

Peso Equity Power Growth Fund



FUND DETAILS:

Inception Date	24-Oct-24	Latest NAVPU	1.095100
Fund Manager	HSBC	Initial NAVPU	1.000000
Fund Currency	PHP	Highest NAVPU (09.24.2025)	1.099190
Fund Size	PHP 151 million	Lowest NAVPU (04.08.2025)	0.827790
Management Fee	2.00% p.a.	Pricing / Valuation	Daily

Risk Classification

The Fund is suitable for investors with a moderately aggressive profile or for those who take medium to long - term views. As a marked -to-market Fund, its net asset value and total return may fall or rise as a result of interest rate movements and stock price movements. On redemption of units, a policyholder may receive an amount less than the original amount invested. Prior to investment in the Fund, the policyholder shall undergo a client suitability assessment procedure to determine whether the Fund is appropriate for him considering his investment objective, preferences and experience.

4.00-4.25%) on labour market weakness and ongoing evidence that the US economy has achieved a “soft landing”. Despite elevated inflation, the market is pricing two more 25bp US cuts by year-end, and two in 2026.

Market Outlook

Markets have traded at new highs on AI-driven enthusiasm. However, US cyclical exceptionalism is fading as growth converges among DM economies.

Labour market cracks are a risk, while rate cuts support our expectation of a weaker USD and a broadening out of global profits.

AGI RISK AND REWARD INDICATOR



Investment Objective

Peso Equity Power Global Fund aims to achieve long-term capital appreciation by investing in US equities to closely track the returns of the S&P 500 Index.

- The Fund is exposed to significant risks which include investment/general market, company-specific, creditworthiness/credit rating/ downgrading, default, currency, valuation, asset allocation, country and region, emerging market, and interest rate risks. The Fund's investments focus on the Asia Pacific which may increase concentration risk.
- The Fund may invest in emerging markets which are subject to greater liquidity risk, currency risk, general market risk, settlement risk and custodial risk. The Fund is additionally subject to legal, taxation and regulatory risks.
- The Fund may invest in financial derivative instruments ("FDI") for efficient portfolio management (including for hedging) which may expose to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks. The Fund will not invest extensively in FDI for investment purpose.
- Dividend payments may, at the sole discretion of the Investment Manager, be made out of the Fund's capital or effectively out of the Fund's capital which represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. This may result in an immediate decrease in the NAV per share and the capital of the Fund available for investment in the future and capital growth may be reduced.
- This investment may involve risks that could result in loss of part or entire amount of investors' investment.
- In making investment decisions, investors should not rely solely on this material.

ABOUT THE FUND

Allianz PNB Life has added the Equity Power Growth Fund to their investment portfolio. The fund is managed by HSBC Asset Management which has over US 731 billion in assets under management globally for a range of clients, from some of the largest institutional investors in the world to commercial and corporate clients, financial intermediaries, retail and private banking clients.

Market Commentary

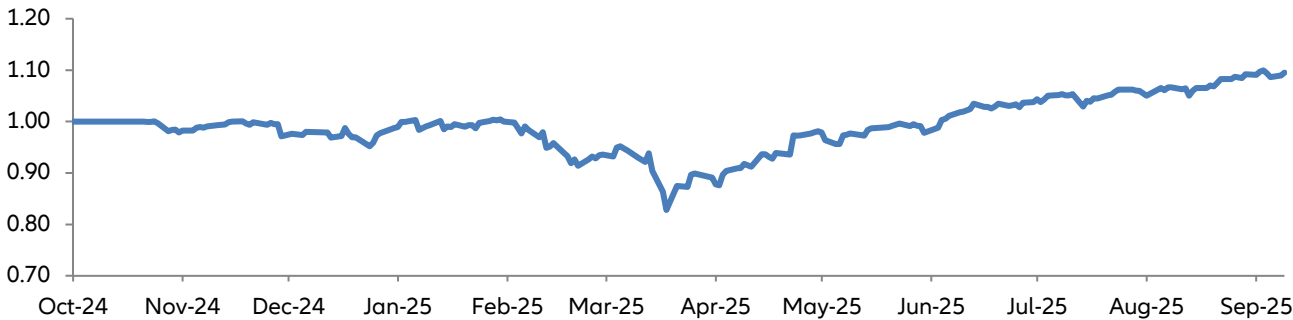
Across major regions and markets, the US equity market was a top performer within developed markets supported by strong performance within the technology sector. As AI enthusiasm continues to dominate investor sentiment, US stock indices are pushing to fresh all-time highs. But there are reasons to remain cautious. The US stock market remains relatively expensive (12-month forward PE of around 22x), while the US economy is cooling. Total non-farm payrolls fell in June and have risen by an average of only around 30k from June to August. Inflation is also proving stubborn as the impact of tariffs is yet to fully feed through. Tariff uncertainty persists, which could spur further volatility. And there is no guarantee tech capex will provide a return on investment that satisfies investors. On policy front, the US Federal Reserve restarted its easing cycle, cutting rates by 25bp cut (to

Performance Overview

	Performance History	Year To Date	1 Year (YoY)	3 Years (YoY)	5 Years (YoY)	Since Inception
Price Return Only ¹	Absolute	11.72%	N/A	N/A	N/A	9.51%
	Annualized	N/A	N/A	N/A	N/A	N/A
Median Local Competitor ²	Absolute	11.92%	11.72%	15.60%	7.98%	N/A
	Annualized	N/A	11.72%	4.95%	1.55%	N/A

1 Return calculated from changes in NAVPU only
2 Based on available Offshore Equity Funds in Philippine insurer's VUL Funds that has at least 3 years history. Data sourced from publicly available sources.

NAVPU Since Inception

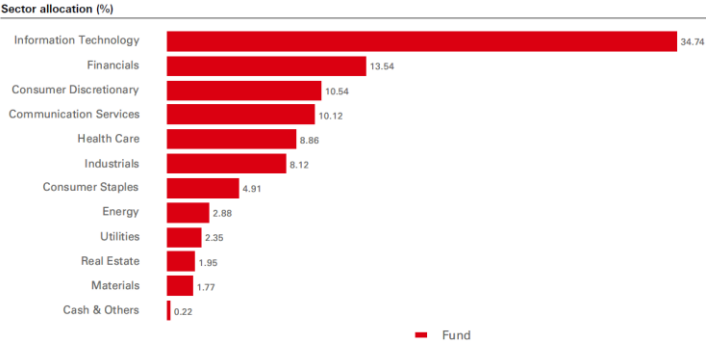


Portfolio Analysis

Asset Allocation



Top 10 holdings	Sector	Weight (%)
NVIDIA Corp	Information Technology	7.96
Microsoft Corp	Information Technology	6.73
Apple Inc	Information Technology	6.61
Alphabet Inc	Communication Services	4.46
Amazon.com Inc	Consumer Discretionary	3.73
Meta Platforms Inc	Communication Services	2.79
Broadcom Inc	Information Technology	2.72
Tesla Inc	Consumer Discretionary	2.18
Berkshire Hathaway Inc	Financials	1.61
JPMorgan Chase & Co	Financials	1.52



Equity characteristics	Fund	Reference Benchmark
No. of holdings ex cash	502	500
Average market cap (USD Mil)	1,291,294	1,291,315
Price/earning ratio	25.42	25.42

- RISKS**
- Equities and other equities securities (ie. covered call, short-call option) and high-yield bonds may be subject to volatility and loss risks. The volatility of the fund unit price may be strongly increased.
 - Underperformance of the Asia Pacific and emerging markets possible
 - Currency losses possible against investor currency in unit classes not hedged
 - Flexible investment policy is no guarantee that losses will be excluded
 - Limited participation in the potential of individual securities
 - Success of single security analysis and active management not guaranteed
 - Any distributions involving payment of distributions out of the Fund's capital may result in
 - an immediate decrease in the Net Asset Value per Share and may reduce the capital available for the Fund for future investment and capital growth

IMPORTANT NOTICE:
This document is for information purposes only. This does not constitute an offer or a solicitation to buy or sell any investment referred to in this document. The information in this publication is based on carefully selected sources believed to be reliable but we do not make any representation as to its accuracy or completeness. Any opinions herein reflected are good as of this date but may be subject to change without prior notice. Investment or participation in the Fund is subject to risk and possible loss of principal, and is not insured by the Philippine Deposit Insurance Corporation (PDIC). Losses, if any, shall be for the account and risk of the Trustor/Participant. Past performance is not indicative of future performance.