

AB CAPITAL & INVESTMENT CORPORATION
AB CAPITAL BALANCED FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
As Of September 30, 2025

FUND FACTS

Classification:	Balanced Fund	Net Asset Value per Unit (NAVPU):	1.3527
Launch Date:	March 20, 2013	Total Fund NAV:	1,277,943,307.17
Min. Investment:	Php25,000	Dealing:	Daily up to 12:00 noon
Add'l Investment:	Php10,000	Redemption Settlement:	T + 2 days
Min. Holding Period:	30 days	Early Redemption Charge:	1.00% of principal

FEES*

Trustee Fees: 0.322% AB Capital - Trust and Investments Division	Custodianship Fees: 0.001% Phil. Depository & Trust Corp.	External Auditors Fees: 0.002% SGV & Co.
---	--	---

*As a percentage of average daily NAV for the quarter valued at Php 1,259,390,764.22.

INVESTMENT OBJECTIVE AND STRATEGY

The Fund Intends to achieve for its participants long-term capital growth and income by investing in a diversified portfolio of high-grade marketable securities allocated in fixed income and equity securities listed in the Philippine Stock Exchange. The allocation for equity securities shall be between 40% to 60% of the portfolio or any other allocation range that may be prescribed by the Trust Association of the Philippines (TOAP) in consultation with the regulatory authorities. The Fund aims to surpass its composite benchmark of 60% Bloomberg Philippine Sovereign Bond Index 1 to 5 Year (BPHIL15) and 40% Philippine Stock Exchange Index (PSEI).

BPHIL15 is a market value weighted index based on PHP government bond issuances of the Bureau of Treasury. Its qualified constituents are securities with at least one year of maturity, but not longer than five years. For additional information on benchmark construction, please contact Bloomberg.

The PSEI is the main index of the Philippine Stock Exchange. It is used to measure the performance of equity securities that represent the Philippine stock market. The Bloomberg and the PSE Website provide additional information on the benchmarks.

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 Declaration of Trust/Plan Rules of the Fund, which may be obtained from the Trustee, before deciding to invest.
- The AB CAPITAL BALANCED FUND is suitable for individual and corporate investors who are at least classified as balanced based on their risk profile and who are aware of the opportunity for high yields that portfolios with stock market investments may provide but are also knowledgeable of the possibility of capital losses that such investments may entail.
- In order to minimize risks and maximize returns, the participants are recommended to stay invested in the Fund for 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.

Interest Rate Risk	This is the possibility for an investor to experience losses due to the changes in interest rate. 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 the changes in market prices of securities (e.g., bonds and equities). It is the exposure to the uncertain market value of a portfolio due to price fluctuations. It is the risk of the UITF to lose value due to a decline in securities prices, which may sometimes happen rapidly or unpredictably. The value of investments fluctuate over a given time period because of general market conditions, economic changes or other events that impact large portions of the market such as political events, natural calamities, etc. As a result, the Net Asset Value per Unit (NAVPU) may increase to make profit or decrease to incur loss.

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. Liquidity risk occurs when certain securities in the UITF portfolio may be difficult or impossible to sell at a particular time which may prevent the redemption of investment in UITF until assets can be converted to cash. Even government securities which are the most liquid of fixed income securities may be subjected to liquidity risk particularly if a sizeable volume is involved.
Credit/Default Risk	This is the possibility for an investor to experience losses due to 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. Inability of the borrower to make good on its financial obligations may have resulted from adverse changes in its financial condition thus, lowering credit quality of the security, and consequently lowering the price (market/price risk) which contributes to the difficulty in selling such security. It also includes risk on a counterparty (a party the UITF Fund Manager trades with) defaulting on a contract to deliver its obligation either in cash or securities. This is the risk of losing value in the UITF portfolio in the event the borrower defaults on his obligation or in the case of a counterparty, when it fails to deliver on the agreed trade. This decline in the value of the UITF happens because the default/failure would make the price of the security go down and may make the security difficult to sell. As these happen, the UITF's NAVPU will be affected by a decline in value.
* THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (PDIC). * IT IS A TRUST PRODUCT AND IS NOT AN OBLIGATION OF THE TRUSTEE, ITS AFFILIATES AND SUBSIDIARIES. * 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. * THE TRUSTOR MUST READ THE UITF'S DECLARATION OF TRUST, MAKE HIS/HER OWN RISK ASSESSMENT AND IF NEEDED, SEEK AN INDEPENDENT /PROFESSIONAL OPINION BEFORE MAKING AN INVESTMENT.	

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

NAVPU GRAPH						NAVPU over the past 12 months							
Balanced Fund vs Benchmark2 Balanced Fund Return 1 Benchmark Return Source: Bloomberg and AB Capital & Investment Corp.						Highest	1.4056						
						Lowest	1.2575						
STATISTICS Volatility, Past 1 Year (%)3 Sharpe Ratio4 Information Ratio5 Weighted Ave. Duration 8.42 -0.6116 1.5902 5.05 1 Returns are net of fees 2 Since Inception 3 Measures the degree to which the Fund fluctuates vis-a-vis its average return over a period of time 4 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. 5 Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.													
						CUMULATIVE PERFORMANCE		TOP TEN HOLDINGS (%)					
							1 mo	3 mos	6 mos	1 yr	3 yrs	FXTN 20-27	21.20
						Fund	-2.24	-1.60	2.55	0.08	30.07	RTB 05-19	15.45
						Benchmark	-1.16	-2.12	-0.45	-5.61	9.79	INTERNATIONAL CONTAINER TERMINA	6.91
PORTFOLIO COMPOSITION						RTB 05-16	5.77						
						BDO UNIBANK, INC.	5.13						
Allocation		% Of Fund				SM PRIME HOLDINGS, INC.	4.96						
Fixed Income Securities		49.27				BANK OF THE PHILIPPINE ISLANDS	4.06						
Equities		47.30				METROBANK TD	3.21						
Time Deposits		3.21				METROPOLITAN BANK & TRUST	3.09						
Cash and Other Receivables (Payables)		0.23				MANILA ELECTRIC COMPANY	3.02						
SECTOR HOLDING													
FINANCIALS		12.28											
SERVICES		11.95											
INDUSTRIAL		10.73											
PROPERTY		7.68											
HOLDING FIRMS		4.29											
MINING AND OIL		0.37											

RELATED PARTY TRANSACTIONS

The Fund has transactions and outstanding investments in fixed income and in shares of stocks with related parties of AB Capital & Investment Corporation - Trust and Investments Division (ABCIC -TID).

	Transaction	Market Value (Mln)
INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.	Common Shares	88.41
MANILA WATER CO., INC.	Common Shares	29.72
RL Commercial REIT, Inc.	Common Shares	34.79
UNIVERSAL ROBINA CORPORATION	Common Shares	24.80

Investments in the said outlets were approved by the Trust Committee. Likewise, all related party transactions are conducted on an arm's length and best execution basis and within established limits.

OUTLOOK AND STRATEGY

Stock Market

LIST OF PROSPECTIVE INVESTMENTS

Pursuant to the foregoing objectives, the Fund may be invested and reinvested in:

- a) Listed and soon to be listed (Initial Public Offering) common stocks, preferred stocks, and securities convertible into or exchangeable to common stocks;
- b) Fixed-income securities issued by the government and corporations such as but not limited to, commercial papers, bonds, exchange-traded fixed income securities; and other marketable securities that are traded in an organized exchange or market; and
- c) Other investments allowed under regulations issued by the BSP which are applicable to the Fund.

The combined exposure of the Fund to any entity and its related parties shall not exceed fifteen percent (15%) of the market value of the Fund. Provided, that Fund investments, partially or substantially, in exchange traded equity securities shall be subject to the fifteen percent (15%) exposure limit to single entity/issuer. This limit, however, shall not apply to non-risk assets as defined by the Bangko Sentral.

AB Capital is regulated by the Bangko Sentral ng Pilipinas (BSP). For any inquiries and concerns relating to our services and products you may call our hotline: 8898-7555, or send an email at trust@abcapitalonline.com or write a letter addressed to AB Capital-TID, Units 1210-1212, 12th Floor, PSE Tower, 5th Ave., cor. 28th St., Bonifacio Global City, Taguig City, Philippines 1634. You may also file your inquiries and concerns through the BSP's various Consumer Assistance Channels via this link <https://www.bsp.gov.ph/Pages/InclusiveFinance/ConsumerAssistanceChannelsChatbot.aspx>. To know your rights under BSP Circular No.857 and as revised by Circular 1048 (regulations on Financial Consumer Protection), and under Circular 1169 (Rules of Procedure for the Consumer Assistance Mechanism, Mediation and Adjudication of Cases in the Bangko Sentral ng Pilipinas) , please access copies of these issuances at the BSP website(www.bsp.gov.ph).