

AIA Investment Management and Trust Corporation Philippines
AIA Peso Medium-Term Bond Fund
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
as of September 30, 2025

FUND FACTS

Classification	Intermediate Fixed Income	Net Asset Value per Unit (NAVPU)	Php 1.0989
Launch Date	February 17, 2023	Total Fund Net Asset Value (Mn)	Php 55.04
Minimum Investment	Php 1,000	Dealing Day	Daily up to 12nn
Additional Investment	Php 100	Redemption Settlement	3 business days
Minimum Holding Period	None	Early Redemption Fee	None

FEES*

Trustee Fees:	Custodianship Fees:	External Auditor Fees ¹ :	Other Fees ² :
0.2105%	0.005%	0.0979%	1.2136%
AIA Investment Management & Trust Corporation Philippines	HSBC	Isla Lipana	

*as a percentage of average daily NAV for the quarter valued at Php 54,165,037.17

INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims to achieve stable income and capital growth by investing in a diversified portfolio of peso-denominated fixed income instruments with an average portfolio duration of more than three (3) but not more than five (5). The Fund is actively managed which allows full discretion on security selection and aims to outperform the overall return of Markit iBoxx ALBI Philippines 1-5 or IBXXPH15 Index.

CLIENT SUITABILITY

A client profiling process should be performed prior to participating in the Fund to guide the prospective investor if the Fund is suited to his/her investment objectives and risk tolerance. Clients are advised to read the Plan Rules of the Fund, which may be obtained from the Trustee, before deciding to invest.

This fund is suited for moderately conservative investors with an investment horizon of more than three (3) years.

KEY RISKS AND RISK MANAGEMENT

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

- Credit Risk.** Refers to the risk of losses that an investor is exposed to due to a borrower’s failure to pay the principal and/or interest on instruments such as bonds, loans, or other forms of securities. The borrower’s inability to fulfil its financial obligations may be due to adverse changes in its financial condition thus, lowering the credit quality and/or price of the security.
- Counterparty Risk.** Refers to the risk of a counterparty defaulting on a contract to deliver its obligation in cash, securities or even services.
- Liquidity Risk.** Refers to the risk of losses that an investor is exposed to due to the inability to convert assets into cash immediately or when the conversion is possible but only at a lower price. Such may be caused by holding securities with small or few outstanding issues, inadequate buyers, infrequent trading activity or underdeveloped capital market.
- Market Risk.** Refers to the risk of losses that an investor is exposed to due to the unanticipated change in the prices of securities or macroeconomic variables that influence the financial markets.
- Interest Rate Risk.** Refers to the risk of loss that an investor is exposed to due to changes in interest rates. The purchase and sale of fixed income securities, for example, may result in a loss because the price of the security may decline if interest rates rise.
- Reinvestment Risk.** Refers to the risk that an investor is exposed to the possibility of getting lower returns or earnings upon reinvestment of maturing funds and/or interest earnings.

- THE UITF IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP (PDIC).
- RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/ FLUCTUATIONS ONLY.
- WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES WILL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.
- THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.

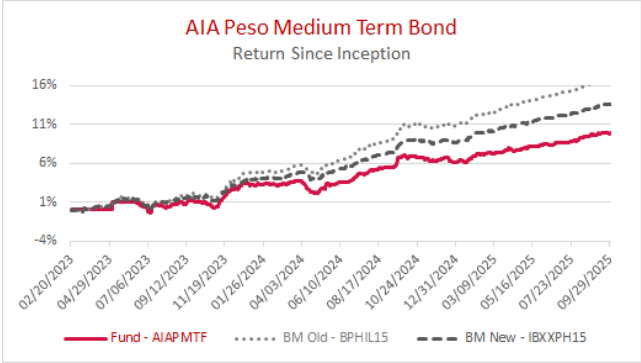
For more information, please check the official website at <https://investment.aia.com/ph/index.html> or contact (+63)9178490195 or mayen-mf.dabbay@aia.com.

¹ Total audit fee expense recorded for the quarter
² Other Fees may include transaction fees.

FUND PERFORMANCE AND STATISTICS as of SEPTEMBER 30, 2025

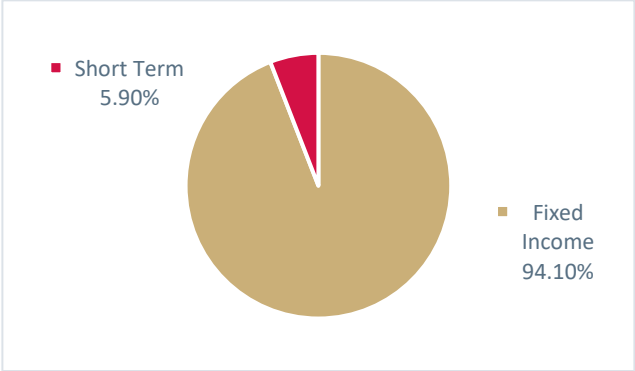
(Purely for reference purposes and is not a guarantee of future results)

NAVPU GRAPH



* Effective May 01, 2024 - new benchmark is Markit iBoxx ALBI Philippines 1-5 [IBXXPH15 INDEX] from Bloomberg Philippine Sovereign Bond Index 1 to 5 [BPHIL15 INDEX]. The IBXXPH15 Index is maintained by IHS Markit. It reflects acceptable returns on a peso-denominated medium risk fixed income portfolio comprising of Philippine Government Bonds with remaining maturity of at least 1.25 years and no longer than five (5) years. Benchmark composition is rebalanced monthly. Relative to the previous benchmark, it is net of taxes, which is a more accurate measure of performance.

PORTFOLIO COMPOSITION



CUMULATIVE PERFORMANCE (%)³

	1 mo	3 mo	6 mo	YTD	1YR	2YR	S.I.
Fund	0.22	1.16	2.04	3.53	2.69	8.76	9.89
BM*	0.30	1.28	2.49	4.51	4.30	12.11	14.36

*Benchmark (BM) used is BPHIL15 INDEX from inception to April 30, 2024 and IBXXPH15 INDEX from May 01, 2024.

NAVPU OVER THE PAST 12 MONTHS

Highest	1.0996
Lowest	1.0610

STATISTICS

Weighted Ave. Duration ⁴	3.51
Volatility, Past 1 Year ⁵	1.02%
Sharpe Ratio ⁶	-3.37
Information Ratio ⁷	-1.49

TOP TEN HOLDINGS (%)

Security	% of Portfolio
RPGB 6 1/2 05/19/29	15.45
RPGB 6 1/4 02/28/29	10.17
RPGB 6 08/20/30	9.86
RPGB 6 7/8 01/10/29	8.99
RPGB 6 1/8 08/22/28	8.86
RPGB 6 3/4 09/15/32	7.58
RPGB 6 1/4 01/25/34	7.43
RPGB 5 3/4 03/07/28	7.23
RPGB 6 3/8 07/27/30	5.58
CBKCOR DTD 3.9 10/01/25	5.56

BENCHMARK INFORMATION

Markit iBoxx ALBI Philippines 1-5 contains Philippine government bonds with a remaining maturity of between one (1) and five (5) years and a minimum notional size of Php 3 billion. Said benchmark is used to compare the performance of the Fund and complements the Fund's average portfolio duration of more than three (3) but not more than five (5). For more information on this benchmark, please visit: [iBoxx® Bond & Loan Indices](https://www.markit.com/Company/Files/DownloadFiles?CMSID=65e492c01c0b41f7b02826405970c075) or <https://www.markit.com/Company/Files/DownloadFiles?CMSID=65e492c01c0b41f7b02826405970c075>.

RELATED PARTY TRANSACTIONS

None to disclose.

OUTLOOK AND STRATEGY

In Q3 2025, Bangko Sentral ng Pilipinas (BSP) and US Federal Reserve (Fed) pivoted toward rate cuts, reinforcing growth support amid subdued inflation and merging economic headwinds.

Headline inflation averaged 1.4% in Q3, remaining below BSP's 2–4% target despite edging up from 0.9% in July to 1.7% in September. The rise was driven by higher transport and vegetable prices, but steep rice deflation and lower power rates kept overall inflation subdued. Against this backdrop, the BSP cut its policy rate by 25 bps to 5.00%, calling it the “Goldilocks rate”, one that balances inflation and output. Meanwhile, the Fed delivered its first 2025 cut, lowering its benchmark range to 4.00%–4.25% amid moderating inflation and labor market weakness to support growth.

Peso bond yields fell across the curve with benchmark rates closing at:

- 5.57% for the 2-year (-15 bps),
- 5.87% for the 5-year (-7 bps),
- 6.03% for the 10-year (-24 bps), and
- 6.44% for the 20-year (-15 bps).

With inflation on target and growth risks mounting, BSP is expected to stay accommodative, with a possible rate cut by year-end. We plan to maintain overweight duration to capture potential gains from easing policy.

³ Returns are net of fees.
⁴ Duration measures the expected change in the portfolio's bond prices to a 1% change in interest rates.
⁵ Volatility measures the degree to which the Fund fluctuates vis-à-vis its own average return over a period of time (standard deviation of returns).
⁶ Sharpe Ratio is used to characterize how well the Fund compensates the investor for the level of risk taken. The higher the number, the better, as it provides a higher reward for every risk taken. It is computed under the following steps: 1) Getting the returns of the Fund; 2) Subtracting the Philippines risk-free rate over number 1. The Philippines risk-free rate used in the calculation is the running 10-year Bond Rate; and 3) Dividing the difference of 1-2 over the Fund's Volatility.
⁷ Information Ratio has the same objective as the Sharpe Ratio as it characterizes how well the Fund compensates the investor for the level of risk taken. However instead of comparing the Fund's return with the Philippines risk-free rate, it is compared over the Benchmark's return and the risk measure is the Tracking Error of the Fund over its Benchmark. It is computed under the following steps: 1) Getting the returns of the Fund; 2) Subtracting the returns of the Benchmark to 1; and 3) Dividing the difference of 1-2 over the Fund's Tracking Error.