	YTD	1-Year	3-Year	5-Year
Sun Life Prosperity Dollar Wellspring Fund, Inc.	**0.02%**	**1.73%**	**12.28%**	**17.72%**	**27.88%**
Sun Life Prosperity Dollar Advantage Fund, Inc.	0.11%	5.99%	24.55%	32.04%	54.50%
PAMI Asia Balanced Fund, Inc.	0.03%	-1.02%	15.81%	13.90%	28.95%

*As of June 30, 2021

5. 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 equity securities and / or bonds 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.

Most analysts check whether the performance of a mutual fund is attributable to personnel who have since left the fund. While there is no magic number when it comes to fund manager tenure, it should provide some investor comfort to know that with respect to the Fund, the Fund Manager and the Fund's top management have been with the Fund for at least five (5) years. Furthermore, SLOCPI having been in the business for decades combined with a record of consistent strong performance indicates a stability and resilience capable of withstanding the different stages of the business cycle.

The capital structure of the Fund consists of issued capital. The $1,500,000 subscription represents seed capital from Sun Life Asset Management Company Inc. The Fund manages capital and Net Asset Value per Share (NAVPS) to ensure that the Company's net asset value remains competitive and appealing to prospective investors.

Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

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

c. Dividends. Each shareholder has a right to any dividends declared by the Board of Directors. Dividends must be declared out of surplus. Except for the condition prescribed for the declaration of stock dividends, there are no restrictions that limit the ability to pay dividends on common equity or that are likely to do so in the future. The Company has not declared cash dividends to date.

Each shareholder is entitled to vote on matters taken up in the Special Shareholders' Meeting. Shares held by a shareholder can be redeemed anytime at the shareholder's discretion. However, the shareholders do not enjoy pre-emptive rights.

There are no provisions in the charter or by-laws that would delay, defer or prevent a change in control of the registrant.

D. OTHER MATTERS

Item 8. Approval of Dividend Declaration and Payout. Management requests the approval of the declaration of stock dividends amounting to up to 1.58% of the outstanding shares with Record Date of 25 November 2021, and Payout Date of 26 November 2021, or any reasonable date after approval of SEC on the stock dividend declaration has been obtained.

Item 9. Other Proposed Action. Aside from the foregoing, there is no other proposed action.

Item 10. Voting Procedures. The approval of the 1.58% stock dividends to stockholders of record requires 2 / 3 vote of the outstanding capital stock.

The right to vote of investors as of the Record Date may be exercised in person, through proxy, or so when so authorized in the By-laws or when approved by the majority of the Board of Directors, through remote communication or in absentia. The Fund will accept proxy votes from its stockholders by emailing SunLifeFunds@sunlife.com until Tuesday, 02 November 2021 (at least 10days prior to the SSHM). The same shall be remotely validated by the Fund before the close of business hours on or before 07 November 2021 (at least 5 days prior to the SSHM).. Investors who will decide to attend the SSHM via Zoom may also exercise their right to vote in absentia via the Zoom poll functionality available during the conduct of the SSHM. Client identification may be verified during the pre-registration process.

Thereafter, the Corporate Secretary will proceed to count and tabulate the votes casted via remote communication or in absentia, and those who voted through proxy.

PART II.
INFORMATION REQUIRED IN A PROXY FORM

Item 11. Identification. The solicitation of proxies is made for and on behalf of Ms. Maria Josefina A. Castillo, President of the Company, and the proxy given will be voted in accordance with the authority contained therein. Atty. Anna Katrina C. Kabigting-Ibero, Corporate Secretary, will cast the votes in case of her absence.

Item 12. Instruction. Proxy forms attached to the notice of the Special Shareholders' Meeting appoint Ms. Castillo, President of the Company, to represent and vote all shares registered in the name of the shareholder. The following need to be indicated by the shareholder on the form: a. Date and place the form was signed; b. Shareholder's complete name; and c. Signature.

Upon receipt of a duly completed proxy form through courier, regular mail, fax, or email (sent using the shareholder's registered email address with the Company) the Company will ensure that the forms are in order and that the above requirements have been complied with. Shareholder names and signatures appearing on the proxy form that are irreconcilable against Company records will be considered void.

Should defects be noted on a duly completed proxy form with regard to items (a) and (b) above, the Company has the option to determine ways and means by which the defect could be corrected, in which case the proxy form would be considered valid. Proxy forms not meeting the above requirements would not be counted.

Item 13. Revocability of Proxy. A shareholder giving a proxy has the power to revoke it at any time prior to its exercise by voting in person at the Special Shareholders' Meeting, by giving written notice to the Corporate Secretary prior to the meeting, or by giving another proxy with a later date provided it is received by the office of the Corporate Secretary not later than ten (10) days prior to the meeting.

Item 14. Persons Making the Solicitation.

a. The proxy solicitation is conducted on behalf of the Company by SLAMCI as part of its management services and is to be made through registered mail and courier service. No director of the Company has informed the Company in writing that he intends to oppose any action intended to be taken.

b. Proxies may also be solicited by SLAMCI employees assigned to Investor Services, without additional compensation, personally or by written communication, telephone or other electronic means. Ms. Marleen Kaye Simbillo has been designated as the contact person for all inquiries related hereto at contact numbers (632) 8849-9888 with address at 8th Floor Sun Life Centre, 5th Avenue corner Rizal Drive, Bonifacio Global City, Taguig City 1634, and email address marleen.kaye.simbillo@sunlife.com.

c. Likewise, no especially engaged employee or paid solicitors are to be involved in this exercise.

d. The Company will bear the cost of preparing and mailing this proxy statement and other materials furnished to shareholders in connection with the proxy solicitation. The foregoing is estimated to cost about PHP20,000.00 for the Sun Life Prosperity Dollar Wellspring Fund, Inc.

Item 15. Interest of Certain Persons in Matters to be Acted Upon. As of 30 June 2021, records show that SLAMCI owns 12.74% of the Company's outstanding capital stock. The President of SLAMCI has the power to vote on the shares or direct the voting of the shares.

SHAREHOLDERS OF RECORD ENTITLED TO NOTICE OF AND VOTE AT THE MEETING SHALL BE FURNISHED WITHOUT CHARGE WITH A COPY OF THE COMPANY'S ANNUAL REPORT OR SEC FORM 17-A, UPON WRITTEN REQUEST ADDRESSED TO:

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.
OFFICE OF THE CORPORATE SECRETARY
6TH FLOOR SUN LIFE CENTER, 5TH AVENUE COR RIZAL DRIVE
BONIFACIO GLOBAL CITY, TAGUIG CITY 1634

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.

Sun Life Prosperity Dollar Wellspring Fund, Inc.
Issuer

Date: 30 September 2021

ATTY. FRANCES IANNA S. CANTO
Assistant Corporate Secretary

Sun Life Prosperity Dollar Wellspring Fund
Special Shareholders' Meeting
Proxy Form

Sun Life
Asset Management

I/we, hereby nominate, constitute and appoint **Ms. MARIA JOSEFINA A CASTILLO**, Incumbent President, with right of substitution and revocation, to represent and vote all shares registered in my/our name or owned by me/us and/or such shares as I am/we are authorized to represent and vote in my/our capacity as administrator, executor or attorney-in-fact for any and all matters presented during the Special Shareholders' Meeting on **12 November 2021**, and all adjournments and postponements thereof, of the Sun Life Prosperity Dollar Wellspring Fund, Inc.

A vote "FOR" the below item is recommended.

For	Against	
☐	☐	Declaration of 1.58% stock dividends to stockholders of record as of 25 November 2021

This proxy revokes all proxies which I/we may have previously executed concerning the above matter. This proxy shall be effective until withdrawn by me/us through notice in writing, or superseded by subsequent proxy, delivered to the Corporate Secretary at least ten (10) days before the special shareholders' meeting or any adjournments and postponements thereof, but shall cease to apply in instances where I/we personally attend the meeting.

Executed on ______________________ at ______________________.

____

Printed Name and Signature

Sun Life
Asset Management

Certification

I, Candy S. Esteban, the Treasurer of Sun Life Prosperity Dollar Wellspring Fund, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS201517778 and with principal office at Sun Life Center, 5th Ave. Cor. Rizal Drive Bonifacio Global City, Taguig City, on oath state:

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

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of August, 2021.

Candy S. Esteban
Affiant

SUBSCRIBED AND SWORN to before me this ____day of AUG 17 2021, 2021, in CITY OF MAKATI City, Philippines. Affiant exhibiting his/her government issued identification card:

Name	Government ID No.	Date of Issue	Place of Issue
Candy S. Esteban	Driver's License N02-95-277891	05/08/2018	Quezon City

ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2022
IBP No. 05729-Lifetime Member
MCLE Compliance No. VI-0024312
Appointment No. M-82-(2021-2022)
PTR No. 8531011 Jan. 4, 2021
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

Doc. No. 435;
Page No. 88;
Book No. XX;
Series of 2021.

COVER SHEET

CS201517778

S.E.C. Registration Number

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND INC.

SUNLIFE CENTRE 5TH AVE CORNER RIZAL DRIVE BONIFACIO GLOBAL CITY TAGUIG CITY

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

Merobhe T. Esmele	**555-8888**
Contact Person	Company Telephone Number

12	31	**SEC FORM 17-Q**		
Month	*Day*	FORM TYPE	*Month*	*Day*

Fiscal Year

Annual Meeting

Mutual Fund Company

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SEC Number: CS201517778
File Number: ___________

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.
(Company's Full Name)

6th Floor Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City, Philippines
----
(Company's Address)

8555-88-88

(Telephone No.)

December 31

(Fiscal Year Ending)
(Month & Day)

SEC FORM 17-Q

Form Type

____
Amendment Designation (If applicable)

June 30, 2021

Period Ended Date

OPEN-END INVESTMENT COMPANY

Secondary License Type and File Number

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2) (b) THEREUNDER

1. For the quarterly period ended: **June 30, 2021**

2. Commission identification number: **CS201517778**

3. BIR Tax Identification No: **009-123-698-000**

4. Exact name of issuer as specified in its charter

Sun Life Prosperity Dollar Wellspring Fund, Inc.

5. Province, country or other jurisdiction of incorporation or organization

Philippines

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office: PostalCode

6th Floor Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634

8. Issuer's telephone number, including area code: **(02) – 8555-8888**

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

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of June 30, 2021)
Common Shares (Unclassified)	**6,034,620 shares**

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

Yes [ ] No [x]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

________________________ ________________________

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 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 the registrant was required to file such reports)

Yes [x] No [ ]

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

Yes [x] No [ ]

PART A - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2021 AND DECEMBER 31, 2020
(In US Dollars)

	Notes	(Unaudited) 2021	(Audited) 2020
ASSETS			
Current Assets			
Cash in banks	4	**$ 423,339**	$ 475,438
Financial assets at fair value through profit or loss	5	**6,964,446**	7,283,361
Accrued interest receivable	6	**2,038**	1,173
Other current assets	8	**953**	-
		$7,390,776	$7,759,972
LIABILITIES AND EQUITY			
Current Liabilities			
Accrued expenses and other payables	9	**$ 16,029**	$ 4,685
Payable to fund manager	10	**10,105**	11,086
Due to brokers	7	**-**	50,000
Income tax payable		**20**	68
Total Current Liabilities		**26,154**	65,839
Equity			
Share capital	11	**142,731**	140,801
Additional paid-in capital	12	**6,464,803**	6,361,847
Retained earnings		**1,286,737**	1,191,485
		7,894,271	7,694,133
Treasury shares	11	**(529,649)**	-
Total Equity		**7,364,622**	7,694,133
		$7,390,776	$7,759,972
Net Asset Value Per Share	13	**$ 1.2204**	$ 1.2022
Total Equity		**7,364,622**	7,694,133
Capital Stock - Php1.00 per share			
Authorized - 10,000,000 shares			
Total number of shares outstanding		**6,034,620**	6,400,040
Net Asset Value Per Share	13	**$ 1.2204**	**$ 1.2022**

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED JUNE 30, 2021 AND JUNE 30, 2020

(In US Dollars)

	Notes	**(Unaudited)** **2021**	(Unaudited) 2020
Investment Income - net			
Net realized gains (loss) on investments	5	**$399,455**	($12,463)
Dividend income		**9,176**	8,668
Interest income	14	**2,275**	1,818
Others		**4**	-
		410,910	(1,977)
Investment Expenses			
Commission		**60**	591
Net Investment Income (Loss)		**410,850**	(2,568)
Operating Expenses			
Management fees	10	**36,867**	32,538
Distribution fees	10	**30,723**	27,106
Directors fees	10	**2,645**	2,507
Custodian fees		**1,803**	3,820
Professional fees		**1,775**	1,407
Taxes and licenses		**811**	1,069
Printing and supplies		**19**	470
Miscellaneous		**248**	707
		74,891	69,624
Profit (Loss) Before Net Unrealized Loss on Investments		**335,959**	(72,192)
Net Unrealized Loss on Investments	5	**(240,602)**	(48,757)
Profit (Loss) Before Tax		**95,357**	(120,949)
Income Tax Expense		**105**	32
Total Comprehensive Income (Loss) for the Period		**$95,252**	($ 120,981)
Basic earnings (loss) per share	15	**$ 0.016**	($0.020)

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED JUNE 30, 2021 AND JUNE 30, 2020

(In US Dollars)

	Notes	**(Unaudited)** **2021**	(Unaudited) 2020
Investment Income - net			
Net realized gains (loss) on investments	5	**$106,126**	($78,572)
Dividend income		**1,388**	3,313
Interest income	14	**1,478**	1,189
		108,992	(74,070)
Investment Expenses			
Commission		**60**	343
Net Investment Income (Loss)		**108,932**	(74,413)
Operating Expenses			
Management fees	10	**17,966**	16,106
Distribution fees	10	**14,972**	13,416
Directors fees	10	**1,329**	760
Custodian fees		**345**	2,497
Professional fees		**915**	702
Taxes and licenses		**433**	511
Printing and supplies		**8**	235
Miscellaneous		**(137)**	278
		35,831	34,505
Profit (Loss) Before Net Unrealized Gains on Investments		**73,101**	(108,918)
Net Unrealized Gain on Investments	5	**196,330**	726,909
Profit Before Tax		**269,431**	617,991
Income Tax Expense		**22**	(74)
Total Comprehensive Income for the Quarter		**$269,409**	$618,065
Basic earnings per share	15	**$ 0.045**	$ 0.102

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JUNE 30, 2021 AND JUNE 30, 2020
(In US Dollars)

	Notes	Share Capital	Additional Paid-in Capital	Retained Earnings (Deficit)	Treasury Shares	Total
Balance, January 1, 2021	11, 12	$140,801	$6,361,847	$1,191,485	-	$7,694,133
Total Comprehensive Loss for the Period		-	-	95,252	-	95,252
Transactions with owners:						
Issuance of shares during the period	11	1,930	104,224	-	-	106,154
Acquisition of treasury shares during the period		-	-	-	(1,033,667)	(1,033,667)
Reissuance of treasury shares during the period		-	(1,268)	-	504,018	502,750
Total transactions with owners		1,930	102,956	-	(529,649)	(424,763)
Balance, June 30, 2021	11, 12	**142,731**	**6,464,803**	**1,286,737**	**(529,649)**	**7,364,622**

	Notes	Share Capital	Additional Paid-in Capital	Retained Earnings (Deficit)	Treasury Shares	Total
Balance, January 1, 2020	11, 12	$ 131,998	$5,909,802	$730,396	$ (7,065)	$ 6,765,131
Total Comprehensive Loss for the Period				(120,981)		(120,981)
Transactions with owners:						
Issuance of shares during the period	11	1,304	61,395	-	-	62,699
Acquisition of treasury shares during the period		-	-	-	(370,992)	(370,992)
Reissuance of treasury shares during the period		-	(4,882)	-	374,774	369,892
Total transactions with owners		1,304	56,513	-	3,782	61,599
Balance, June 30, 2020	11, 12	$ 133,302	$ 5,966,315	$ 609,415	$ (3,283)	$ 6,705,749

See Notes to Financial Statements.

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED JUNE 30, 2021 AND JUNE 30, 2020
(In US Dollars)

	Notes	2021	2020
Cash Flows from Operating Activities			
Profit (loss) before tax		**$ 95,357**	$ (120,949)
Adjustments for:			
Net unrealized loss on investments	5	**240,602**	48,757
Net realized loss (gains) on investments	5	**(399,455)**	12,463
Interest income	14	**(2,275)**	(1,818)
Operating cash flows before working capital changes		**(65,771)**	(61,547)
Decrease (Increase) in:			
Other current assets		**(953)**	(420)
Increase (Decrease) in:			
Accrued expenses and other payables		**11,344**	4,317
Payable to fund manager		**(981)**	(1,052)
Cash used in operations		**(56,361)**	(58,702)
Acquisition of financial assets at fair value through profit or loss		**(2,490,378)**	(5,722,929)
Proceeds from disposal of financial assets at fair value through profit or loss		**2,918,146**	5,969,818
Interest received		**1,410**	252
Income taxes paid		**(153)**	(245)
Net cash generated from operating activities		**372,664**	188,194
Cash Flows from Financing Activities			
Proceeds from issuance of share capital	11	**106,154**	62,699
Payments on acquisition of treasury shares	11	**(1,033,667)**	(370,992)
Proceeds from reissuance of treasury shares	11	**502,750**	369,892
Net cash generated from (used in) financing activities		**(424,763)**	61,599
Net Increase (Decrease) in Cash in Banks		**(52,099)**	249,793
Cash in Banks, Beginning		**475,438**	187,918
Cash in Banks, End		**$ 423,339**	$ 437,711

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

1. FINANCIAL REPORTING FRAMEWORK AND BASIS OF PREPARATION AND PRESENTATION

Statement of Compliance

These unaudited condensed consolidated interim financial statements of the Company as at and for the six-month period ended June 30, 2021 have been prepared in accordance with PAS 34, Interim Financial Reporting. These unaudited condensed consolidated interim financial statements do not include all the notes normally included in an annual audited financial report. Accordingly, these unaudited condensed consolidated interim financial statements are to be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2020, which have been prepared in accordance with the Philippine Financial Reporting Standards (PRFS).

Basis of Preparation and Presentation

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

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

In preparing the condensed consolidated interim financial statements, the significant accounting estimates and judgments made by the Company in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended December 31, 2020.

Functional and Presentation Currency

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

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Adoption of New and Revised Accounting Standards Effective in 2020

The Company adopted all accounting standards and interpretations effective as at December 31, 2020. The new and revised accounting standards and interpretations that have been published by the International Accounting Standards Board (IASB) and approved by the FRSC in the Philippines, were assessed to be applicable to the Company's financial statements and are as follows:

Amendments to PAS 1 and PAS 8, *Definition of Material*

The amendments relate to a revised definition of 'material':

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

Three new aspects of the new definition include (i) obscuring; (ii) could reasonably be expected to influence; and (iii) primary users.

The amendments stress especially five ways material information can be obscured:

- if the language regarding a material item, transaction or other event is vague or unclear;
- if information regarding a material item, transaction or other event is scattered in different places in the financial statements;

- if dissimilar items, transactions or other events are inappropriately aggregated;
- if similar items, transactions or other events are inappropriately disaggregated; and
- if material information is hidden by immaterial information to the extent that it becomes unclear what information is material.

The amendments are effective for periods beginning on or after January 1, 2020. Earlier application is permitted.

The adoption of this amendment has no effect on the Company's financial statements as of June 30, 2021 as the financial and non-financial information are properly disclosed in the financial statements.

New Accounting Standards Effective after the Reporting Period Ended December 31, 2020

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

PFRS 17, Insurance Contracts

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

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

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

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

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

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

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

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

Amendments to PFRS 3, *References to the Conceptual Framework*

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

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

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

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

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

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

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

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

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

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

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

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Annual Improvements to PFRS Standards 2018-2020 Cycle

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

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

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

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

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

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

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

Amendments to PFRS 16 – Lease Incentives

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

Amendments to PAS 41 – Taxation in fair value measurements

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

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

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

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

New Accounting Standards Effective in 2020 - Adopted by FRSC but pending for approval by the BOA

PIC Q&A No. 2019-04, Conforming Changes to PIC Q&As – Cycle 2019

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
PIC Q&A No. 2011-05: PFRS 1 – Fair Value or Revaluation as Deemed Cost	Updated because of applying PFRS 16, Leases, for the first time starting January 1, 2019
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	Reference to PAS 40, Investment Property, has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2012-02: Cost of a new building constructed on the site of a previous building	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of operating lease cost as part of construction costs of a building	Updated to comply with the provisions of PFRS 16 and renamed as PIC Q&A No. 2017-02: PAS 2 and PAS 16 - Capitalization of depreciation of right-of-use asset as part of construction costs of a building
PIC Q&A No. 2017-10: PAS 40 - Separation of property and classification as investment property	Reference to PAS 40 has been updated because of applying PFRS 16 for the first time starting January 1, 2019.
PIC Q&A No. 2018-05: PAS 37 - Liability arising from maintenance requirement of an asset held under a lease	Updated to comply with the provisions of PFRS 16
PIC Q&A No. 2018-15: PAS 1-Classification of Advances to Contractors in the Nature of Prepayments: Current vs. Non-current	Reference to PAS 40 (included as an attachment to the Q&A) has been updated because of applying PFRS 16 for the first time starting January 1, 2019.

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2017-09: PAS 17 and Philippine Interpretation SIC-15 - Accounting for payments between and among lessors and lessees	This PIC Q&A is considered withdrawn starting January 1, 2019, which is the effective date of PFRS 16. PFRS 16 superseded PAS 17, Leases, and Philippine Interpretation SIC-15, Operating Leases— Incentives
PIC Q&A No. 2018-07: PAS 27 and PAS 28 - Cost of an associate, joint venture, or subsidiary in separate financial statements	This PIC Q&A is considered withdrawn upon publication of IFRIC agenda decision - Investment in a subsidiary accounted for at cost: Step acquisition (IAS 27 Separate Financial Statements) in January 2019.

The effective date of the amendments is included in the affected interpretations.

The future adoption of the interpretations will have no effect on the Company's financial statements as the Company does not have any leased properties and assets classified as investment properties or investment in associate, joint venture, or subsidiary.

PIC Q&A No. 2019-06, Accounting for Step Acquisition of a Subsidiary in a Parent

The interpretation clarifies how a parent should account for the step acquisition of a subsidiary in its separate financial statements.

Salient points of the interpretation are the following:

IFRIC concluded either of the two approaches may be applied:

- Fair value as deemed cost approach

  Under this approach, the entity is exchanging its initial interest (plus consideration paid for the additional interest) for a controlling interest in the investee (exchange view). Hence, the entity's investment in subsidiary is measured at the fair value at the time the control is acquired.
- Accumulated cost approach

  Under this approach, the entity is purchasing additional interest while retaining the initial interest (non-exchange view). Hence, the entity's investment in subsidiary is measured at the accumulated cost (original consideration).

Any difference between the fair value of the initial interest at the date of obtaining control of the subsidiary and its original consideration is taken to profit or loss, regardless of whether, before the step acquisition transaction, the entity had presented subsequent changes in fair value of its initial interest in profit or loss or other comprehensive income (OCI).

The interpretation is effective for periods beginning on or after October 19, 2019.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company is not engaged in acquisition of a subsidiary.

PIC Q&A No. 2019-07, Classification of Members' Capital Contributions of Non-Stock Savings and Loan Associations (NSSLA)

Background:

The Bangko Sentral ng Pilipinas (BSP) issued Circular No. 1045 on August 29, 2019 to amend the Manual of Regulations for Non-Bank Financial Institutions Applicable to Non-Stock Savings and Loan Associations (MORNBFI-S) – Regulatory Capital of Non-Stock Savings and Loan Associations (NSSLAs) and Capital Contributions of Members.

Under the Circular, each qualified member of an NSSLA shall maintain only one capital contribution account representing his/her capital contribution. While only one capital account is maintained, the Circular breaks down a member's capital contributions as follows:

a. Fixed capital which cannot be reduced for the duration of membership except upon termination of membership. The minimum amount of fixed capital is Php1,000, but a higher minimum can be prescribed under the NSSLA's by-laws.
b. Capital contribution buffer, which pertains to capital contributions in excess of fixed capital. The capital contribution buffer can be withdrawn or reduced by the member without affecting his membership. However, the NSSLA shall establish and prescribe the conditions and/or circumstances when the NSSLA may limit the reduction of the members' capital contribution buffer, such as, when the NSSLA is under liquidity stress or is unable to meet the capital-to-risk assets ratio requirement under Sec. 4116S of the MORNBFI-S Regulations. Such conditions and/or circumstances have to be disclosed to the members upon their placement of capital contribution buffer and in manners as may be determined by the Board.

For purposes of identifying and monitoring the fixed capital and capital contribution buffer of a member's capital contribution, NSSLAs shall maintain subsidiary ledgers showing separately the fixed and capital contribution buffer of each member. Further, upon receipt of capital contributions from their members, NSSLAs shall simultaneously record the amount contributed as fixed and capital contribution buffer in the aforementioned subsidiary ledgers. However, NSSLAs may use other systems in lieu of subsidiary ledgers provided that that the system will separately show the fixed and capital contribution buffer of each member.

The interpretation assessed and concluded that both Fixed Capital and the Capital contribution buffer qualify as "equity" in the NSSLA's financial statements as they both meet all the requirements of paragraphs 16A and 16B of PAS32, Financial Instruments: Presentation.

The interpretation is effective for periods beginning on December 11, 2019, and should be applied retrospectively.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company is not classified as a non-bank financial institution under non-stock savings and loan associations.

PIC Q&A No. 2019-08, PFRS 16, Leases - Accounting for Asset Retirement or Restoration Obligation ("ARO")

The interpretation clarifies the recognition of ARO under the following scenarios:

1) <u>Accounting for ARO at lease commencement date</u>

   The cost of dismantling and restoration (i.e., the ARO) should be calculated and recognized as a provision in accordance with PAS 37, with a corresponding adjustment to the related right-of-use (ROU) asset as required by PFRS 16.24(d). As such, the lessee will add the amount of ARO to the cost of the ROU asset on lease commencement date, which will then form part of the amount that will be amortized over the lease term.

2) <u>Change in ARO after initial recognition</u>

2.1) Because ARO is not included as a component of lease liability, the measurement of such ARO is outside the scope of PFRS 16. Hence, its measurement is generally not affected by the transition to PFRS 16. Except in cases where the reassessment of lease-related assumptions (e.g., lease term) would affect the measurement of ARO-related provision, the amount of ARO existing at transition date would not be remeasured; rather, the balance of the ARO provision and any related asset will remain as previously measured. The asset will simply be reclassified from property and equipment to the related ROU asset as required under PFRS 16.24(d).

2.2) Assuming there is a change in lease-related assumptions that would impact the ARO measurement (e.g., change in lease term due to the new PFRS 16 requirements), the following will be the accounting treatment depending on the method used by the lessee in adopting PFRS 16:

a. *Modified retrospective approach* - Under this approach, the lessee uses the remaining lease term to discount back the amount of provision to transition date. Any adjustment is recognized as an adjustment to the ROU asset and ARO provision. This adjustment applies irrespective of which of the two methods in measuring the ROU asset will be chosen under the modified retrospective approach.

b. *Full retrospective approach* - The ARO provision and related asset, which gets adjusted to the ROU asset, should be remeasured from commencement of the lease, and then amortized over the revised or reassessed lease term. Because full retrospective approach is chosen, it is possible that the amount of cumulative adjustment to the ARO provision and the ROU asset at the beginning of the earliest period presented will not be the same; hence, it is possible that it might impact retained earnings.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not have leased property with any related ARO.

PIC Q&A No. 2019-09, *Accounting for Prepaid Rent or Rent Liability Arising from Straight-lining under PAS 17 on Transition to PFRS 16 and the Related Deferred Tax Effects*

The interpretation aims to provide guidance on the following:

- How a lessee should account for its transition from PAS 17 to PFRS 16 using the modified retrospective approach. Specifically, this aims to address how a lessee should, on transition, account for any existing prepaid rent or rent liability arising from straight-lining of an operating lease under PAS 17, and
- How to account for the related deferred tax effects on transition from PAS 17 to PFRS 16.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not have prepaid rent or rent liability recognized for leased property.

PIC Q&A No. 2019-10, *Accounting for variable payments with rent review*

Some lease contracts provide for market rent review in the middle of the lease term to adjust the lease payments to reflect a fair market rent for the remainder of the lease term. This Q&A provides guidance on how to measure the lease liability when the contract provides for a market rent review.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-11, *Determining the current portion of an amortizing loan/lease liability*

The interpretation aims to provide guidance on how to determine the current portion of an amortizing loan/lease liability for proper classification/presentation between current and non-current in the statement of financial position.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-12, PFRS 16, Leases – Determining the lease term

The interpretation provides guidance how an entity determine the lease term under PFRS 16.

A contract would be considered to exist only when it creates rights and obligations that are enforceable. Therefore, any non-cancellable period or notice period in a lease would meet the definition of a contract and, thus, would be included as part of the lease term.

To be part of a contract, any option to extend or terminate the lease that are included in the lease term must also be enforceable.

If optional periods are not enforceable (e.g., if the lessee cannot enforce the extension of the lease without the agreement of the lessor), the lessee does not have the right to use the asset beyond the non-cancellable period. Consequently, by definition, there is no contract beyond the non-cancellable period (plus any notice period) if there are no enforceable rights and obligations existing between the lessee and lessor beyond that term.

In assessing the enforceability of a contract, an entity should consider whether the lessor can refuse to agree to a request from the lessee to extend the lease. Accordingly, if the lessee has the right to extend or terminate the lease, there are enforceable rights and obligations beyond the initial non-cancellable period and thus, the parties to the lease would be required to consider those optional periods in their assessment of the lease term. In contrast, a lessor's right to terminate a lease is ignored when determining the lease term because, in that case, the lessee has an unconditional obligation to pay for the right to use the asset for the period of the lease, unless and until the lessor decides to terminate the lease.

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, an entity shall consider all relevant facts and circumstances (i.e., including those that are not indicated in the lease contract) that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2019-13, PFRS 16, Leases – Determining the lease term of leases that are renewable subject to mutual agreement of the lessor and the lessee

The interpretation provides guidance how an entity determine the lease term under PFRS 16. This interpretation focuses on lease contracts that are renewable subject to mutual agreement of the parties.

A renewal option is only considered in determining the lease term if it is enforceable. A renewal that is still subject to mutual agreement of the parties is legally unenforceable under Philippine laws until both parties come to an agreement on the terms.

In instances where the lessee have known to be, historically, renewing the lease contract after securing mutual agreement with the lessor to renew the lease contract, the lessee's right to use the underlying asset does not go beyond the one-year period covered by the current contract, as any renewal still has to be agreed on by both parties. A renewal is treated as a new contract.

The future adoption of the interpretation will have no effect on the Company's financial statements since the Company does not enter into any lease agreement.

PIC Q&A No. 2020-01, Conforming Changes to PIC Q&As – Cycle 2020

The interpretation sets out the changes (i.e., amendments or withdrawal) to certain interpretations. These changes are made as a consequence of the issuance of new PFRS that become effective starting January 1, 2019 and other relevant developments.

PIC Q&As Amended

The following table summarizes the changes made to the amended interpretations:

PIC Q&A Amended	Amendment
Framework 4.1 and PAS 1.25 – Financial statements prepared on a basis other than going concern	References to *The Conceptual Framework for Financial Reporting* have been updated due ot the revised framework effective January 1, 2020
PIC Q&A No. 2016-03: Accounting for common areas and the related subsequent costs by condominium corporations	References to *The Conceptual Framework for Financial Reporting* have been updated due ot the revised framework effective January 1, 2020
PIC Q&A No. 2011-03: Accounting for intercompany loans	References to *The Conceptual Framework for Financial Reporting* have been updated due ot the revised framework effective January 1, 2020
PIC Q&A No. 2017-08: PFRS 10 – Requirement to prepare consolidated financial statements where an entity disposes of its single investment in a subsidiary, associate or joint venture	References to *The Conceptual Framework for Financial Reporting* have been updated due ot the revised framework effective January 1, 2020
PIC Q&A No. 2018-14: PFRS 15 – Accounting for cancellation of real estate sales	References to *The Conceptual Framework for Financial Reporting* have been updated due ot the revised framework effective January 1, 2020

PIC Q&A Withdrawn

PIC Q&A Withdrawn	Basis for Withdrawal
PIC Q&A No. 2011-06: Acquisition of investment properties – asset acquisition or business combination?	With the amendment to PFRS 3 on the definition of a business effective January 1, 2020, there is additional guidance in paragraphs B7A-B12D of PFRS 3 in assessing whether acquisition of investment properties is an asset acquisition or business combination (i.e. optional concentration test and assessment of whether an acquired process is substantive)

The effective date of the amendments is included in the affected interpretations.

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

PIC Q&A No. 2020-02, Conclusion on PIC QA 2018-12E: On certain materials delivered on site but not yet installed

The interpretation clarifies the treatment of uninstalled materials in the measurement of the progress of the performance obligation.

The PIC has concluded that in recognizing revenue using a cost-based input method, customized materials are to be included in the measurement of the progress of work while materials that are not customized should be excluded. This is because if the materials are customized, the real estate developer is not just providing a simple procurement service to the customer as it is significantly involved in the design and details of the manufacture of the materials. As such, the costs incurred on the customized materials, even if still uninstalled, are to be included in the measurement of progress to properly capture the efforts expended by the real estate developer in completing its performance obligation.

This interpretation is effective for periods beginning on or after November 6, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not engaged in real estate developments and contracts.

PIC Q&A No. 2020-03, *Accounting of the difference when the percentage of completion is ahead of the buyer's payment*

This interpretation provides two views on the accounting treatment for the excess of the revenue recognized based on percentage of completion over the buyer's payment.

- View number 1

  The difference is recorded as a contract asset as PFRS 15.107 states that if an entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amounts presented as a receivable.

- View number 2

  The difference is recorded as a receivable as PFRS 15.108 states that a receivable is an entity's right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. An entity would recognize a receivable if it has a present right to payment even though that amount may be subject to refund in the future.

This interpretation is effective for periods beginning on or after September 30, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not have contacts or agreements accounted for using percentage of completion method.

PIC Q&A No. 2020-04, PFRS 15 - Step 3 - Requires an Entity to Determine the Transaction Price for the Contract

The interpretation clarifies the question on whether a significant financing component exists if there is a mismatch between the Percentage-of-Completion (POC) and the schedule of payments.

There is no significant financing component, if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Also, as provided under paragraph 63 of PFRS 15, an entity need not adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception that the timing difference of the receipt of full payment of the contract price and that of the completion of the project, are expected within one year and SFC is not expected to be significant.

This interpretation is effective for periods beginning on or after November 11, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not have contacts or agreements accounted for using percentage of completion method.

PIC Q&A No. 2020-05, PFRS 15 - Accounting for Cancellation of Real Estate Sales

The interpretation has provided three approaches for the accounting for cancellation of real estate sales and the repossession of the property, provided that an entity applies it consistently:

- The repossessed property is recognized at its fair value less cost to repossess
- The repossessed property is recognized at its fair value plus repossession cost
- The cancellation is accounted for as a modification of the contract (i.e., from non-cancellable to being cancellable).

This interpretation is effective for periods beginning on or after November 11, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not engaged in real estate developments and contracts.

PIC Q&A No. 2020-06, PFRS 16 - Accounting for payments between and among lessors and lessees

The interpretation provides for the treatment of payments between and among lessors and lessees as follows:

		Treatments in the financial statements of			
	Transaction	Lessor	Old lessor	New Lessee	Basis
1	Lessor pays old lessee - lessor intends to renovate the building	i. Recalculate the revised leased payments (net of the one-off amount to be paid) and amortize over the revised lease term. ii. If net payable, recognize as expense unless the amount to be paid qualifies as capitalizable cost under PAS 16 or PAS 40; in which case it is capitalized as part of the carrying amount of the associated property if it meets the definition of construction costs under PAS 16 or PAS 40.	i. Recognize in profit and loss at the date of modification the difference between the proportionate decrease in the right-of-use asset based on the remaining right-of-use asset for the remaining period and remaining lease liability calculated as the present value of the remaining lease payments discounted using the original discount rate of the lease. ii. Recognize the effect of remeasurement of the remaining lease liability as an adjustment to the right-of use-asset by referring to the revised lease payments (net of any amount to be received from the lessor)and using a revised discount rate. iii. Revisit the amortization period of right-of-use asset and any related leasehold improvement following the shortening of the term.		• PFRS 16; par. 87 • PAS 16; pars. 6, 16-17 • PAS 40; par. 21 • PFRS 16; par. 45 • Illustrative example 18 issued by IASB • PAS 16; pars. 56-57

		Treatments in the financial statements of			
	Transaction	Lessor	Old lessor	New Lessee	Basis
2	Lessor pays old lessee - new lease with higher quality lessee	Same as Item 1	Same as Item 1		Same as Item 1 PFRS 16 par. 83
3	Lessor pays new lessee - an incentive to occupy	i. Finance lease: • If made after commencement date, incentive payable is credited with offsetting debit entry to the net investment lease. • If paid at or prior to commencement date, included in the calculation of gain or loss on disposal on finance lease. ii. Operating lease add the initial direct costs to the carrying amount of underlying asset and recognize as expense over the lease term either on a straight-line basis of another systematic basis.		i. Record as a deduction to the cost of the right-of-use asset. ii. Lease incentive receivable is also included as reduction in measurement of lease liability. iii. When lessee receives the payment of lease incentive, the amount received is debited with a credit entry to gross up the lease liability.	• PAS 16; par. 68 • PAS 16; par. 71 • PFRS 16; par. 83 • PFRS 16; par. 24
4	Lessor pays new lessee - building alterations specific to the lessee with no further value to lessor	Same as Item 3		i. Same as in fact pattern 1C. ii. Capitalize costs incurred by the lessee for alterations to the building as leasehold improvement in accordance with PAS 16 or PAS 40.	• Same as in fact pattern 1C. • PAS 40; par. 21 • PAS 16; pars. 16-17
5	Old lessee pays lessor to vacate the leased premises early	Recognize as income immediately, unless it was within the original contract and the probability criterion was previously met, in which case, the amount would have already been	Recognize as expense immediately unless it was within the original contract and the probability criterion was previously met, in which case, the financial impact would have been recognized already as part of the lease liability.		• PAS 16 • PAS 38 • PFRS 16; par. 18

		Treatments in the financial statements of			
	Transaction	Lessor	Old lessor	New Lessee	Basis
		recognized as income using either a straight-line basis or another systematic basis.			
6	Old lessee pays new lessee to take over the lease		Recognize as an expense immediately.	Recognize as income immediately.	• PAS 16 • PAS 38 • PFRS 16; Appendix A
7	New lessee pays lessor to secure the right to obtain a lease agreement	i. If finance lease, recognize gain or loss in the profit or loss arising from the derecognition of underlying assets ii. If operating lease, recognize as deferred revenue and amortize over the lease term on a straight-line basis or another systematic basis.		Recognize as part of the cost of the right-of-use asset.	PFRS 16; par. 24 • PAS 16; par. 71 • PFRS 16; par 81
8	New lessee pays old lessee to buy out the lease agreement		Recognize as again immediately. Any remaining lease liability and right-of-use asset will be derecognized with net amount through P&L.	Account for as initial direct cost included in the measurement of the right-of-use asset.	• PFRS 16; Appendix A • PFRS 16; Example 13 in par. IE5 • PFRS 16; par. 24

This interpretation is effective for periods beginning on or after December 9, 2020.

The future adoption of the interpretation will have no effect on the Company's financial statements as the Company does not enter into lease contacts or agreements.

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

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

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

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

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

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

Any movement in deferred taxes arising from the change in tax rates that will form part of the provision for/benefit from deferred taxes will be included as well in the effective tax rate reconciliation.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial assets

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

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

As at June 30, 2021 and December 31, 2020, the Company does not have financial assets classified at FVTOCI.

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

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

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

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

Debt instruments

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

- Amortized cost. Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- FVTPL. Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of comprehensive income within other gains (losses) in the period in which it arises. Interest income from these financial assets is included in finance income.

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

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

Amortized cost and effective interest method

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

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

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

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

Equity instruments

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

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

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

As at June 30, 2021 and December 31, 2020, the Company does not have financial assets at FVTOCI.

Impairment of financial assets

The Company recognizes a loss allowance for ECL on investments in debt instruments that are measured at amortized cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

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

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

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

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

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

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

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

Significant increase in credit risk

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

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

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

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

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

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

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

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

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

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

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

Default

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

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

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

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

Credit-impaired financial assets

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

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

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

Write-off

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

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

Measurement and recognition of expected credit losses

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

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

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

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

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

Presentation of allowance for ECL in the statement of financial position

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

Derecognition

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

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

Financial liabilities and Equity Instruments

Classification as debt or equity

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

Financial Liabilities

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

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

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

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

Financial liabilities measured subsequently at amortized cost

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

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

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

Offsetting financial instruments

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

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

Derecognition of financial liabilities

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

<u>Equity instruments</u>

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

Share capital

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

Retained earnings

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

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

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

Deposits for future stock subscriptions

Deposits for future stock subscriptions are recorded at historical cost. According to Financial Reporting Bulletin (FRB) No. 6 as issued by SEC, these are classified as equity when all of the following criteria are met:

a. the unissued authorized capital stock of the entity is insufficient to cover the amount of shares indicated in the contract;
b. there is Board of Directors' approval on the proposed increase in authorized capital stock (for which a deposit was received by the Company);
c. there is stockholders' approval of said proposed increase; and
d. the application for the approval of the proposed increase has been presented for filing or has been filed with the SEC.

Deposits for future stock subscriptions are classified as liability, when any of the above criteria are not met.

Prepayments

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

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

Contingent Liabilities and Assets

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

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

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

Revenue Recognition

Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business.

Transaction price

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

Dividend income

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

Interest income

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

Realized gains or losses

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

Fair value gains or losses

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

Other income

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

Expense Recognition

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

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

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis.

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

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

Related Party Transactions

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

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

Taxation

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

Current tax

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

Final tax

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

Deferred tax

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

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

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

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

Current and deferred taxes for the year

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

Foreign Currency

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

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

Earnings (Loss) per Share

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

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

Net Asset Value per Share (NAVPS)

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

Events After the Reporting Period

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

4. CASH IN BANKS

	June 2021	December 2020
Cash in banks	**$ 423,339**	$ 475,438

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 2021	December 2020
Global mutual funds	$ 6,125,645	$ 5,926,854
Global exchange traded funds	506,367	1,318,719
Investments in fixed-income securities	332,434	280,802
	$ 6,964,446	$ 7,283,361

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

	June 2021	December 2020
Net realized gains (losses) on investments in:		
Equity securities	$ 442,205	$ 107,061
Fixed-income securities	(42,750)	2,616
	399,455	109,677
Net unrealized gains (losses) on investments in:		
Equity securities	(268,869)	628,350
Fixed-income securities	28,267	(16,817)
	(240,602)	611,533
	$ 158,853	$ 721,210

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

	June 2021	December 2020
Balance, January 1	$ 7,283,361	$6,590,513
Additions	2,440,378	8,392,815
Disposal	(2,518,691)	(8,311,500)
Unrealized gains (losses)	(240,602)	611,533
Balance, June 30	$ 6,964,446	$7,283,361

6. ACCRUED INTEREST RECEIVABLE

	June 2021	December 2020
Fixed-income securities	$ 2,038	$ 1,173

7. DUE FROM/DUE TO BROKERS

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

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

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

Commissions are paid to brokers when buying and selling shares of stock.

8. OTHER CURRENT ASSETS

	June 2021	December 2020
Prepaid expenses	**$ 953**	$ -

9. ACCRUED EXPENSES AND OTHER PAYABLES

	June 2021	December 2020
Due to investors	**$ 12,877**	$ -
Professional fees	**1,677**	2,333
Withholding and documentary stamp taxes	**915**	1,132
Custodianship fees	**555**	1,220
Others	**5**	-
	$ 16,029	$ 4,685

Due to investors account pertains to amounts payable to investors for the redemption of their investments processed on or before the reporting period, which are usually paid four days after the transaction date.

10. RELATED PARTY TRANSACTIONS

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

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

Nature of Transaction	Transactions as of end of the Quarter	Outstanding Balances		Terms	Condition
	Q2 2021	Q2 2021	December 2020		
SLAMCI – Fund Manager Management Distribution and Transfer fees	**$ 67,590**	**$ 10,105**	$ 11,086	Non-interest bearing; 1.65% of average daily net assets; settled in cash on or before the 15th day of the following month	Unsecured; Unguaranteed
Key Management Personnel Directors' Fees	**$ 2,645**	$ -	$ -	Payable on demand; Settled in cash	Unsecured

11. EQUITY

	2021	
	Shares	**Amount**
Authorized: at P1.00 par value At January 1	**10,000,000**	**P 10,000,000**
Issued and fully paid:		
At January 1	6,400,040	$ 140,801
Issuance during the period	87,749	1,930
At June 30	6,487,789	$ 142,731
Treasury shares:		
At January 1	-	$ -
Acquisition	869,951	1,033,667
Reissuance	(416,782)	(504,018)
At June 30	453,169	$ 529,649

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

Incorporation

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

Approved changes

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

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

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

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

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

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

Stock Dividend

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

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

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

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

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

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

Current state

As at June 30, 2021, the Company has 6,034,620 issued and outstanding shares out of the 10,000,000 ACS with a par value of P1.00 per share.

The following table shows the number of institutional and retail investors and the percentage of their investments, and the geographic concentration of investments as of June 30, 2021.

% Ownership of Institutional Investors	% Ownership of Retail Investors
17.00%	83.00%

Area	Percentage of Investments
LUZON	93%
VISAYAS	5%
MINDANAO	2%
TOTAL	100%

12. ADDITIONAL PAID-IN CAPITAL

	June 2021	December 2020
APIC	**$ 6,464,803**	$ 6,361,847

13. NET ASSET VALUE PER SHARE

	June 2021	December 2020
Total equity	**$ 7,364,622**	$ 7,694,133
Issued and outstanding Shares	**6,034,620**	6,400,040
NAVPS	**$ 1.2204**	$ 1.2022

Net Asset Value Calculation

The net asset value shall be calculated by adding:

- The aggregate market value of the portfolio securities and other assets;
- The cash on hand;
- Any dividends on stock trading ex-dividend; and
- Any accrued interest on portfolio securities,

And subtracting:

- Taxes and other charges against the fund not previously deducted;
- Liabilities
- Accrued expenses and fees; and
- Cash held for distribution to investors of the fund on a prior date.

Price Determination Of The Assets Of The Investment Company

The value of the assets of the Investment Company shall be determined based on the following:

a. If quoted in an organized market, based on official closing price or last known transacted price;

b. If unquoted or quoted investments where the transacted prices are not represented or not available to the market, based on fair value; Provided further that in determining the fair value of investments, the Fund Manager shall, with due care and good faith:

- Have reference to the price that the Investment Company would reasonably expect to receive upon the sale of the investment at the time the fair value is determined;
- Document the basis and approach for determining the fair value.

Below table shows the investment company return information of the Fund in the last five (5) recently completed fiscal years:

	Yields	NAVPS	NAVPS date
Year on year yield (1-year)	12.2723%	$ 1.1074	June 30, 2020
3 Year - Simple	12.7182%	$ 1.0827	June 29, 2018
5Year - Simple	22.4441%	$ 0.9967	June 30, 2016

14. INTEREST INCOME

	June 2021	June 2020
Fixed-income securities	**$ 2,256**	$ 1,784
Cash in banks	**19**	34
	$ 2,275	$ 1,818

15. EARNINGS (LOSS) PER SHARE

The calculation of the loss per share for the quarter is based on the following data:

	June 2021	June 2020
Total comprehensive income (loss) for the period	**$ 95,252**	($ 120,981)
Weighted average number of outstanding shares for the purpose of computing earnings / loss per share	**6,105,794**	5,982,840
Basic and diluted earnings (loss) per share	**$ 0.016**	($ 0.020)

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities measured at fair value on a recurring basis

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the inputs to fair value are observable.

	Note	Level 1
June 30, 2021		
Global mutual funds	5	**$ 6,125,645**
Global exchange traded funds	5	**506,367**
Investments in fixed-income securities	5	**332,434**
		$ 6,964,446
December 31, 2020		
Global mutual funds	5	$5,863,840
Global exchange traded funds	5	1,318,719
Investments in fixed-income securities	5	280,802
		$7,283,361

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

Financial assets and liabilities not measured at fair value

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

			Fair Values		
	Notes	Carrying Amounts	Level 1	Level 2	Total
June 30, 2021					
Financial Assets					
Cash in banks	4	**$ 423,339**	**$ 423,339**	**$ -**	**$ 423,339**
Accrued interest receivable	6	**2,038**	**-**	**2,038**	**2,038**
		$ 425,377	**$ 423,339**	**$ 2,038**	**$ 425,377**
Financial Liabilities					
Accrued expenses and other payables	9	**$ 15,114**	**$ -**	**$ 15,114**	**$ 15,114**
Payable to fund manager	10	**10,105**	**-**	**10,105**	**10,105**
		$ 25,219	**$ -**	**$ 25,219**	**$ 25,219**
December 31, 2020					
Financial Assets					
Cash in banks	4	$475,438	$475,438	$ -	$475,438
Accrued interest receivable	6	1,173	-	1,173	1,173
		$476,611	$475,438	$ 1,173	$476,611
Financial Liabilities					
Accrued expenses and other payables	9	$ 3,553	$ -	$ 3,553	$ 3,553
Due to brokers	7	50,000	-	50,000	50,000
Payable to fund manager	10	11,086	-	11,086	11,086
		$ 64,639	$ -	$ 64,639	$ 64,639

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

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

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

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

1. **Increase/Decrease in Net Assets Value Per Share (NAVPS).** NAVPS is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding plus the total number of shares outstanding due to deposit for future subscriptions (DFFS) and for conversion to shares, if any, as of the end of the reporting day. Any increase or decrease in NAVPS translates to a prospective capital gain or capital loss, respectively, for the Fund's shareholders.

2. **Net Investment Income**. Represents the total earnings of the Fund from its investment securities, less operating expenses and income tax. This gauges how efficiently the Fund has utilized its resources in a given time period.

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

4. **Cash Flow**. Determines whether the Fund was able to achieve the optimal level of liquidity by being able to meet all its scheduled payments, while maintaining at the same time the maximum investments level and minimum cash level.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Material Changes in the 2nd Quarter Financial Statements

Statement of Financial Position and Statements of Changes in Equity – June 30, 2021 vs. Dec. 31, 2020

	30-Jun-21 Unaudited	31-Dec-20 Audited	Movement	Percentage (%)	MDAS
Cash in banks	$ 423,339	$ 475,438	($ 52,099)	-10.96%	Liquidity requirements are still met.
Financial assets at fair value through profit or loss	6,964,446	7,283,361	(318,915)	-4.38%	The decrease was due to net disposal of investments and unrealized loss incurred during the period.
Accrued interest receivable	2,038	1,173	865	100.00%	Collection of interest depends on the scheduled interest payments of each asset.
Other current assets	953	-	953	100.00%	Prepaid expenses to be amortized until end of the accounting period.
Total Assets	**7,390,776**	**7,759,972**	**(369,196)**	**-4.76%**	
Accrued expenses and other payables	16,029	4,685	11,344	242.13%	The increase was due to outstanding proceeds payable to investors for redemption of their investments processed on or before end of the reporting period, which are usually settled four (4) days after the transaction date.
Payable to fund manager	10,105	11,086	(981)	-8.85%	The decrease was due to lower outstanding recoverable fees from fund manager as of period end.
Due to brokers	-	50,000	(50,000)	-100.00%	This account pertains to amounts payable to brokers for the purchase of investments processed on or before the reporting period, which are settled four days after the transaction date.
Income tax payable	20	68	(48)	100.00%	Accrual of income tax for the 2nd quarter of 2021.
Total Liabilities	**26,154**	**65,839**	**(39,685)**	**-60.28%**	
Share capital	142,731	140,801	1,930	1.37%	New issuance of shares during the period.
Additional paid in capital	6,464,803	6,361,847	102,956	1.62%	
Retained earnings	1,286,737	1,191,485	95,252	7.99%	Net income for the period.
Treasury Shares	(529,649)	-	(529,649)	100.00%	Due to net acquisition of treasury shares during the period.
Net Assets	**7,364,622**	**7,694,133**	**(329,511)**	**-4.28%**	Due to net acquisition of treasury shares and partly offset with new shares issuance and net income for the period.
Net Assets Value per Share	**$ 1.2204**	**$ 1.2022**	**P 0.0182**	**1.51%**	

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

There was no contingent liability reflected in the accompanying interim unaudited 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 quarter.

Statement of Comprehensive Income for the Six months ended – June 30, 2021 vs. June 30, 2020

	30-Jun-21 Unaudited	30-Jun-20 Unaudited	Movement	Percentage (%)	MDAS
Investment Income	$ 410,910	($ 1,977)	$ 412,887	-20884.52%	The increase mainly pertains to the higher trading gains realized upon disposal of securities and higher interest and dividend income earned during the period.
Investment Expense	60	591	(531)	-89.85%	Dependent on the percentage of the amount of stock trading as sold and purchased for the period.
Operating Expenses	74,891	69,624	5,267	7.56%	This is due to the increase in management and distribution fees brought by higher AUM and partly offset with the decline in recorded custodian fees and taxes and licenses incurred for the period.
Net Unrealized Losses on Investments	(240,602)	(48,757)	(191,845)	393.47%	Due to impact of unfavorable market condition during the period.
Provision for Income Tax	105	32	73	228.13%	Income tax under MCIT and final taxes of interest income earned from fixed income investments.
Net Investment Loss	**$ 95,252**	**($ 120,981)**	**216,233**	**178.73%**	

Average daily net asset value from January to June 2021 and January to June 2020 are $ 7,375,512 and $ 6,502,166, respectively.

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

There were no commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Fund which are not reflected in the accompanying interim unaudited financial statements.

The management of the Fund is of the opinion that there were no income or losses from these items that will have any material effect on its interim unaudited financial statements.

There were no known material events subsequent to the end of the quarterly reporting period that have not been reflected in the Fund's interim unaudited financial statements as at the period ended June 30, 2021. There were no significant elements of income or loss that did not arise from the Fund's continuing operations.

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

PART II – RISK MANAGEMENT

Item 1. Financial Risk Exposures of the Company

1. Financial Risk Management Objectives and Policies

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

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

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

1.3 **Equity Risk:** Companies issue equities, or stocks, to help finance their operations and future growth. A company's performance outlook, market activity and the larger economic picture influence its stock price. When the economy is expanding, the outlook for many companies will be positive and the value of their stocks should rise. The opposite is also true. The value of a Fund is affected by changes in the prices of the stocks it holds. The risks and potential rewards are usually greater for small companies, start-ups, resource companies and companies in emerging markets. Investments that are convertible into equity may also be subject to interest rate risk.

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

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

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

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

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

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

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

1.10 Underlying Fund Risk: Some Funds may pursue its investment objectives indirectly by investing in shares of other mutual funds, including exchange-traded funds, in order to gain access to the strategies pursued by those underlying funds. There can be no assurance that any use of such multi-layered fund of fund structures will result in any gains for a Fund. If an underlying fund that is not traded on an exchange suspends redemptions, a Fund will be unable to value part of its portfolio and may be unable to redeem shares. Underlying funds that are traded on an exchange are subject to the following risks that do not apply to conventional mutual funds: (i) an exchange-traded fund's units often trade on the exchange at a premium or discount to the net asset value of such units; (ii) an active trading market for an exchange-traded fund's units may not develop or be maintained, and (iii) there is no assurance that the exchange-traded fund will continue to meet the listing requirements of the exchange.

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

1.12 Large Transaction Risk: If an investor in a Fund makes a large transaction, the Fund's cash flow may be affected. For example, if an investor redeems a large number of shares of a Fund, that Fund may be forced to sell securities at unfavorable prices to pay for the proceeds of redemption. This unexpected sale may have a negative impact on the net asset value of the Fund.

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

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

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

2. Capital Risk Management

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

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

The capital structure of the Company consists of issued capital.

The Company manages capital and NAVPS to ensure that the Company's net asset value remains competitive and appealing to prospective investors.

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

a. It does not issue senior securities;
b. It does not intend to incur any debt or borrowing. In the event that borrowing is necessary, it can do so only if, at the time of its incurrence or immediately thereafter, there is asset coverage of at least 300% for all its borrowings;
c. It does not participate in any underwriting or selling group in connection with the public distribution of securities, except for its own share capital;
d. It generally maintains a diversified portfolio. Industry concentrations may vary at any time depending on the investment manager's view on the prospects;
e. It does not invest more than twenty percent (20%) of its net assets in real estate properties and developments, subject to investment restrictions and/or limitations under applicable law, if any.
f. It does not purchase or sell commodity futures contracts;
g. It does not make any loan to other persons, or to other interested persons such as the members of the Board of Directors, officers of the Fund and any affiliates, or affiliated corporations of the Fund. However, it shall engage in legally permissible lending operations considered by its Board of Directors to be financially solid and sound.
h. The asset mix in each type of security is determined from time to time, as warranted by economic and investment conditions;
i. Subscribers are required to settle their subscriptions in full upon submission of their application for subscriptions.
j. The Fund may use various techniques to hedge investment risks. and;
k. It does not change its investment objectives without the prior approval of a majority of its shareholders.

The Investment Policies refer to the following:

a. Investment Objective – to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally, or through diversified investment companies invested in such securities.

b. Benchmark – 95% Bloomberg Barclays EM Asia USD Credit Philippine Index + 30% Morgan Stanley Capital International All Country World Index (MSCI ACWI) + 5% 30-day USD Deposit Rate.

c. Asset Allocation Range – the Company allocates its funds available for investments among cash and other deposit substitute, fixed-income securities and equity securities based on certain proportion as approved by Management.

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

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

As at June 30, 2021 and same period last year, the Company is in compliance with the above requirements and minimum equity requirement of the SEC of P50,000,000.

3. The amount and description of the company's investment in foreign securities:

As of reporting period June 30, 2021, the Company's investment in listed foreign equity securities are as follows:

Name of Issuing Entity and Association of Each Issue	Market Value
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	142,392
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	111,793
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGTON GLOBAL QUALITY GROWTH FUND	337,342
MORGAN STANLEY US ADVANTAGE FUND	309,798
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	422,035
SPDR MSCI ACWI UCITS ETF	164,466
JPMORGAN FUNDS-INCOME FUND	843,708
MFS FI I1 USD GL HIGH YIELD	311,761
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	338,684
MFS EQ I1 USD CONTINENTAL EUR	123,567
NEW CAPITAL WEALTHY NATIONS BOND FUND	341,901
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	858,535
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	329,493
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	91,627
SCHRODER ISF CHINA OPPORTUNITIES	54,127
JPM FUNDS - CHINA FUND	75,966
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	342,672
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	56,247
WELLINGTON GLOBAL BOND FUND	421,600
NEW CAPITAL GLOBAL EQUITY CONVICTION FUND	341,390
NEW CAPITAL US SMALL CAP GROWTH FUND	282,322
PIMCO FUNDS: GLOBAL INVESTORS SERIES PLC - INCOME FUND	330,584
GRAND TOTAL	**$ 6,632,011**

4. Significant accounting judgments made in classifying a particular financial instrument in the fair value hierarchy.

CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Critical Judgments in Applying Accounting Policies

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

Business model assessment

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

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

Significant increase of credit risk

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

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

As at June 30, 2021 and December 31, 2020, the Company's financial instrument measured at amortized cost has not experienced a significant increase in its credit risk.

Models and assumptions used

The Company uses various models and assumptions in measuring the fair value of financial assets. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models.

Functional currency

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

Puttable shares designated as equity instruments

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

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

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

b. it is in the class of instruments that is subordinate to all other classes of instruments;

c. all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;

d. apart from the contractual obligation for the issuer to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity, and it is not a contract that will or may be settled in the entity's own equity instruments; and

e. the total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognized net assets or the change in the fair value of the recognized and unrecognized net assets of the entity over the life of the instrument (excluding any effects of the instrument).

As at June 30, 2021 and December 31, 2020, the recognized amount of share capital representing puttable shares in the statements of financial position amounted to $142,731 and $140,801, respectively.

Key Sources of Estimation Uncertainty

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

Probability of default (PD)

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

As at June 30, 2021 and December 31, 2020, the Company assessed a nil probability of default for all of its financial assets measured at amortized cost.

Loss Given Default (LGD)

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

The Company uses portfolio averages from external estimates sourced out from Standard and Poor's (S&P) as the LGD estimates.

Estimating loss allowance for ECL

The measurement of the expected credit loss allowance for financial assets measured at amortized cost and FVTOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior.

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

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

Deferred tax assets

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

Based on Management's expectation of the Company's future taxable income, the Company did not recognize the deferred tax assets as at March 31, 2021 and December 31, 2020.

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

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

Compliance with Foreign Account Tax Compliance Act (FATCA)

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

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

SIGNATURES

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

Issuer : **Sun Life Prosperity Dollar Wellspring Fund, Inc.**

Principal Financial/Accounting Officer/Comptroller:

Signature and Title : Treasurer **Candy S. Esteban**

Date : **August 17, 2021**

SUN LIFE PROSPERITY DOLLAR WELLSPRING FUND, INC.

Schedule of Financial Soundness Indicators and Financial Ratios

June 30, 2021 and December 31, 2020

	Formula	2021	2020
Current/ Liquidty Ratios			
a. Current ratio	Current Assets/Current Liabilities	**282.59:1**	117.86:1
b. Quick ratio	Quick Assets/Current Liabilities	**282.55:1**	117.86:1
c. Cash ratio	Cash/Current Liabilities	**16.19:1**	7.22:1
d. Days in receivable	Receivable/Revenue * No. of days	**N/A**	N/A
e. Working capital ratio	(Current Assets/Current Liabilities)/Current Assets	**1.00:1**	0.99:1
f. Net working capital to sales ratio	Working Capital / Total Revenue	**17.92:1**	58.27:1
g. Defensive Interval Ratio	360* (Quick Assets / Proj. Daily Operting Expense)	**35522.78:1**	19143.22:1
Solvency Ratios			
a. Long-term debt to equity ratio	Noncurrent Liabilities/Total Equity	**N/A**	N/A
b. Debt to equity ratio	Total Liabilities/Total Equity	**0.004:1**	0.009:1
c. Long term debt to total asset ratio	Noncurrent Liabilities/Total Assets	**N/A**	N/A
d. Total debt to asset ratio	Total Liabilities/Total Assets	**0.004:1**	0.008:1
Asset to equity ratio	Total Assets/Total Equity	**1.00:1**	1.01:1
Interest rate coverage ratio	Earning Before Income Tax/Interest Expense	**N/A**	N/A
Profitability Ratio			
a. Earnings before interest and taxes (EBIT) margin	EBIT/Revenue	**23.21%**	451.73%
b. Earnings before interest, taxes and depreciation and amortization (EBITDA) margin	EBITDA/Revenue	**23.21%**	451.73%
c. Pre-tax margin	EBIT/Revenue	**23.21%**	451.73%
d. Effective tax rate	Income Tax/EBIT	**0.11%**	0.05%
e. Post-tax margin	Net Income After Tax/Revenue	**23.18%**	451.49%
f. Return on equity	Net Income After Tax/Average Common Equity	**1.27%**	8.25%
g. Return on asset	NIAT/Average Total Assets	**1.26%**	8.20%
Capital intensity ratio	Total Assets/Revenue	**17.99:1**	58.77:1
Fixed assets to total assets	Fixed assets/Total assets	**N/A**	N/A
Dividend payout ratio	Dividends paid/Net Income	**N/A**	0.23:1

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

i. Percentage of Investment in a Single Enterprise to Net Asset Value
As of June 30, 2021 and December 31, 2020

	2021			2020		
	Investment (Market Value)	Net Asset Value	% over NAV	Investment (Market Value)	Net Asset Value	% over NAV
Treasury Notes (ISIN)						
US91282CAV37	66,434	7,364,622	0.90%	69,541	7,694,133	0.90%
US912810SU34	266,000	7,364,622	3.61%	-	-	-
US912810SL35	-	-	-	34,455	7,694,133	0.45%
US912810SN90	-	-	-	37,728	7,694,133	0.49%
US912810SP49	-	-	-	139,078	7,694,133	1.81%
Mutual Funds						
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	142,392	7,364,622	1.93%	158,770	7,694,133	2.06%
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	111,793	7,364,622	1.52%	18,039	7,694,133	0.23%
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGTON GLOBAL QUALITY GROWTH FUND	337,342	7,364,622	4.58%	549,162	7,694,133	7.14%
MORGAN STANLEY US ADVANTAGE FUND	309,798	7,364,622	4.21%	546,742	7,694,133	7.11%
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	422,035	7,364,622	5.73%	673,910	7,694,133	8.76%
SPDR MSCI ACWI UCITS ETF	164,466	7,364,622	2.23%	290,990	7,694,133	3.78%
JPMORGAN FUNDS-INCOME FUND	843,708	7,364,622	11.46%	390,014	7,694,133	5.07%
MFS FI I1 USD GL HIGH YIELD	311,761	7,364,622	4.23%	327,976	7,694,133	4.26%
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	338,684	7,364,622	4.60%	495,880	7,694,133	6.44%
MFS EQ I1 USD CONTINENTAL EUR	123,567	7,364,622	1.68%	92,301	7,694,133	1.20%
NEW CAPITAL WEALTHY NATIONS BOND FUND	341,901	7,364,622	4.64%	278,182	7,694,133	3.62%
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	858,535	7,364,622	11.66%	1,027,730	7,694,133	13.36%
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	329,493	7,364,622	4.47%	436,527	7,694,133	5.67%
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	-	-	-	205,140	7,694,133	2.67%
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	-	-	-	59,213	7,694,133	0.77%
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	91,627	7,364,622	1.24%	83,659	7,694,133	1.09%
SCHRODER ISF CHINA OPPORTUNITIES	54,127	7,364,622	0.73%	35,704	7,694,133	0.46%
JPM FUNDS - CHINA FUND	75,966	7,364,622	1.03%	189,474	7,694,133	2.46%
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	342,672	7,364,622	4.65%	336,846	7,694,133	4.38%
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	56,247	7,364,622	0.76%	47,081	7,694,133	0.61%
WELLINGTON GLOBAL BOND FUND	421,600	7,364,622	5.72%	759,221	7,694,133	9.87%
NEW CAPITAL GLOBAL EQUITY CONVICTION FUND	341,390	7,364,622	4.64%	-	-	-
NEW CAPITAL US SMALL CAP GROWTH FUND	282,322	7,364,622	3.83%	-	-	-
PIMCO FUNDS: GLOBAL INVESTORS SERIES PLC - INCOME FUND	330,584	7,364,622	4.49%	-	-	-

ii. Total Investment of the Fund to the Outstanding Securities of an Investee Company
As of June 30, 2021 and December 31, 2020

	2021			2020		
	Total Investment	Outstanding Securities of an Investee Company	% over Investee	Total Investment	Outstanding Securities of an Investee Company	% over Investee
Treasury Notes (ISIN)						
US91282CAV37	70,000	**	-	70,000	**	-
US912810SU34	280,000	**	-	-	-	-
US912810SL35	-	**	-	32,000	**	-
US912810SN90	-	**	-	42,000	**	-
US912810SP49	-	**	-	150,000	**	-
Mutual Funds						
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	3,077	5,787,900,000	0.00%	3,406	5,853,611,000	0.00%
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	408	2,871,864,000	-	71	**	-
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGTON GLOBAL QUALITY GROWTH FUND	7,814	10,333,719,000	-	14,154	**	-
MORGAN STANLEY US ADVANTAGE FUND	1,522	15,631,809,000	-	2,925	**	-
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	8,037	1,635,659,000	0.00%	12,454	1,603,919,000	0.00%
SPDR MSCI ACWI UCITS ETF	860	3,154,833,000	0.00%	1,720	2,777,946,000	0.00%
JPMORGAN FUNDS-INCOME FUND	6,075	10,351,740,000	0.00%	2,903	8,088,951,000	0.00%
MFS FI I1 USD GL HIGH YIELD	1,292	344,368,000	-	1,398	**	-
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	563	4,839,197,000	0.00%	936	4,265,977,000	0.00%
MFS EQ I1 USD CONTINENTAL EUR	6,222	41,564,000	-	5,247	**	-
NEW CAPITAL WEALTHY NATIONS BOND FUND	2,219	1,787,704,000	0.00%	1,775	2,288,997,000	0.00%
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	160,684	5,409,942,000	0.00%	185,494	4,904,024,000	0.00%
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	1,022	889,875,000	0.00%	1,542	761,517,000	0.00%
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	-	-	-	15,029	2,485,914,000	0.00%

PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	-	-	-	1,895	602,396,000	0.00%
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	328	209,511,000	0.00%	328	152,686,000	0.00%
SCHRODER ISF CHINA OPPORTUNITIES	82	1,841,201,000	0.00%	60	1,801,009,000	0.00%
JPM FUNDS - CHINA FUND	802	8,190,437,000	0.00%	2,226	6,946,865,000	0.00%
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	17,142	4,277,855,000	0.00%	16,659	4,540,314,000	0.00%
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	3,248	10,789,060,000	0.00%	2,932	9,912,345,000	0.00%
WELLINGTON GLOBAL BOND FUND	36,837	1,826,155,000	0.00%	64,459	1,796,454,000	0.00%
NEW CAPITAL GLOBAL EQUITY CONVICTION FUND	1,465	674,796,000	0.00%	-	-	-
NEW CAPITAL US SMALL CAP GROWTH FUND	1,121	204,964,000	0.00%	-	-	-
PIMCO FUNDS: GLOBAL INVESTORS SERIES PLC - INCOME FUND	19,469	71,882,531,000	0.00%	-	-	-

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

As of June 30, 2021 and December 31, 2020

	2021	2020
Total Liquid and Semi-Liquid Assets	7,389,823	7,759,972
TOTAL ASSETS	7,390,776	7,759,972
Total Investment in Liquid or Semi-Liquid Assets to Total Assets	99.99%	100.00%

iv. Total Operating Expenses to Total Net Worth

As of June 30, 2021 and December 31, 2020

	2021	2020
Total Operating Expenses	74,891	145,931
Average Daily Net Worth	7,375,512	6,789,133
Total Operating Expenses to Average Daily Net Worth	1.02%	2.15%

v. Total Assets to Total Borrowings

As of June 30, 2021 and December 31, 2020

	2021	2020
Total Assets	7,390,776	7,759,972
Total Borrowings	26,154	65,839
Total Assets to Total Borrowings	28258.68%	11786.28%

SUN LIFE OF PROSPERITY DOLLAR WELLSPRING FUND, INC.
Schedule of Investments
Financial assets at fair value through profit and loss

Name of Issuing Entity and Association of Each Issue	June 30, 2021			December 31, 2020	
	Number of Shares / Principal Amount of Bonds and Notes	Market Value	Aggregate Cost	Number of Shares / Principal Amount of Bonds and Notes	Amount Shown in Balance Sheet
Treasury Notes Issued by the Nat'l. Government	350,000	332,434		294,000.00	$ 280,802
Mutual Funds					
BLACK ROCK GLOBAL FUNDS-ASIAN TIGER BOND FUND	3,077	$ 142,392	$ 129,725	3,406	$ 158,770
MFS MERIDIAN FUNDS-EUROPEAN RESEARCH FUND	408	111,793	103,677	71	18,039
WELLINGTON MANAGEMENT FUNDS LUXEMBOURG-WELLINGTON GLOBAL QUALITY GROWTH FUND	7,814	337,342	198,775	14,154	549,162
MORGAN STANLEY US ADVANTAGE FUND	1,522	309,798	161,487	2,925	546,742
MORGAN STANLEY INVESTMENT FUNDS - GLOBAL BOND FUND	8,037	422,035	391,811	12,454	673,910
SPDR MSCI ACWI UCITS ETF	860	164,466	136,186	1,720	290,990
JPMORGAN FUNDS-INCOME FUND	6,075	843,708	794,503	2,903	390,014
MFS FI I1 USD GL HIGH YIELD	1,292	311,761	290,122	1,398	327,976
JPMORGAN INVESTMENT FUNDS - US SELECT EQUITY FUND	563	338,684	229,918	936	495,880
MFS EQ I1 USD CONTINENTAL EUR	6,222	123,567	108,572	5,247	92,301
NEW CAPITAL WEALTHY NATIONS BOND FUND	2,219	341,901	326,319	1,775	278,182
ISHARES CORE GLOBAL AGGREGATE BOND UCITS ETF	160,684	858,535	845,778	185,494	1,027,730
JPMORGAN FUNDS - GLOBAL RESEARCH ENHANCED INDEX EQUITY	1,022	329,493	271,572	1,542	436,527
INVESCO GLOBAL INVESTMENT GRADE CORPORATE BOND FUND	-	-	-	15,029	205,140
PRINCIPAL GLOBAL INVESTORS FUNDS-GLOBAL PROPERTY SECURITIES FUND	-	-	-	1,895	59,213
NOMURA FUNDS IRELAND - ASIA EX JAPAN HIGH CONVICTION FUND	328	91,627	61,946	328	83,659
SCHRODER ISF CHINA OPPORTUNITIES	82	54,127	42,000	60	35,704
JPM FUNDS - CHINA FUND	802	75,966	46,104	2,226	189,474
JPMORGAN FUNDS - JPM US AGGREGATE BOND FUND	17,142	342,672	331,645	16,659	336,846
INVESCO JAPANESE EQUITY VALUE DISCOVERY FUND	3,248	56,247	44,977	2,932	47,081
WELLINGTON GLOBAL BOND FUND	36,837	421,600	425,714	64,459	759,221
NEW CAPITAL GLOBAL EQUITY CONVICTION FUND	1,465	341,390	315,001	-	-
NEW CAPITAL US SMALL CAP GROWTH FUND	1,121	282,322	280,655	-	-
PIMCO FUNDS: GLOBAL INVESTORS SERIES PLC - INCOME FUND	19,469	330,584	330,000	-	-
GRAND TOTAL	630,289	$ 6,964,445	$ 5,866,487	631,612	$ 7,283,361

FUND FACTS
Sun Life Prosperity Dollar Wellspring Fund
April 30, 2021

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

Launch Date	May 5, 2016	**Fund Structure**	Mutual Fund (Shares)	**Transfer Agency Fee**	0.15%
Fund Size	USD 7,080,330.17	**Fund Classification**	Multi-Asset Fund-of-Funds	**Minimum Holding Period**	180 days
Net Asset Value Per Share	1.2127	**Minimum Subscription**	USD 1,000	**Early Redemption Fee**	1.00%
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate	**Minimum Subsequent**	USD 200	**Redemption Settlement**	T+4 business days
		Management and Distribution Fee	1.50%		

What does the Fund invest in?

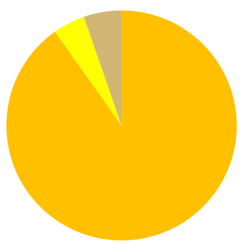
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally,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

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

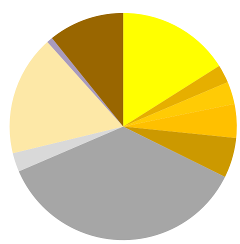
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 10.44%
2. J.P. Morgan Income Fund, 9.73%
3. Wellington - Global Bond Fund, 6.82%
4. Morgan Stanley - Global Bond, 6.81%
5. J.P. Morgan - U.S. Aggregate Bond Fund, 5.14%

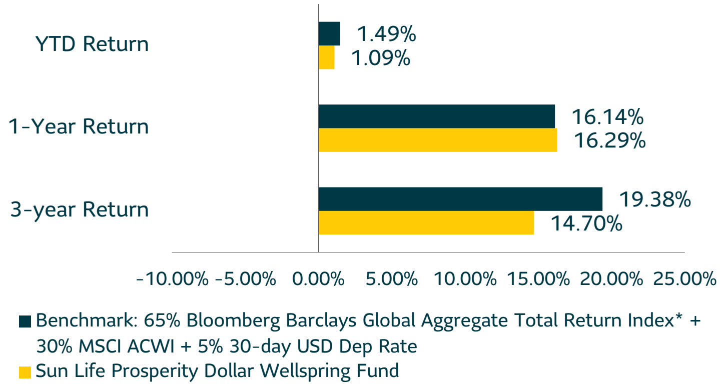
Investment Mix



Geographical Allocation



How has the Fund performed?



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

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

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

Market Review

- Asset prices remained buoyant in April, with global equities rising 4.41%, while global fixed income returned 1.26%. US equities led major regions at +5.34%, followed by Europe at +4.77%, and Asia Pacific at +1.41%.
- The US 10-year yield ended the month 12 basis points lower, closing April at 1.62%.
- US President Biden announced plans to raise taxes on wealthier segments of the population to help fund the country's economic policies. As reported, top marginal income tax would rise to 39.6% from 37.0%, while the capital gains tax would almost double to 39.6% for those earning over USD 1 Million (Reuters).
- China continues to reign in stimulus programs, with lower issuances of infrastructure financing bonds. Local governments have announced or sold a total of 222.7 Billion yuan of these special bonds as of April 2021, down from the 1.15 Trillion yuan over the same period in 2020 (SCMP).
- The Fund has gained 1.09% YTD, lagging the benchmark (+1.49%) by 40 basis points, primarily due to its exposure to Global Bond outlets.

FUND FACTS

Sun Life Prosperity Dollar Wellspring Fund

May 31, 2021

Sun Life Asset Management

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

Launch Date	May 5, 2016	**Fund Structure**	Mutual Fund (Shares)	**Transfer Agency Fee**	0.15%
Fund Size	USD 7,210,357.87	**Fund Classification**	Multi-Asset Fund-of-Funds	**Minimum Holding Period**	180 days
Net Asset Value Per Share	1.2080	**Minimum Subscription**	USD 1,000	**Early Redemption Fee**	1.00%
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate	**Minimum Subsequent**	USD 200	**Redemption Settlement**	T+4 business days
		Management and Distribution Fee	1.50%		

What does the Fund invest in?

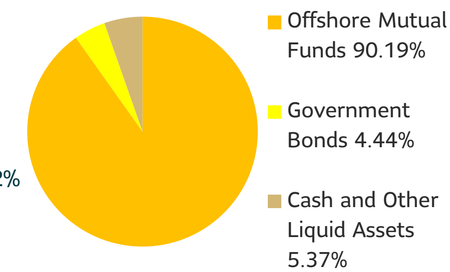
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally,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

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

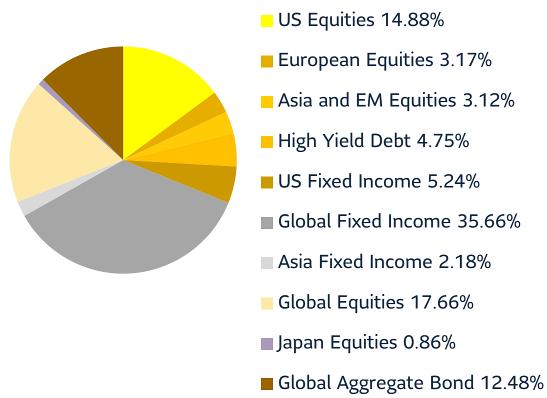
Top Offshore Mutual Fund Holdings

1. J.P. Morgan Income Fund, 11.26%
2. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 10.3%
3. Wellington - Global Bond Fund, 6.87%
4. Morgan Stanley - Global Bond, 6.87%
5. J.P. Morgan - U.S. Aggregate Bond Fund, 4.72%

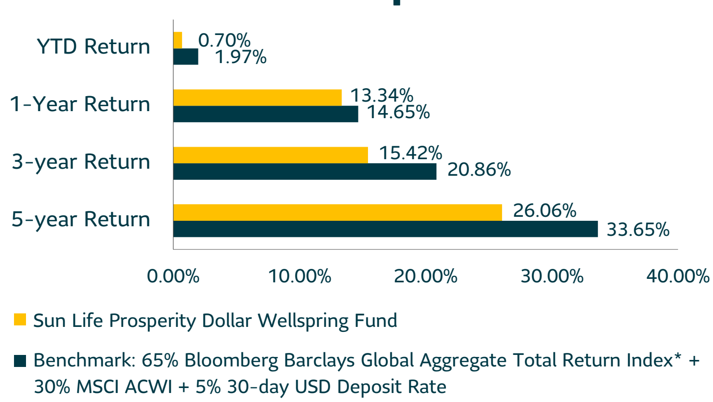
Investment Mix



Geographical Allocation



How has the Fund performed?



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

***Benchmark Effectivity Date:**

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

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

Market Review

- Global equities continued to rise in May, by 1.56%, while global fixed income returned 0.74%. European equities led the advance at +4.71%, while US and Asia Pacific lagged at +0.48% and +0.20%, respectively.
- The US 10-year yield traded within a 13 basis point range during the month, closing at 1.59%.
- US unemployment inched slightly lower to 5.8% in May, as labor market conditions remain tight with generous unemployment benefits still in place as the economy reopens.
- China's once-a-decade census revealed that its population is aging, posing risks to its economic prospects. This prompted policy changes such as allowing couples to have three children.
- The Fund has gained 0.70% year-to-date, lagging the benchmark (+1.97%) by 127 basis points, primarily due to its exposure to global equity outlets.

Sun Life Prosperity Dollar Wellspring Fund

June 30, 2021

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

Launch Date	May 5, 2016	**Fund Structure**	Mutual Fund (Shares)	**Transfer Agency Fee**	0.15%
Fund Size	USD 7,364,615.89	**Fund Classification**	Multi-Asset Fund-of-Funds	**Minimum Holding Period**	180 days
Net Asset Value Per Share	1.2204	**Minimum Subscription**	USD 1,000	**Early Redemption Fee**	1.00%
Benchmark	65% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD + 30% MSCI ACWI + 5% 30-day USD Deposit Rate	**Minimum Subsequent**	USD 200	**Redemption Settlement**	T+4 business days
		Management and Distribution Fee	1.50%		

What does the Fund invest in?

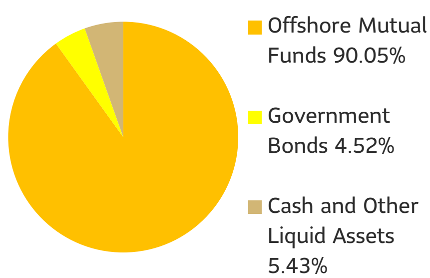
The **Sun Life Prosperity Dollar Wellspring Fund** aims to provide moderate and consistent returns through diversified investments in fixed income securities such as sovereign debt, corporate debt and other non-traditional investments and in equity or equity-linked securities issued by corporations globally,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

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

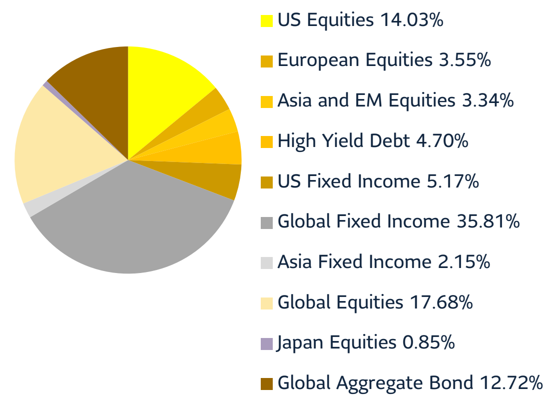
Top Offshore Mutual Fund Holdings

1. BlackRock - iShares Core Global Aggregate Bond UCITS ETF, 11.66%
2. J.P. Morgan Income Fund, 11.46%
3. Morgan Stanley - Global Bond, 5.73%
4. Wellington - Global Bond Fund, 5.72%
5. J.P. Morgan - U.S. Aggregate Bond Fund, 4.65%

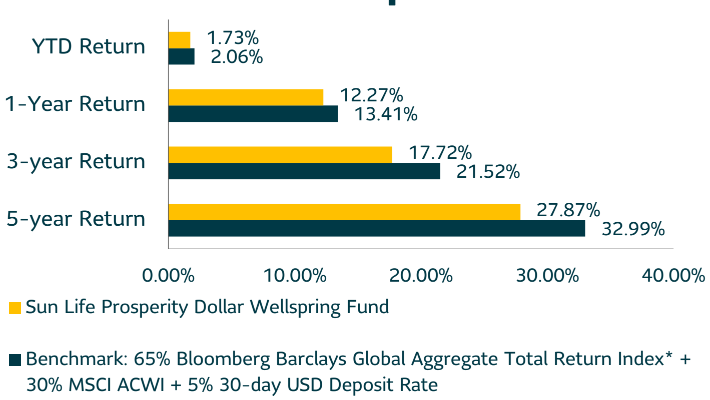
Investment Mix



Geographical Allocation



How has the Fund performed?



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

***Benchmark Effectivity Date:**

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

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

Market Review

- Global equities gained another 1.01% in June, outpacing global fixed income, which declined 0.84%. US equities headlined returns at +2.38%, while European and Asia Pacific equities lagged at -2.38% and -0.93%, respectively.
- The US 10-year yield averaged 1.51% during the month, before closing at 1.47%.
- The Biden administration announced that they had come to terms with a bipartisan group of senators to deliver a USD 1.2 trillion infrastructure deal. This is smaller than the USD 2.25 trillion infrastructure package originally proposed in the first quarter (CNN).
- Fitch Ratings reported that it had lowered its 2021 US leveraged loan and high-yield bond default rate estimates "to 1.5% and 1.0%, respectively, from 2.5% and 2.0%." Both forecasts mark ten-year lows.
- The Fund has gained 1.73% year-to-date, lagging the benchmark (+2.06%) by 33 basis points, primarily due to its exposure to US small-cap equity.

From: ICTD Submission
To: prvs=848cd7639=sunlife_sec_communications@sunlife.com
Subject: Re: CGFD_Sun Life Prosperity Dollar Wellspring Fund, Inc._SEC Form 17-L_09August2021
Date: Monday, August 9, 2021 4:05:15 PM

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

Dear Customer,

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.

(Subject to Verification and Review of the Quality of the Attached Document)

Official copy of the submitted document/report with Bar Code Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

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NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, FS-P, FS-C, Monthly Reports, Quarterly Reports, Letters, etc... through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail or over- the- counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as:

AFS, GIS, GFFS, SFFS, LCFS, LCIF, FCFS. FCIF ANO, ANHAM. All submissions through OST are no longer required to submit the hard copy thru mail or over- the- counter.

FOR MC28, please email to:

(MC28_S2020@sec.gov.ph)

For your information and guidance.

Thank you and keep safe.

From:	sunlife_sec_communications
To:	ictdsubmission@sec.gov.ph; cgfd@sec.gov.ph
Cc:	PHIL-FIN_FAR2; Candy Esteban; Sherwin S Sampang
Subject:	CGFD_Sun Life Prosperity Dollar Wellspring Fund, Inc._SEC Form 17-L_09August2021
Date:	Monday, August 9, 2021 4:05:00 PM
Attachments:	Sun Life Prosperity Dollar Wellspring Fund, Inc._SEC Form 17-L_09August2021.pdf

To: CORPORATE GOVERNANCE AND FINANCE DEPARTMENT (CGFD)

Good day.

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

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

For any queries / additional comments, kindly contact us at the following e-mail addresses below.
Thank you.
Official email address: sunlife_sec_communications@sunlife.com
Alternative email address: sunlife_sec_communications2@sunlife.com
Official email address of authorized filer: nestor.linsangan@sunlife.com

Best regards,

Nestor S. Linsangan, Jr.
Financial Accounting and Reporting Specialist, Finance Department|Sun Life Financial
nestor.linsangan@sunlife.com
5F Sun Life Centre Fifth Ave. cor. Rizal Drive, Bonifacio Global City, Taguig 1634

Sun Life
Life's brighter under the sun

Sun Life
Asset Management

Certification

I, Candy S. Esteban, the Treasurer of Sun Life Prosperity Dollar Wellspring Fund, Inc., a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number CS201517778 and with principal office at Sun Life Center, 5th Ave. Cor. Rizal Drive Bonifacio Global City, Taguig City, on oath state:

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

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of August, 2021.

Candy S. Esteban
Affiant

AUG 0 5 2021

PASAY CITY

SUBSCRIBED AND SWORN to before me this ____day of__________,2021, in ________ City, Philippines. Affiant exhibiting his/her government issued identification card:

Name	Government ID No.	Date of Issue	Place of Issue
Candy S. Esteban	Driver's License N02-95-277891	05/08/2018	Quezon City

ATTY. JOVINO R. ANGEL
NOTARY PUBLIC
UNTIL DEC. 31, 2022
PTR. NO.7361920 01/04/2021 PASAY CITY
IBP NO. 141069 01/04/2021 PASAY CITY
COMMISSION NO.19-37-PASAY CITY
MCLE NO. V-0024151-10-25-2016
ROLL NO.28761

Doc. No. 482;
Page No. 84;
Book No. IV;
Series of 2021.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-L

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

GENERAL INSTRUCTIONS

1. This Form may be signed by an executive officer of the issuer or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the issuer by an authorized representative other than an executive officer, evidence of the representative's authority to sign on behalf of the issuer shall be filed with the Form.

2. One signed original and four conformed copies of this Form and attachments thereto must be completed and filed with the Commission and, where any class of the issuer's securities are listed on a Stock Exchange, one with that Stock Exchange, in accordance with SRC Rule 17-1. The information contained in or filed with the Form will be made a matter of the public record in the Commission's and the Exchange's files.

3. A manually signed copy of the Form and amendments thereto shall be filed with the Stock Exchange if any class of securities of the issuer is listed thereon.

4. One signed original and four conformed copies of amendments to the notifications must also be filed on SEC Form 17-L but need not restate information that has been correctly furnished. The Form shall be clearly identified as an amended notification.

5. If the deadline for filing SEC Form 17-A or 17-Q specified in paragraph 2(b)(ii) of SRC Rule 17-1 is not complied with, a fine will be imposed for each day thereafter that the Form is not filed.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-L

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

Check One:

Form 17-A [ ]   Form 17-Q [✔]

Period-Ended Date of required filing **June 30, 2021**

Date of this report **August 5, 2021**

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

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

1. SEC Identification Number **CS201517778** 2. BIR Tax Identification No. : **009-123-698-000**

3. **Sun Life Prosperity Dollar Wellspring Fund, Inc.**
   Exact name of issuer as specified in its charter

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

5. Industry Classification Code: [ ] (SEC Use Only)

6. **8F Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634**
   ....
   Address of principal office   Postal Code

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

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

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

   Yes [ ]   No [X]

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

Part I - Representations

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

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

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

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

Part II - Narrative

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

The Company's SEC Form 17-Q for the quarter ending June 30, 2021 could not be completed and filed within the prescribed period. The Company has yet to complete the review of its financial statements and required notes disclosures. The Company undertakes to submit the report within five (5) calendar days after the prescribed deadline to the Securities and Exchange Commission.

Part III - Other Information

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

Candy S. Esteban
Treasurer
Sun Life Centre 5th Avenue cor Rizal Drive Bonifacio Global City, Taguig City 1634
8555-8888

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

Yes [✔] No [ ] Reports: ....

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

Yes [ ] No [✔]

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

SIGNATURE

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

Sun Life Prosperity Dollar Wellspring Fund, Inc.
Registrant's full name as contained in charter

CANDY S. ESTEBAN
Treasurer

Date: **August 5, 2021**