CHINABANK DOLLAR FIXED INCOME FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of September 30, 2026

FUND FACTS

Classification:	Long-Term Fixed Income Fund	**Net Asset Value per Unit (NAVPu):**	2.107844
Launch Date:	September 09, 2005	**Total Fund Net Asset Value (NAV):**	USD6.41 Million
Minimum Investment:	USD500.00	**Dealing Day:**	Daily up to 12:00nn
Additional Investment:	At least USD100.00	**Redemption Settlement:**	3 banking days from date of notification
Minimum Holding Period:	30 calendar days	**Early Redemption Fee:**	1.00% of the proceeds

FEES[1]

Trustee Fees:	0.0688%	**Custodianship Fees:**	0.0015%	**External Auditor:**	0.0014%	**Licensing Fee:**	0.0026%
China Bank – Trust and Asset Management Group		Deutsche Bank AG, Manila Branch		SGV & Co.		Bloomberg Index Services Limited	

1As a percentage of average daily NAV for the month valued at USD6.56 Million.

INVESTMENT OBJECTIVE AND STRATEGY

The Chinabank Dollar Fixed Income Fund intends to achieve a steady stream of income by investing in a diversified portfolio of high-grade marketable securities comprised mainly of Philippine sovereign bonds as well as US treasury bonds of varying tenors with a weighted average portfolio modified duration of not more than ten (10) years. The Fund aims to outperform its benchmark which is the Bloomberg EM USD Sovereign-Philippine Total Return Index.

CLIENT SUITABILITY

A client profiling process shall 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. Before deciding to invest, clients are advised to read the Declaration of Trust, a copy of which is available at the Trustee's principal office.

The Chinabank Dollar Fixed Income Fund is suitable only for investors who:

- have a moderate risk appetite;
- are willing to assume a certain level of risk in consideration for higher returns; and
- have an investment horizon of at least five (5) years.

KEY RISKS AND RISK MANAGEMENT

The client should not invest in this Fund if the client does not understand or is not comfortable with the accompanying risks.

- **Interest Rate Risk.** This is the possibility for an investor to experience losses due to changes in interest rates. The purchase and sale of a debt instrument may result in profit or loss because the value of a debt instrument changes inversely with prevailing interest rates.
- **Market/Price Risk.** This is the possibility for an investor to experience losses due to changes in the market price of securities. It is the exposure to the uncertain market value of a portfolio due to price fluctuations.
- **Liquidity Risk.** This is the possibility for an investor to experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss. These may be caused by different reasons such as trading in securities with small or few outstanding issues, absence of buyers, limited buy/sell activity or underdeveloped capital market.
- **Credit/Default Risk**. This is the possibility for an investor to experience losses due to a borrower's failure to pay principal and/or interest in a timely manner on instruments such as bonds, loans or other forms of security which the borrower issued. It also includes risk on a counterparty (a party the Trustee trades with) defaulting on a contract to deliver its obligation either in cash or securities.
- **Reinvestment Risk.** This is the possibility for an investor to have lower returns or earnings when maturing funds or the interest earnings of funds are reinvested.
- **Country Risk.** This is the possibility for an investor to experience losses arising from investments in securities issued by/in foreign countries due to political, economic and social structures of such countries. There are risks in foreign investments due to the possible internal and external conflicts, currency devaluations, foreign ownership limitations and tax increases of the foreign country which are difficult to predict but must be taken into account when making such investments.

The Trustee only transacts with reputable counterparties and invests in debt securities which have undergone a rigorous accreditation and evaluation process. Internal and regulatory exposure limits as well as the Fund's average duration are monitored regularly to ensure that exposures are managed. The Fund also employs risk management measures to monitor significant declines in the Fund's NAVPu and alert the Trustee to review current strategies and take corrective action as necessary. The Fund also undergoes an annual review to ensure that it is equipped to fund any redemption requirement in a timely manner and at a reasonable cost during times of financial stress.

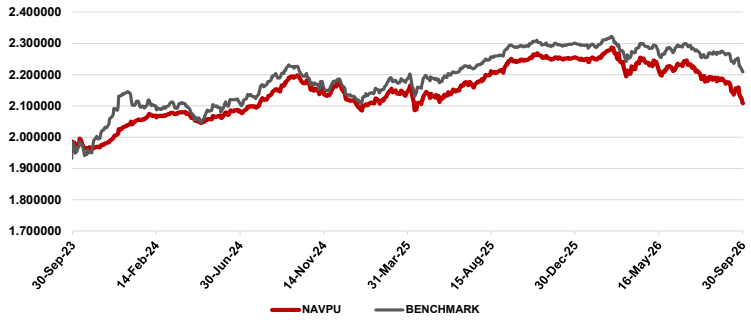
▪THE UITF IS A TRUST PRODUCT AND NOT A DEPOSIT ACCOUNT, AND IS NOT INSURED NOR GOVERNED BY THE PDIC.
▪THE UITF IS NOT AN OBLIGATION OF, NOR GUARANTEED, NOR INSURED BY THE TRUST ENTITY OR ITS AFFILIATES OR SUBSIDIARIES.
▪DUE TO THE NATURE OF THE INVESTMENTS OF A UITF, THE RETURNS/YIELDS CANNOT BE GUARANTEED. HISTORICAL PERFORMANCE, WHEN PRESENTED, IS PURELY FOR REFERENCE PURPOSES AND IS NOT A GUARANTEE OF SIMILAR FUTURE PERFORMANCE.
▪ANY LOSSES AND INCOME ARISING FROM MARKET FLUCTUATIONS AND PRICE VOLATILITY OF THE SECURITIES HELD BY THE UITF, EVEN IF INVESTED IN GOVERNMENT SECURITIES, ARE FOR THE ACCOUNT OF THE CLIENT. AS SUCH, THE UNITS OF PARTICIPATION OF THE CLIENT IN THE UITF, WHEN REDEEMED, MAY BE WORTH MORE OR WORTH LESS THAN HIS/HER INITIAL INVESTMENT/CONTRIBUTION.
▪THE TRUSTEE IS NOT LIABLE FOR LOSSES UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.
▪THE INVESTOR MUST READ THE COMPLETE DETAILS OF THE FUND IN THE UITF'S PLAN, MAKE HIS/HER OWN RISK ASSESSMENT, AND WHEN NECESSARY, SEEK AN INDEPENDENT/PROFESSIONAL OPINION BEFORE MAKING AN INVESTMENT.

For more information, you may call us at (+632) 8885-5863, 8885-5857 and 8885-5875, or
email us at customercare@chinabank.ph, or visit our website at www.chinabank.ph

FUND PERFORMANCE AND STATISTICS AS OF SEPTEMBER 30, 2026

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

NAVPU GRAPH



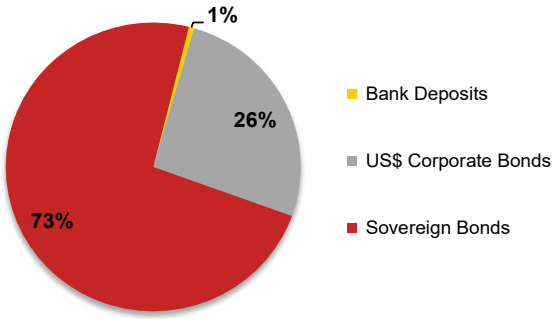
CUMULATIVE PERFORMANCE (%)

Period	1mo	3mos	6mos	1yr	3yrs
Fund	-3.57%	-6.13%	-4.73%	-6.14%	6.28%
Benchmark	-3.66%	-5.01%	-3.33%	-5.28%	10.55%

The Bloomberg EM USD Sovereign-Philippine Total Return Index is a market value-based, unhedged index that tracks the performance of Philippine sovereign bonds denominated in US Dollars, particularly ROP bonds of different maturities. This Index is adjusted for tax by the Trustee, but does not reflect deductions for fees and expenses. Additional information on the benchmark and/or its administrator can be found on Bloomberg, and be made available to investors upon request.

The benchmark provides a standard for evaluating the Fund's performance by helping investors/participants understand how the Fund is performing relative to the market or asset class the Fund represents. The benchmark reflects the performance of Philippine sovereign bonds denominated in US dollars, which are among the allowable investments of the Fund. Additionally, the benchmark's characteristics serve as a reference point for the Fund's duration and credit positioning.

PORTFOLIO COMPOSITION



NAVPU OVER THE PAST 12 MONTHS

Highest	2.286814
Lowest	2.107844

STATISTICS

Weighted Average Duration	7.49
Volatility, Past 1 year[2]	3.79%
Sharpe Ratio[3]	-2.42
Information Ratio[4]	-1.08

[2]**Volatility** measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time. This is computed by getting the standard deviation of the yearly returns for the past 12 mos.

[3]**Sharpe Ratio** is used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better. This is computed by dividing the excess return of the fund against the risk-free rate over the fund's volatility.

[4]**Information Ratio** measures the reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk. This is computed by dividing the excess return of the fund against the benchmark over the fund's volatility.

TOP HOLDINGS (%)

RDB 5.5-01	23.6%
ROP 5.175% 49	21.1%
ROP 5.6% 49	21.0%
SMPM 5.375% 07/29	9.3%
ACNRGY 5.1 PERP	7.8%
ROP 5.95% 47	5.9%
BPIPM 5.625% 4/35	3.1%
SMPHPM 4.75% 09/30	3.0%
ACPM 5.125% PERP	2.8%
ROP42	2.3%

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Fund has deposits with the Bank Proper, amounting to USD5.04 thousand, which were approved by the Board of Directors/Trust Investment Committee. Likewise, all related parties transactions are conducted on an arm's length basis.

OUTLOOK AND STRATEGY

US Treasury yields rose sharply in September on the back of strong economic data and a more hawkish Federal Reserve. The 2Y, 5Y, and 10Y rose by 53.7 bps, 58.1 bps, and 53.3 bps to 4.895%, 5.089%, and 5.298%, respectively. The long end outperformed, with the 20Y and 30Y rising by a smaller 41.8 bps and 38.6 bps to 5.703% and 5.624%, respectively, resulting in a flatter curve. Early in the month, nonfarm payrolls increased by 162,000 in August, well above the 55,000 expected, with the prior two months revised up by a net 55,000. The unemployment rate held at 4.1%. August headline inflation remained at 3.4%, although core inflation eased slightly to 2.4% from 2.5% in July. At its September meeting, the Fed raised its target rate by 25 bps to 3.75%–4.00%, its first hike since 2023.

Locally, Philippine sovereign dollar bond yields also rose across the curve. The 2Y and 10Y increased by 64.5 bps and 61.1 bps to 5.236% and 6.192%, while the 20Y and 30Y rose by 50.6 bps and 46.0 bps to 6.575% and 6.587%, respectively. At the 10-year tenor,

ROP spreads over US Treasuries widened by about 8 bps. On the currency front, the peso weakened by 0.61% against the US dollar to close at Php62.645, after setting fresh record lows during the month. August inflation eased to 6.1% from 6.2% in July. On the fiscal side, the National Government's year-to-date budget deficit reached Php1.05 trillion as of end-August, up 21.30% from a year ago but still within the Php1.66 trillion full-year program.

Brent crude futures rose by 14.41% to US$103.53 per barrel during the month, as tensions in the Middle East continued to disrupt shipping through the Strait of Hormuz. Looking ahead, US rates are likely to stay elevated, with the Fed signaling one more hike before year-end. Locally, the market will be watching the BSP's policy meeting on October 22 for signs of further tightening. In this environment, the Fund remains selective in its bond purchases, seeking to enhance portfolio yield while carefully managing duration risk.

INVESTMENT POLICY / PROSPECTIVE INVESTMENTS

The Fund may be invested or reinvested in the following:

a) Securities issued by or guaranteed by the Philippine government or the Bangko Sentral ng Pilipinas (BSP);

b) Tradable securities issued by the government of a foreign country, any political subdivision of a foreign country or any supranational entity;

c) Tradable fixed income securities issued by private and public corporations which are listed and traded in an organized exchange/market such as bonds, notes and preferred shares which are classified as debt securities under appropriate accounting standards;

d) Deposits and tradable money market instruments issued by local banks, including those of the Trustee's own bank, and foreign banks or their Philippine branches or any financial institution in any foreign country;

e) Financial derivatives instruments solely for the purpose of hedging risk exposures of the existing investments of the Fund, provided that these are accounted for in accordance with existing BSP hedging guidelines as well as the Trustee's risk management and hedging policies duly approved by the Trust Investment Committee and disclosed to participants; and

f) Such other tradable investment outlets/categories as the BSP may allow.

OTHER BASIC FUND FACTS

Trust Fee:	0.75% p.a.	**Minimum Maintaining Amount:**	USD500.00
Initial NAVPu:	$1.069018	**Minimum Redemption Amount:**	None. Partial redemptions shall be allowed provided that the amount redeemed will not result to a balance below the minimum maintaining amount.

IMPORTANT NOTICE

China Banking Corporation (Chinabank) may receive customer complaints, inquiries or any concern about its products and services through Customer Contact Center 24/7 Hotline: (+632) 8885-5888 or email: online@chinabank.ph.
Chinabank is regulated by the BSP with contact number (+632) 8708-7087 and email address: consumeraffairs@bsp.gov.ph.