

**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  
 Definitive Information Statement
2. Name of Registrant as specified in its charter Philam Strategic Growth Fund, Inc. ("PSGF")  
or ("Fund")
3. Philippines  
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number A199805277
5. BIR Tax Identification Number 005-649-448-000
6. 17/F Philam Life Head Office, Net Lima Bldg.,  
5<sup>th</sup> Ave. corner 26<sup>th</sup> St., Bonifacio Global City, Taguig 1634  
Address of principal office Postal Code
7. Registrant's telephone number, including area code (632) 521-6300
8. Date, time and place of the meeting of security holders  
Date: **July 23, 2015**  
Time: **2:00 p.m.**  
Place: **Legaspi 2 Function Room**  
**2nd Floor, Makati Diamond Residences**  
**Legazpi Street, Legazpi Village, Makati City 1229**
9. Approximate date on which the Information Statement is first to be sent or given to security holders June 24, 2014.
10. Proxy Solicitation  
Name of Person filing the Statement/Solicitor: **Mr. Ferdinand L. Berba**  
Address and Telephone No.: 17/F Philam Life Head Office, Net Lima Bldg.,  
5<sup>th</sup> Ave. corner 26<sup>th</sup> St., Bonifacio Global City, Taguig (632) 521-6300  
  
Attached proxy form is applicable for more than one (1) meeting as it is valid for five (5) years.
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):  

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding (as of March 31, 2015) ("Record Date")
<u>Common Shares of PHP100.00 par value</u>	<u>33,592,852</u>
12. None of PSGF's securities is listed on the Philippine Stock Exchange.

**PART I.**

**INFORMATION REQUIRED IN INFORMATION STATEMENT**

**A. GENERAL INFORMATION**

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

Date: **July 23, 2015**  
Time: **2:00 p.m.**  
Place: **Legaspi 2 Function Room**  
**2nd Floor, Makati Diamond Residences**  
**Legazpi Street, Legazpi Village, Makati City 1229**

Registrant's Mailing Address: 17/F Philam Life Head Office, Net Lima Bldg.,  
5<sup>th</sup> Ave. corner 26<sup>th</sup> St. Bonifacio Global City, Taguig

The date on which the Information Statement is first to be sent or given to stockholders is June 24, 2015.

**2. Dissenters' Right of Appraisal**

As provided by Title X of the Corporation Code of the Philippines (Batas Pambansa Blg. 68) ("Corporation Code"), any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- 2.1. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- 2.2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
- 2.3. In case of merger or consolidation.

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

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

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

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

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

## B. CONTROL AND COMPENSATION INFORMATION

### 4. Voting Securities and Principal Holders Thereof

(a) The total number of outstanding shares as of March 31, 2015 is 33,592,852, all of which are common and voting. Each share shall be entitled to one vote with respect to all matters to be taken up during the annual stockholders' meeting.

(b) All stockholders of record as of March 31, 2015 are entitled to receive this Information Statement, and to receive notice of, and vote during the annual stockholders' meeting. Stockholders are entitled to cumulative voting in the election of the members of the Board of Directors, as provided in the Corporation Code. More specifically, each stockholder shall be entitled to elect seven members to the Board of PSGF, and he or she may vote the number of shares standing in his or her name in the books of PSGF for each of the seven persons whom he or she may choose from the list of nominees. Alternatively, he or she may cumulate said shares and give one candidate as many votes as the number of his or her shares multiplied by seven shall equal, or he or she may distribute these votes on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him or her shall not exceed the number of shares owned by him or her multiplied by seven.

(c) (i) Security Ownership of Certain Record and Beneficial Owners

The name, address, citizenship, number of shares held, and percentage of total ownership of a person (including any group) owning more than 5% of the outstanding voting shares of PSGF as of March 31, 2015 was as follows:

(1) Title of Class	(2) Name and Address of Record Owner and Relationship with the issuer	(3) Name of Beneficial Owner and relationship with record Owner	(4) Citizenship	(5) No. of Shares	(6) Percentage of Class Held
Common	Philippine American Life & General Insurance Co. <sup>1</sup> Net Lima Bldg., 5th Ave. cor. 26th St., Bonifacio Global City, Taguig Parent company of the issuer's Fund Manager	Philippine American Life & General Insurance Co.	FILIPINO	14,355,282	42.73%

Except as stated above, the Board and and Philam Asset Management, Inc., the investment adviser or fund manager ("Fund Manager" or "PAMI") of PSGF have no knowledge of any person who, as of the Record Date, was directly or indirectly the beneficial owner of more than 5% of PSGF's outstanding shares of common stock or

<sup>1</sup>The fund has no Beneficial Owner. However, Ms. Arleen May S. Guevara has the power to vote and dispose of the shares of the Philippine American Life & General Insurance Co. Ms. Guevara is currently the Senior Vice President & Chief Investment Officer of Philippine American Life & General Insurance Co.

who has voting power or investment power with respect to shares comprising more than 5% of PSGF's outstanding common stock.

(c) (ii) Security Ownership of Management as of March 31, 2015

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Roberto F. De Ocampo Eugenio Lopez Foundation Bldg., Col. Joseph R. Mcmicking Campus, 123 Paseo de Roxas, Makati City, (Director& President)	1 (R) 9681 (B)	Filipino	0.0000030% 0.0288186%
Common	Arleen May S. Guevara 9 Mushroom St. Valle Verde 5, Pasig City (Director & Treasurer)	1 (R)	Filipino	0.0000030%
Common	Reynaldo G. Geronimo No. 5 Zinia St., Valle Verde 2, Pasig City (Director)	1 (R) 1905 (B)	Filipino	0.0000030% 0.0056708%
Common	Armand F. Braun, Jr. No. 45 Magdalena Circle, Magallanes Village, Makati (Independent Director)	1 (R)	Filipino	0.0000030%
Common	Meliton B. Salazar, Jr. No. 28 Hunt Street, Filiinvest East, Quezon City (Independent Director)	1 (R)	Filipino	0.0000030%
Common	Vicente D. Gerochi IV, 3/F SyCipLaw Center 105 Paseo de Roxas, Makati City (Corporate Secretary)	0	Filipino	0%
Common	Earla Langit, 5/F SyCipLaw Center, 105 Paseo de Roxas, Makati City (Assistant Corporate Secretary)	0	Filipino	0%
Common	Ione Fay S. Canto, 17/F Net Lima Bldg., 5th Ave. cor. 26th St., Bonifacio Global City, Taguig (Compliance Officer)	0	Filipino	0%
TOTAL		5 (R) 11,586 (B)		0.000015%(R) 0.034489% (B)

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

As of March 31, 2015, there is no voting trust or similar arrangement for 5% or more of PSGF's shares. There are no arrangements which may result in a change of control in PSGF.

(d) Change of Control

No change in control of PSGF occurred since the beginning of its last calendar year.

5. Directors and Executive Officers

(a) The following are the current directors and officers of PSGF:

Name	Age	Citizenship	Position	Term
Roberto F. De Ocampo	69	Filipino	Chairman of the Board	2 years (2013)
Reynaldo G. Geronimo	70	Filipino	Director & President	2 years (2013)
Arleen May S. Guevara	53	Filipino	Director & Treasurer	2 years (2013)
Armand F. Braun, Jr.	77	Filipino	Independent Director	2 years (2013)
Meliton Salazar Jr.	49	Filipino	Independent Director	1 year (2014)
Ferdinand L. Berba	57	Filipino	Director	<1 year (since Nov 2014)
Allan R. Santos	48	Filipino	Director	<1 year (since Nov 2014)
Vicente D. Gerochi IV	47	Filipino	Corporate Secretary	2 years (2013)
Earla Kahlila Mikhaila C. Langit	28	Filipino	Asst. Corp. Secretary	1 year (since Nov 2013)
Ione Fay S. Canto	62	Filipino	Compliance Officer	2 years (2013)

(b) The following are the names of the persons who are nominees for election for year 2015-2016:

BOARD OF DIRECTORS	AGE	CREDENTIALS
Roberto de Ocampo (Incumbent Chairman of the Board)	69	Dr. Roberto F. De Ocampo is a Cum Laude graduate having earned the degree of Bachelor of Arts in Economics at the Ateneo de Manila University. He has a Master's degree in Business Administration from the University of Michigan and a post-graduate diploma from the London School of Economics. He has also been conferred three Doctorates (Honoris Causas). Since 1998, Mr. De Ocampo is President and Director of the following PAMI-managed funds: Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc. (each since 2005), PAMI Global Bond Fund, Inc. (since 2008), PAMI Asia Balanced Fund, Inc. (since 2009), PAMI Horizon Fund, Inc. (since 2011), PAMI Global Emerging Markets Fund, Inc. and PAMI Global Equity Fund, Inc. (each since 2009). Dr. de Ocampo was previously the President of the Asian Institute of Management. From 1992 to 1998, he served as the Secretary of Finance under the Ramos administration

		and was widely recognized as the principal architect of the resurgence of the Philippine economy.
Reynaldo Geronimo (Incumbent Director and President)	70	Atty. Geronimo is a cum laude graduate of Bachelor of Arts (A.B.) at the Ateneo de Manila University. He graduated Second Honors from Ateneo Law School in 1968. He also has a Master of Laws with specialization in Trusts and Estates from the University of Pennsylvania. He is currently a partner in the Romulo Mabanta Buenaventura Sayoc & de los Angeles Law Firm and a co-Chairman of the Banking Group. Atty. Geronimo is known as the Trust Guru, with a regular column in the Manila Standard Today. He is also a bar reviewer in Taxation at the UP Law Center, the UP College of Law, the Law School of UST's Civil Law Faculty, the College of Law of Liceo de Cagayan, and the Ateneo Law School. Atty. Geronimo is a Director of the following PAMI-managed funds since 2010: Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund, Inc., PAMI Asia Balanced Fund Inc., PAMI Global Emerging Markets Fund Inc., PAMI Global Equity Fund Inc., and PAMI Horizon Fund, Inc.
ARLEEN MAY S. GUEVARA (Incumbent Director and Treasurer)	53	Ms. Guevara is the Senior Vice President and Chief Investment Officer of Philamlife and is currently a Director of PAMI. Ms. Guevara was the PAMI Chairman from 2011-2013. Since 2012, Ms. Guevara has been the director of Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Asia Balanced Fund Inc., PAMI Horizon Fund Inc., PAMI Global Emerging Markets Fund, Inc. and PAMI Global Equity Fund, Inc. She is also a director (since 2008) at the following - Science Park of the Phils., Inc., Manila Exposition Complex, Inc., Beacon Property Ventures, Inc., Regatta Properties, Inc., and Cebu Light Industrial Park, Inc. Prior to joining Philamlife, she was Deputy Director of the Treasury Department of the Bangko Sentral ng Pilipinas. Ms. Guevara is a magna cum laude graduate of Bachelor of Science in Applied Mathematics from the University of the Philippines.
Ferdinand Berba (Incumbent Director)	57	Mr. Berba is the incumbent Chief Executive Officer of Philam Asset Management, Inc. He has more than 23 years of experience in the insurance industry. He held various senior roles in Philam Life including Director of Philam Financial Advisory Services and Group Training Director (2003-2008). Previously, he was Director of Agency Development, Director of Client Services, and President of Sun Life Financial Plans (1990-2003). Nanjo also worked in other insurance companies such as Pioneer Life and Pioneer Group (2008-2014) and Great Pacific Life Assurance Corporation (1980-1982). He holds an AB Psychology degree from De La Salle University.
Allan R. Santos (Incumbent Director)	48	Mr. Santos is Head of Vitality and Chief Operating Officer for Affiliate Companies of Philam Life and is Chairman of PAMI. Prior to his current position in Philam Life, Mr. Santos spent over 10 years with Cigna occupying various Actuarial & Product positions within its head office in the USA, Hong Kong and even with its Philippine affiliates Maxicare PCIB (1996 to 2013). Previous to Cigna, Mr. Santos was with Philamcare Health Systems, Inc. (1995 to 1996) and Universal Reinsurance Corporation (1991 to 1992). Mr. Santos has a Bachelor of Science degree in Mathematics and Master of Science in Applied Mathematics Major in Actuarial Science from the University of the Philippines.
Armand Braun, Jr. (Incumbent Independent Director)	77	Mr. Armand Braun, Jr. is a graduate of the Ateneo de Manila University where he earned a degree of Bachelor of Science in Business Administration. He also took an Advance Management Program for Overseas Bankers at the Wharton School in Philadelphia, USA. He is an Independent Director of the following: Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc. (each since 1998), Philam Managed Income Fund, Inc. (since 2005), and PAMI Global Bond Fund, Inc. (since 2008) PAMI Asia Balanced Fund, Inc. (since 2009), PAMI Horizon Fund, Inc.(since 2011), PAMI Global Emerging Markets Fund Inc., and PAMI Global Equity Fund Inc. (each since 2009). Mr. Braun also sits on the board of various other companies: AFBraun & Co. Holdings (1995 – present), A-1 Microfinance, Inc. (2002 – present), Iligan Pizza Corp. (1999 – present), North Iligan Foods Corp. (2004 – present), and Al-Rose Foods Corp. (1999 – present). Also, Mr. Braun was an independent director of Union Bank of the Philippines (2003 – May 2014).
MELITON B. SALAZAR, JR. (Incumbent Independent Director)	49	Mr. Salazar has a Ph.D. in International Relations, Major in International Development and Development Management from the School of International Service, The American University, Washington, D.C.; an M.A.in International Political Economy and Development from Fordham University, New York and a B.S. Management Engineering degree from the Ateneo de Manila University. Dr. Salazar is an established figure in the academe being currently the president of the following: University of Iloilo, Iloilo City (since 2009), University of Pangasinan (since 2009 to present), Cagayan de Oro College (since 2005), and Araullo University (since 2004). Dr. Salazar is also Senior Vice President of PHINMA Education Network (since 2003). Among Dr. Salazar's previous positions were President & CEO, STI International (2002 to 2003), President & CEO, iAcademy (2002 to 2003), President & CEO, Systems Technology Institute, Inc. (2001 to 2002) and COO of Systems Technology Institute, Inc. (2000 to 2001). Since November 2013, Mr. Salazar has been Director of the following PAMI-managed mutual funds - Philam Fund, Inc., Philam Bond Fund, Inc., Philam Dollar Bond Fund, Inc., Philam Strategic Growth Fund, Inc., Philam Managed Income Fund, Inc., PAMI Global Bond Fund Philippines, Inc., PAMI Asia Balanced Fund Inc., PAMI Horizon Fund Inc., PAMI Global Emerging Markets Fund, Inc. and PAMI Global Equity Fund, Inc.

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

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

The Nomination Committee selected the independent directors in accordance with Rule 38 of the Securities Regulation Code (Republic Act 8799) ("SRC") and the Revised Code of Corporate Governance (SEC Memorandum Circular No. 6, Series of 2009).

- (c) PSGF does not maintain any employees nor does it maintain any payroll. PSGF does not expect in the foreseeable future to have any employees.
- (d) The incumbent directors, officers, and nominees for director are not related to each other up to the fourth civil degree either by consanguinity or affinity.
- (e) None of the directors, officers and nominees for director has been involved in the following legal proceedings within the past 5 years:
- Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
  - Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
  - Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
  - Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.
- (f) There was no transaction or proposed transaction during the last 2 years to which PSGF was or is to be a party.

The Chairman of the Nomination Committee is Roberto de Ocampo with member Ms. Arleen Guevara. Messr. De Ocampo nominated Messrs. Braun & Salazar for independent director. Messrs. de Ocampo, Braun & Salazar are not related up to the fourth civil degree of consanguinity or affinity.

There is no person who is not an officer and is expected by PSGF to make significant contribution to the Fund.

## 6. Compensation of Directors and Executive Officers

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

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

For every board meeting attended by each director, he will receive a per diem of Php7,500.00. The directors received the following per diem for attendance in board meetings:

Payment Period	Aggregate Amount Received (in PHP)
2012	708,327
2013	1,278,169
2014	1,255,045
2015 (Estimated)	187,500

## 7. Independent Public Accountants

The Chairman of the Audit Committee is Armand Braun Jr. and the members are Arleen Guevara and Meliton Salazar, Jr.

Beginning calendar year 2009, the accounting firm of Isla Lipana & Co. ("Isla Lipana") has been appointed as external auditor of PSGF. Zaldy Aguirre is the signing partner of Isla Lipana since 2013. Isla Lipana will be recommended to the stockholders for appointment for 2015 to 2016. PSGF does not expect any representative from Isla Lipana to be present during the Annual Stockholders' Meeting.

PSGF is compliant with SRC Rule 68(3)(b)(IV) regarding the 5-year rotation of external auditors. In recommending this action, the members of the Board carefully considered Isla Lipana's performance, its independence with respect to the auditing services to be performed, and its general reputation for adherence to professional auditing standards.

## 8. Modification or Exchange of Securities

PSGF does not intend to modify any class of its securities, or issue or authorize the issuance of one class of securities in exchange for outstanding securities of another class.

## 9. Financial and Other Information

### C. MANAGEMENT REPORT

The following are PSGF's top five (5) key performance indicators:

- Assets Under Management ("AUM")

For the years ended December 31, 2014 and 2013, PSGF had AUM value of Php16.9 billion and Php 11.21 billion, respectively.

The Fund's total assets as of March 31, 2015 increased by Php2.06 billion or 11.70% as compared with the December 31, 2014 balance. Large portions of the increase is attributable to the increase of the Fund's investments in financial assets measured at fair value through profit or loss amounting to Php2.42 billion or 117.82% of Php2.06 billion, and the Fund's other assets which is mainly characterized by the participation in a stock rights offering which settled after cut-off date amounting to Php158.63 million or 7.71% of the Php2.06 billion increase. This is in addition to the good performance of the market for the period then ended, continuing client subscription and the strategy of the Fund manager in managing the Fund's assets.

- Net Asset Value Per Share ("NAVPS") Per Quarter

QTR		YEAR	DATE	NAVPS	YEAR	DATE	NAVPS	YEAR	DATE	NAVPS
1	LOW	2013	02-Jan	507.43	2014	10-Jan	458.10	2015	06-Jan	543.32
	HIGH		06-Mar	575.89		11-Mar	504.77		04-Mar	582.72
2	LOW		25-Jun	493.66		01-Apr	505.32			
	HIGH		15-May	612.51		14-May	529.04			
3	LOW		28-Aug	482.38		14-July	522.33			
	HIGH		25-Jul	554.52		24-Sept	553.70			
4	LOW		13-Dec	451.14		17-Dec	524.54			
	HIGH		23-Oct	520.81		26-Nov	550.90			

#### Market Information

PSGFI is not listed in the Philippine Stock Exchange and is sold by PAMI's main distribution channels - the Philam Life licensed agents.

#### Holders

As of March 31, 2015, there are Seventeen Thousand Three Hundred (17,300) holders of redeemable common stock, the only class of shares of PSGFI, totaling Thirty Three Million Five Hundred Ninety Two Thousand Eight Hundred Fifty Two (33,592,852) shares.

The Securities and Exchange Commission has approved in its letter last August 08, 2014 the Company's application for the non-disclosure of its top 20 shareholders in the Information Statements, as part of the privilege they have earned in making significant investments in the Fund. Said approval is effective for five (5) years from date of approval.

#### Dividends

The Company does not plan to declare dividends. Surplus profits of the Company (if any), will be used as additional proceeds to invest in the fixed income instruments

- Sales & Redemptions

The following table summarizes the performance of PSGF in Php:

2012	Sales	Redemption	Net
1Q	891,043,681	633,153,078	257,890,602

2Q	1,631,431,556	479,139,342	1,152,292,214
3Q	1,129,772,618	606,868,078	522,904,539
4Q	1,287,803,302	1,540,405,769	(252,602,467)
<b>2013</b>	<b>Sales</b>	<b>Redemption</b>	<b>Net</b>
1Q	2,333,714,394	1,480,387,108	853,327,286
2Q	2,231,564,296	1,019,133,612	1,212,430,684
3Q	1,622,339,376	453,701,283	1,168,638,093
4Q	1,559,842,109	310,387,810	1,249,454,299
<b>2014</b>	<b>Sales</b>	<b>Redemption</b>	<b>Net</b>
1Q	1,514,534,691	327,423,450	1,187,111,241
2Q	1,323,743,593	669,923,073	653,820,519
3Q	1,599,875,700	1,290,089,769	309,785,930
4Q	2,516,516,761	1,066,512,248	1,450,004,512
<b>2015</b>	<b>Sales</b>	<b>Redemption</b>	<b>Net</b>
1Q	2,738,842,991	1,453,551,476	1,285,291,515

#### 4. Fund Performance Against Competition

The following table summarizes a comparison of PSGF against its competitors for the period ending March 2015:

Fund Name	NET ASSETS	TOTAL SALES	TOTAL REDEMPTIONS
ALFM Growth Fund, Inc.	10,281,685,476	187,284,179	455,738,236
ATRKE Alpha Opportunity Fund, Inc.	269,475,801	25,637,172	54,202,133
ATRKE Equity Opportunity Fund, Inc.	5,780,792,457	427,893,017	1,100,194,122
First Metro Save and Learn Equity Fund, Inc.	7,375,277,176	327,271,024	820,001,560
Philam Strategic Growth Fund, Inc.	19,574,724,367	2,738,842,991	1,453,551,476
Philequity Fund, Inc.	13,896,980,026	1,397,045,938	299,586,194
Philequity PSE Index Fund, Inc.	303,127,799	67,130,267	6,441,916
Philippine Stock Index Fund Corp.	17,606,951,094	1,807,727,744	1,117,413,792
Sun Life Prosperity Philippine Equity Fund, Inc.	16,804,747,834	1,432,685,368	2,183,578,514
United Fund, Inc.	743,935,296	4,965,782	7,737,055

\*Source: Philippine Investment Funds Association (PIFA)

#### 5. Fund Management & Environmental Analysis:

##### *Market and Economic Review*

The PSEi returned to its winning ways in the first quarter of the year, rising 9.8% to close at 7,940. This was the fourth quarter-on-quarter gain in the last 5 quarters. Foreign buying totaled \$1.07 billion in the quarter. For perspective, this was 85% of the total net foreign buying figure for 2014. Daily volumes averaged P9.2 billion – 18% higher than the average for 2014.

GDP growth in the fourth quarter of 2014 accelerated to 6.9% year-on-year from an average of 5.8% through the first 3 quarters of the year. Full-year GDP growth ended up at 6.1%. Agriculture (+4.8%) was a positive surprise on the back of both production efficiency and favorable weather, while Manufacturing (+7.3%) continued its resurgence despite last year's high base. BSP continued to keep policy rates, the SDA rate and reserve requirements unchanged on the back of their continued expectation of benign inflation and a strong domestic consumption environment. Inflation averaged 2.4% per month in the first quarter after averaging 4.2% the whole of 2014. 10-year money yields dropped by 31 bps to close the quarter at 4.0614. The Peso was hardly changed, strengthening by just 2 Centavos versus the Dollar to close at 44.70.

ALI, SM and URC (+81.2, +69.1 and +66.7 Index points respectively) led 24 Index gainers, while ICT, BLOOM and TEL (-16.7, -14.2 and -11.7 Index points respectively) led 6 losers.

##### *Outlook*

We continue to expect an acceleration in earnings growth this year – we see it returning to double-digit territory from 4.2% in 2014.

## DISCUSSION OF FINANCIAL CONDITIONS

*Financial Position (in Thousands of Pesos)*

March 31, 2015

Net assets for the year ended March 31, 2015 was Php19,574,725 (total assets of Php19,644,184 less total liabilities of Php69,459). This figure is 15.48% higher compared to December 2014's net assets of Php16,950,725

NAVPS on March 31, 2015 was Php582.7. This is 16.6% higher compared to the NAVPS on March 31, 2014 at NAVPS of Php499.54

FY 2014 vs. FY 2013

Net assets for 2014 was Php16,950,725 (total assets of Php17,586,704 less total liabilities of Php16,950,725). This figure was 51% higher compared to 2013's net assets of Php11,205,966.

NAVPS on December 31, 2014 was Php540.62. This was 17.7% higher compared to the NAVPS on December 31, 2013 at NAVPS of Php459.24

FY 2013 vs. FY 2012

Net assets for 2013 was Php11,205,966 (total assets of Php11,321,193 less total liabilities of Php115,227). This figure was 39% higher compared to 2012's net assets of Php8,075,749.

NAVPS on December 31, 2013 was Php459.2421. This was 8.5% lower compared to the NAVPS on December 31, 2012 at NAVPS of Php502.0671.

*Results of Operations (in Thousands of Pesos)*

March 31, 2015

Net income for the period ended March 31, 2015 was Php1,340,481 (gross income of Php1,453,846 less operating expenses of Php111,063 less income taxes of Php2,302). This figure was 29.9% higher compared to the same period last year's net income of Php1,031,814.

Earnings Per Share (EPS) as of March 31, 2015 was Php41.1470 (net income of Php1,340,481 divided by 32,577,871 common shares). This was 30% lower compared to the same period last year EPS of Php58.7824.

FY 2014 vs. FY 2013

Net gain for 2014 was Php2,150,743 (gross income of Php2,523,546 less operating expenses of Php357,981 less income taxes of Php14,822). This figure was 265% higher compared to 2013's net income of (Php1,296,084),.

Gain per share for the year 2014 was Php76.3921 (net gain of Php2,150,743 divided by the weighted average number of 28,154 common shares. This was 217% higher compared to 2013's earnings per share of (Php64.7621).

FY 2013 vs. FY 2012

Net loss for 2013 was Php1,296,084 (gross income of Php 256,198 less operating expenses of Php 1,540,493 less income taxes of Php11,789). This figure was 184.6% lower compared to 2012's net income of Php1,532,663.

Loss per share for the year 2013 was Php64.7621 (net loss of Php1,296,084 divided by the weighted average number of 20,013 common shares. This was 163.5% lower compared to 2012's earnings per share of Php102.0619.

Material Movements are set at (+/- ) 5%. The following table summarizes the accounts with material movements (+/- 5%) and their corresponding explanations:

<b>Accounts</b>	<b>2014 (Php in thousands)</b>	<b>2013 (Php in thousands)</b>	<b>Change in Amount (Php in thousands)</b>	<b>Change in %</b>
Cash and cash equivalents	1,100,287	637,744	462,543	72.53%



Financial assets at fair value through profit or loss	15,701,892	10,626,053	5,075,839	47.77%
Available-for-sale securities	526,340	-	526,340	100.00%
Loans and receivables	257,171	56,176	200,995	357.80%
Other assets	1,014	1,220	(206)	-16.89%
Accounts payable and accrued expenses	602,979	92,293	510,686	553.33%
Due to Philam Asset Management, Inc.	33,000	22,934	10,066	43.89%
Share capital	3,135,733	2,440,103	695,630	28.51%
Share premium	9,746,317	6,853,813	2,892,504	42.20%
Reserve for fluctuation of available-for-sale financial asset	5,882	-	5,882	100.00%
Retained earnings	4,062,793	1,912,050	2,150,743	112.48%
Fair value gains, net	2,202,787	(1,278,008)	3,480,795	-272.36%
Dividend	250,918	197,453	53,465	27.08%
Interest	69,841	58,142	11,699	20.12%
Other income	-	603	(603)	-100.00%
Management fees	329,956	237,413	92,543	38.98%
Fees and other charges	19,122	14,840	4,282	28.85%
Taxes and licenses	7,728	8,503	(775)	-9.11%
Other Expenses	1,175	1,729	(554)	-32.04%

Cash & cash equivalents – The increase is highly attributable to continuing client subscription and the strategy of the Fund manager in managing the Fund's assets.

Financial assets at FVTPL – The increase is mainly due to the higher volume of investments in equity securities as a result of the increasing assets under management of the Fund along with the good market performance.

Available-for-sale securities – The increase is due to the acquisition of new investment of the Fund classified as available-for-sale securities which consists of government securities.

Loans and receivables – The increase is highly attributable to higher amount of settlement receivable from brokers due to securities purchases that have been transacted as reporting date which settled after year-end.

Other assets – The decrease is mainly due to lower other accounts receivable of the Fund as of year-end.

Accounts payable & accrued expense – The increase is generally due to the large amount of settlement payable to brokers due to securities purchases that have been transacted as of reporting date but settled on T+3. There is increase in accruals as a result of the increase of the Fund's asset under management during the year which is the basis of its computation.

Due to Philam Asset Management, Inc. – The increase is attributable to the higher AUM which is the basis for the computation of its accrual.

Share capital – The increase is principally attributed to the continuing client subscription.

Share premium – The increase is due to higher client subscriptions.

Reserve for fluctuation on available-for-sale financial asset – The increase is due to the acquisition of investments of the Fund classified as available-for-sale securities.

Retained earnings – The increase is due to the additional net income of the Fund.

Fair value gains, net – The increase is due to the movement of the Fund's investment in financial assets measured at FVTPL and performance of the stock market as of reporting date.

Dividend – The increase is due to more entitlements for the year.

Interest – The increase is due to higher interest income from government securities.

Other income – The decrease is due to lower other income derived out of the Fund's operations.

Management fees – The increase is attributable to the higher AUM which is the basis for the computation of the expense incurred.

Fees and other charges – The increase is characterized mainly by the higher amount of administration fees, professional fees, custodian fees, directors' fees, marketing fees and transfer agency fees for the year as a result of higher AUM.

Taxes and licenses – The decrease is attributable to the lower taxes and licenses fees paid for the year.

Other expenses – The increase is due to lower amount of other expenses incurred for the Fund's operations.

#### Liquidity

There are no known demands, commitments, events or uncertainties which will impair the liquidity of the Fund. The Fund is mandated by SEC, through the Investment Company Act, to maintain at least 10% of its net assets to be invested as liquid assets (ICA Rule 35-1 p. d4). But since the Fund has a contingency liquidity plan, the liquid assets can be at a minimum of 5% of the Net Asset Value.

There are no events that will trigger any direct or contingent financial obligations that are material to the Fund.

#### Material Transactions

There are no material off-balance sheet transactions, arrangements, obligations and other relationships of the Fund with unconsolidated entities or other persons. The Fund knows no material commitments for capital expenditures. There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations. PSGFI knows of no events that will cause a material change in the relationship between costs and revenues. Also, there are no seasonal aspects that had a material effect on the financial condition or results of operations other than below statement.

The Fund, being subjected to mark-to-market valuation, depends significantly on the market value fluctuations of listed stocks and securities being held by it.

*Recent Sales of Unregistered or Exempt Securities including Recent Issuances of Securities Constituting and Exempt Transaction - NONE*

#### External Audit Fees

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

Year	Amount
2013	Php680,000
2014	Php710,000
Total	Php1,390,000

#### Note:

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

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

The following are the PSGF Audit Committee's approval policies & procedures for the external auditor:

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

- PSGF will report to the Audit Committee regarding the actual spending for these projects and services, compared to the approved amounts on a quarterly basis.
- The Audit Committee Chairperson will report to the Audit Committee at each regularly scheduled meeting the nature and amount of any non-audit services that he has approved.

#### *Corporate Governance*

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

PSGF has undertaken the following measures to fully comply with the adopted leading practices on good corporate governance:

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

Except for the required changes mandated by SEC, PSGF has no material deviations from its Manual of Corporate Governance since it filed its CG-SRF with the SEC on February 21, 2008.

Apart from the foregoing changes or improvements being considered for corporate disclosures, there are no plans to improve the current corporate governance of PSGF.

#### *Other Disclosures*

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

#### **10. Mergers, Consolidations, Acquisitions and Similar Matters**

PSGF does not have any plans to merge or consolidate with any entity. Neither does it have any plans to acquire the securities of any other entity, any other going business, or the assets thereof. It does not have any plan to sell or transfer all or any substantial parts of its assets. Neither does it have any plans to dissolve or liquidate.

#### **11. Acquisition or Disposition of Property**

PSGF does not own any real property and does not intend to acquire any real property.

#### **12. Restatement of Accounts**

PSGF does not intend to restate any of its asset, capital or surplus accounts.

#### **D. OTHER MATTERS**

#### **13. Action with Respect to Reports**

PSGF will submit the following to the stockholders for approval:

- 13.1. Minutes of the Annual Stockholders' Meeting held on November 14, 2014
- 13.2. Acts of the Board of Directors to be ratified:

- 13.2.1 Renewal of the Management and Distribution Agreement with PAMI as Fund Manager;
- 13.2.2 Approval of the Audited Financial Statements for the calendar year ended December 31, 2014
- 13.2.3 Appointment of the officers of PSGF; and
- 13.2.4 Appointment of the various board committees of PSGF

#### **15. Other Proposed Action**

There are no other proposed actions with respect to any matter not specifically referred to above.

## **16. Voting Procedures**

Unless otherwise provided by law, each stockholder shall at every meeting of the stockholders, be entitled to one vote, in person or by proxy, for each share with voting rights held by such stockholder.

All elections and all questions, except as otherwise provided by law, shall be decided either by majority or 2/3 votes in accordance with the Corporation Code, of the stockholders present in person or by proxy entitled to vote thereat, a quorum (majority of the issued and outstanding capital stock having voting powers) being present.

Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting and entitled to vote thereat, the vote on any question will not be by ballot, and will be conducted and counted by a raising of hands. In case of a vote by ballot, each ballot shall be signed by the stockholder voting in his name or by his proxy if there be such proxy, and shall state the number of shares voted by him. The Corporate Secretary of PSGF will count the votes.

## **17. Interest of Certain Persons in or Opposition to Matters to be Acted Upon**

No person who has been a director or officer of PSGF, or a nominee for election as a director of PSGF, nor any of their associates, has a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting, other than the election of directors.

No director of PSGF has informed it in writing that he or she intends to oppose any matter to be acted upon at the Annual Stockholders' Meeting.

**UPON WRITTEN REQUEST OF ANY OF THE STOCKHOLDERS OF RECORD ENTITLED TO NOTICE OF, AND TO VOTE AT, THE MEETING, PSGF SHALL FURNISH HIM WITH A COPY OF ITS ANNUAL REPORT ON SEC FORM 17-A WITHOUT CHARGE. ANY SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO:**

PHILAM STRATEGIC GROWTH FUND, INC.  
17/F Philam Life Head Office,  
Net Lima Building, 5th Avenue corner 26th St.,  
Bonifacio Global City, Taguig 1634  
Philippines

<b>PART II.</b>
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**INFORMATION REQUIRED IN A PROXY FORM**

1. Identification

The proxy solicitation is made by PHILAM STRATEGIC GROWTH FUND, INC. (the "Company"), represented by Mr. Ferdinand L. Berba, the President and Chief Executive Officer of Philam Asset Management, Inc. ("PAMI"), the Company's investment adviser. The proxy solicitation is in favor of Mr. Berba or in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting chosen in accordance with the Company's By-Laws.

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

2. Instructions

- (a) The security holder is instructed to complete, and affix their signature on the attached form.
  - (i) If the securities are owned by two or more joint owners, the proxy form must be signed by all of the joint owners.
  - (ii) If the securities are owned in an "and/or" capacity, the proxy form must be signed by either one of the owners.
  - (iii) If the securities are owned by a corporation, association, partnership or unincorporated entity, the proxy form must be accompanied by a certification, signed by a duly authorized officer, partner or representative of such corporation, association, partnership or unincorporated entity that designates and empowers an authorized signatory to sign the proxy form pursuant to the constitutive documents or duly approved policies of such corporation, association, partnership or unincorporated entity for this particular purpose.
- (b) The security holder appoints Mr. Ferdinand L. Berba or in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting, to represent and vote all shares registered in his or her name as proxy of the undersigned security holder.
- (c) The security holder shall clearly indicate the date of execution of the proxy form. A proxy form which is undated, post-dated, or which provides that it shall be deemed to be dated as of any date subsequent to the date on which it is signed by the security holder, shall not be valid.
- (d) The security holder shall sign the proxy form or have the form signed by a duly authorized representative, and file the same with the Corporate Secretary not later than 5:00 p.m. on July 17, 2015.
- (e) Retrieval and validation of all the proxy forms shall be administered by the Corporate Secretary and persons designated by the Corporate Secretary who shall be under his supervision and control from June 24 to July 17, 2015.

3. Revocability and Validity of Proxy

The proxy form in favor of the Company shall be irrevocable and shall be effective and valid for a period of five (5) years from the date of its execution. There is no formal procedure or limitation for the right of revocation of a proxy before it is exercised.

4. Persons Making the Solicitation

PSGF is not soliciting any votes. Neither is PSGF aware of any director who intends to oppose any action intended to be taken by PSGF

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

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

**PART III.**

**SIGNATURE PAGE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Taguig on June 23, 2015.

**PHILAM STRATEGIC GROWTH FUND, INC.**

**By: FERDINAND L. BERBA**  
President and Chief Executive Officer  
Philam Asset Management, Inc.

**\*PLEASE FILL UP AND SIGN THIS PROXY FORM AND RETURN OR FAX IMMEDIATELY TO:**

**PHILAM ASSET MANAGEMENT, INC.**  
**17<sup>th</sup> Floor Net Lima Building, 5<sup>th</sup> Avenue corner 26<sup>th</sup> Street, Bonifacio Global City, Taguig**  
**Email: [phi.philamasset@aia.com](mailto:phi.philamasset@aia.com)**  
**Fax: (02) 5285093**

### **STOCKHOLDER PROXY**

The undersigned stockholder (the "Stockholder") of PHILAM STRATEGIC GROWTH FUND, INC. (the "Company"), hereby appoints: Ferdinand L. Berba, with full power of substitution and delegation, or, in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting of the Company, chosen in accordance with the Company's By-Laws, as the Stockholder's proxy to represent the Stockholder and vote all shares registered in the Stockholder's name in the books of the Company and/or such shares as the Stockholder is authorized to represent and vote in the Stockholder's capacity as administrator, executor or attorney-in-fact, at the annual meeting of the stockholders to be held at the Legaspi 2 Function Room 2nd Floor, Makati Diamond Residences Legazpi Street, Legazpi Village, Makati City 1229 on July 23, 2015 at 2:00pm, and any adjournments and postponements thereof, as fully to all intents and purposes as the stockholder might or could do if present in person, hereby ratifying and confirming any and all actions to be taken during any said meetings and adjournments thereof for the purpose of acting on the following matters:

1. Election of Directors  
 The security holder may withhold authority to vote for any nominee by striking out the name of the nominee. Please only check the box opposite the nominee you wish to elect.
  - Roberto De Ocampo
  - Arleen May Guevara
  - Reynaldo Geronimo
  - Armand Braun, Jr.
  - Meliton Salazar Jr.
  - Ferdinand L. Berba
  - Allan R. Santos
2. Approval of minutes of previous Annual Stockholders' Meeting held on November 14, 2014
  - For
  - Against
  - Abstain
3. Approval of Audited Financial Statements for the fiscal year ending December 31, 2014
  - For
  - Against
  - Abstain
4. Ratification and approval of the acts of the Board of Directors and Management since the last annual stockholders' meeting
  - For
  - Against
  - Abstain
5. Appointment of external auditor for 2015
  - For
  - Against
  - Abstain

This proxy revokes and supersedes any previously executed proxy or proxies. This proxy shall be valid for a period of five (5) years from the date of its execution.

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

Signed on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ in \_\_\_\_\_.

\_\_\_\_\_  
 Signature of Stockholder or Stockholder's representative over printed name