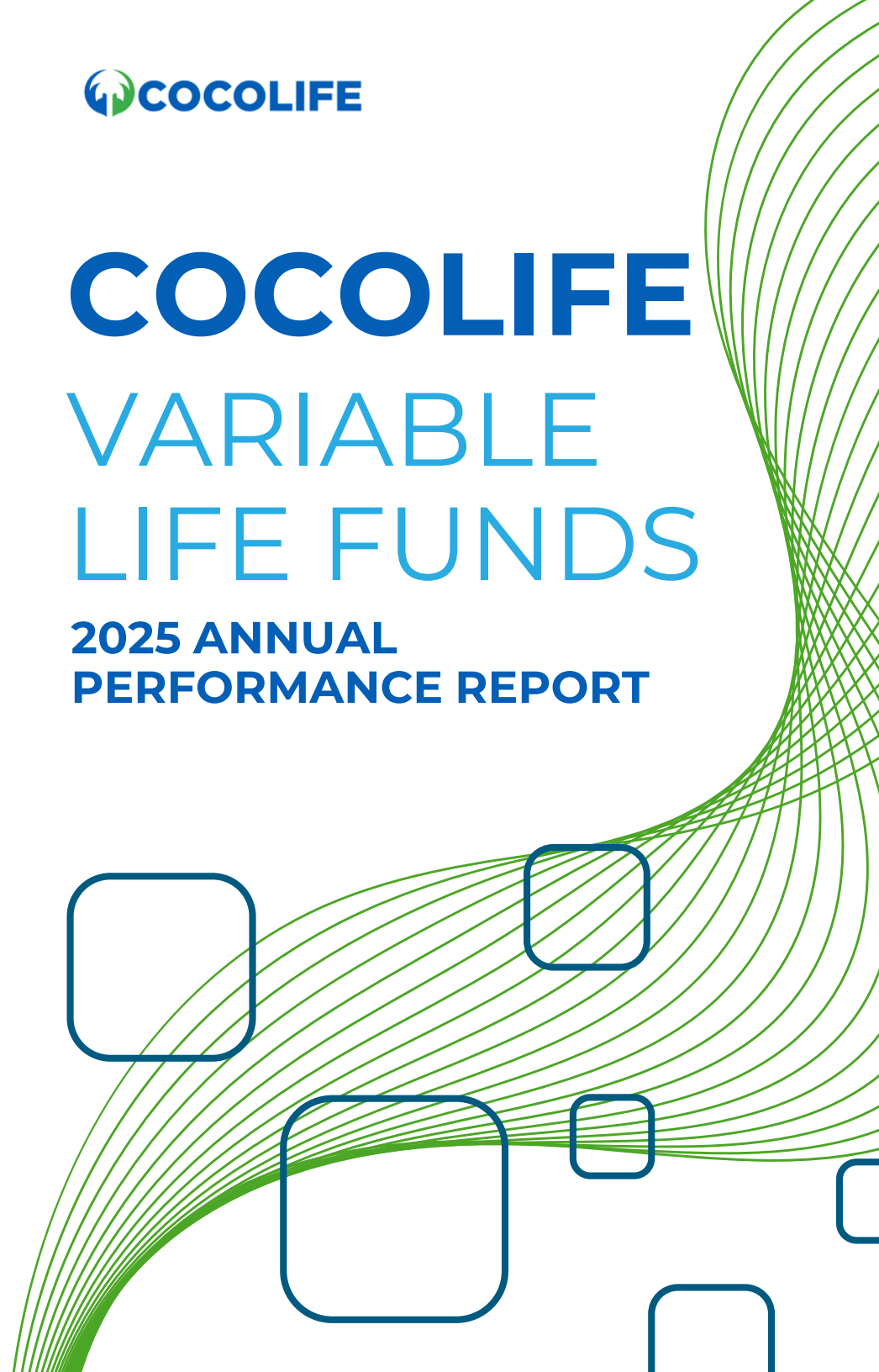




# COCOLIFE

## VARIABLE LIFE FUNDS

**2025 ANNUAL  
PERFORMANCE REPORT**



## MARKET REVIEW AND OUTLOOK

### PESO EQUITY MARKET

#### 2025 RECAP

*The Philippine Stock Exchange Index (PSEi) experienced a volatile and challenging year in 2025, characterized by sharp swings driven by domestic economic data, shifting policy expectations, and fluctuating investor sentiment.*

*The year began under pressure, with the index entering bear market territory in late January following disappointing economic growth data and index rebalancing. The PSEi dropped to around 5,862.59, one of its lowest levels in over two years, reflecting cautious investor positioning and weaker-than-expected macroeconomic performance.*

*Conditions improved by midyear. By mid-June, the PSEi climbed to a five-month high near 6,386.27, supported by expectations of interest rate cuts, easing global tensions, and stronger remittance inflows. Inflation moderation and improved macroeconomic signals further buoyed sentiment through July and August, with the index holding around the mid-6,300 range.*

*However, sentiment deteriorated sharply in the latter part of the year. In November, the PSEi fell to a seven-month low near 5,828.06 and subsequently declined to a new five-year low of approximately 5,584.35. Concerns over slowing economic growth, governance issues, currency pressures, and sustained foreign fund outflows weighed heavily on the market.*

*By the final trading day of 2025, the PSEi closed at around 6,052.92—approximately 7.3% below its 2024 year-end level, highlighting a year marked by macroeconomic uncertainty and weakened investor confidence.*

### 2026 OUTLOOK

*Against an improving macroeconomic and market backdrop, investors are well-positioned to benefit from diversified investment solutions tailored to varying risk appetites and financial goals. The equity market is poised for an upside turn in 2026, supported by more attractive valuations at the start of the year. According to the International Monetary Fund, the central bank is expected to continue policy rate cuts during the first half of 2026, providing a supportive environment for equities. Additional momentum may come from the lagged effects of earlier interest rate reductions and improving consumer spending in late 2025, which could help drive stronger GDP growth in early 2026. However, these positive factors are partially offset by external and domestic challenges, including potential impacts from U.S. tariff measures and ongoing political uncertainty, both of which could weigh on investor sentiment and market performance.*

*We outline three scenarios for the equity market in 2026: Bear case: The index declines to 5,600, representing a downside of 6.6%. Base case: The index rises to 6,500, implying an upside of 8.4%. Bull case: Stronger macroeconomic and market conditions lift the index to 7,200, corresponding to a gain of 20.4%.*

*Our strategy will focus on high-quality companies with strong fundamentals, clear earnings visibility, and resilience to macroeconomic headwinds, while maintaining a nimble approach to navigate external volatility and interest rate-driven market shifts.*

### PESO BOND MARKET

#### 2025 RECAP

*In 2025, the Philippines experienced a significant shift in its economic landscape, marked by a return to “low and slow” price growth. Inflation emerged as a relative success story, consistently trending downward and remaining within or even below the Bangko Sentral ng Pilipinas (BSP) target range of 2.0% to 4.0%. By May 2025, headline inflation reached a multi-year low of 1.3%, largely driven by aggressive government interventions through rice subsidies and the stabilization of global oil prices.*

*This benign inflation environment provided the BSP with the necessary room to implement a series of interest rate cuts totaling 125 basis points over the year, aimed at stimulating domestic consumption and providing relief to Filipino households. Although rice prices began to rebound slightly toward year-end, the monetary easing continued to support economic activity and market confidence.*

## 2026 OUTLOOK

The outlook for the peso bond market in 2026 is broadly constructive, supported by an easing monetary policy environment and a benign inflation backdrop. Having implemented significant policy rate cuts throughout 2025, the Bangko Sentral ng Pilipinas (BSP) may pursue further accommodation in 2026, potentially cutting rates by an additional 25 to 50 basis points. This would support higher bond prices and lower yields.

Inflation is projected to remain within the BSP's 2–4% target range, providing ample policy space to maintain a supportive stance without stoking price pressures. Moderate GDP growth is expected to underpin overall fixed-income market stability. However, the government's plan to increase peso borrowing in early 2026 to take advantage of lower interest rates could result in higher bond issuance. While this may deepen the domestic bond market, it could also exert upward pressure on longer-tenor yields if investor demand does not keep pace.

The fund's strategy will focus on selectively positioning along the yield curve to capture attractive opportunities, maintaining a high-quality portfolio to mitigate credit risk, and balancing duration exposure to benefit from a supportive rate environment while managing potential volatility arising from increased issuance.

## DOLLAR BOND MARKET

### 2025 RECAP

The U.S. economy gradually moved out of its high-inflation phase in 2025, although tariffs imposed throughout the year kept prices elevated and complicated the monetary policy outlook. Early-year price pressures remained stubborn, but as consumer demand slowed and supply conditions eased, inflation moderated through midyear. Renewed tariffs late in 2025 caused a temporary uptick in headline inflation; however, the overall trend toward slower price growth allowed the Federal Reserve to step back from its restrictive stance. This shift boosted sentiment in global fixed-income markets, as investors priced in lower rates and a more supportive environment for bonds.

### 2026 OUTLOOK

The outlook for the dollar-denominated bond fund in 2026 is cautiously constructive, supported by improving global monetary conditions. Exposure to Republic of the Philippines (ROP) bonds is expected to benefit from a potentially more accommodative global rate environment, as easing U.S. interest rates are likely to stabilize bond prices and support total returns in dollar terms.

Although market volatility may persist due to geopolitical tensions, shifts in global interest rates, and uncertainties around global growth, the fund aims to provide income generation and capital preservation. This will be achieved by focusing on high-quality ROP bonds and maintaining diversification to mitigate downside risks in a potentially uneven market environment.

## GLOBAL EQUITY MARKET

### 2025 RECAP

In 2025, global equities overcame early-year volatility to deliver solid double-digit returns, with many indices reaching record highs by year-end despite significant policy shocks. Market performance reflected a "resilient but volatile" theme, rebounding from a sharp April correction triggered by aggressive U.S. tariffs and a historic government shutdown.

The ongoing AI boom remained a primary growth engine, particularly for mega-cap technology stocks, while market leadership broadened to include international equities, notably in Europe, Japan, and select emerging Asian markets. Investors also favored cyclical sectors, such as industrials and consumer discretionary, as signs of global economic stabilization emerged in midyear.

Although global inflation remained persistent due to tariff-induced price pressures, a coordinated pivot toward interest rate cuts by major central banks provided the liquidity and sentiment boost necessary to sustain the rally. Investor appetite for risk assets was further supported by steady corporate earnings growth, improving consumer confidence in key economies, and ongoing capital inflows into both developed and emerging markets.

Overall, 2025 was a year of both volatility and opportunity, with markets demonstrating resilience amid geopolitical tensions, policy shifts, and evolving macroeconomic conditions.

### 2026 OUTLOOK

Looking ahead to 2026, global equities are expected to navigate a backdrop of cautious optimism, shaped by moderating inflation, continued technological innovation, and evolving geopolitical dynamics. The AI-driven growth story is likely to remain a central theme, with mega-cap tech stocks continuing to benefit from strong earnings and innovation, while leadership may further broaden to include cyclical sectors poised to capitalize on a gradual economic recovery.

Potential headwinds include geopolitical tensions, shifts in global trade policy, and market reactions to U.S. interest rate adjustments, all of which could introduce volatility. Nevertheless, sustained corporate earnings growth, technological innovation, and selective monetary easing should provide support for risk assets.

Investment strategies for 2026 are likely to focus on diversification across regions and sectors, emphasizing high-quality companies with strong fundamentals, resilient earnings, and the capacity to weather macroeconomic headwinds. Selective exposure to growth sectors such as AI, technology, and industrials, alongside a balanced approach to risk management, will be key to navigating a market environment defined by both opportunity and uncertainty.

## ASIAN MULTI ASSET MARKET

### 2025 RECAP

*In 2025, Asian equities delivered a standout performance, with a total return of 25.6%, significantly outperforming U.S. markets. Regional indices saw dramatic gains, including South Korea's KOSPI surging over 90% and China's markets climbing 31%. The rally was primarily fueled by the continued AI boom, benefiting leading semiconductor companies in Taiwan and South Korea, as well as aggressive corporate "Value Up" reforms in Seoul that revitalized shareholder confidence.*

*The region experienced periods of intense volatility due to the onset of the Trump administration's "reciprocal tariffs," which initially triggered sharp sell-offs. Markets stabilized as countries such as India, Vietnam, and Indonesia negotiated bilateral trade agreements and implemented measures to lower effective tax burdens.*

*Additional performance drivers included a weaker U.S. dollar and moderating regional inflation, which allowed Asian central banks to maintain accommodative policies. These conditions attracted record capital inflows into emerging sectors, notably green energy and digital infrastructure, further supporting the region's strong market performance.*

### 2026 Outlook

*Looking ahead to 2026, Asian financial markets are expected to continue demonstrating "resilient divergence," where strong structural tailwinds are balanced against regional and global headwinds. Equity markets should remain attractive, particularly in high-income tech hubs such as Taiwan and South Korea, which are likely to benefit from the ongoing AI semiconductor cycle, and in India, where robust domestic demand is projected to support double-digit earnings growth.*

*Chinese equities may face a more uneven recovery, dependent on the effectiveness of government stimulus in addressing property sector challenges and navigating renewed U.S. trade tensions. Southeast Asian economies like Vietnam and Indonesia are expected to benefit from continued "China Plus One" supply chain diversification, further supported by fiscal reforms and foreign direct investment inflows.*

*In fixed income, Asian bonds remain a compelling global diversifier, with returns likely driven by "carry" as regional central banks maintain accommodative monetary policies amid stable inflation and a moderating U.S. dollar.*

*Key tailwinds for 2026 include the sustained expansion of the AI ecosystem, supportive interest rate policies, and structural shifts in regional trade and investment flows. Headwinds include potential escalations in U.S. tariffs, geopolitical tensions, and structural slowdowns in China, which could dampen investor sentiment and result in periodic market drawdowns.*

*Investment strategies for the year will focus on selective equity and bond positioning, emphasizing high-quality companies and instruments with resilient earnings, strong fundamentals, and diversification across countries and sectors to navigate volatility while capturing upside from structural growth trends.*

## Peso Equity Fund

### Fund Description

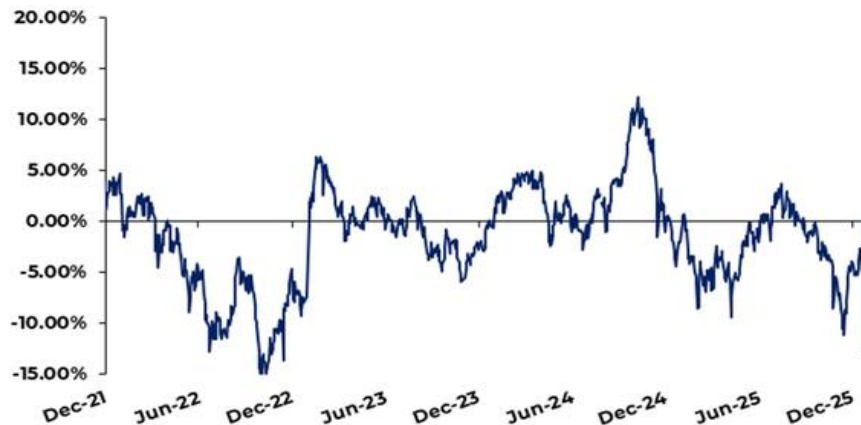
The Peso Equity Fund seeks to maximize income consistent with its policy to preserve capital and to maintain liquidity of investments through a diversified portfolio of high-quality listed equity issues – blue chips and growth stocks listed in the Philippines Stock Exchange.

### Historical Returns

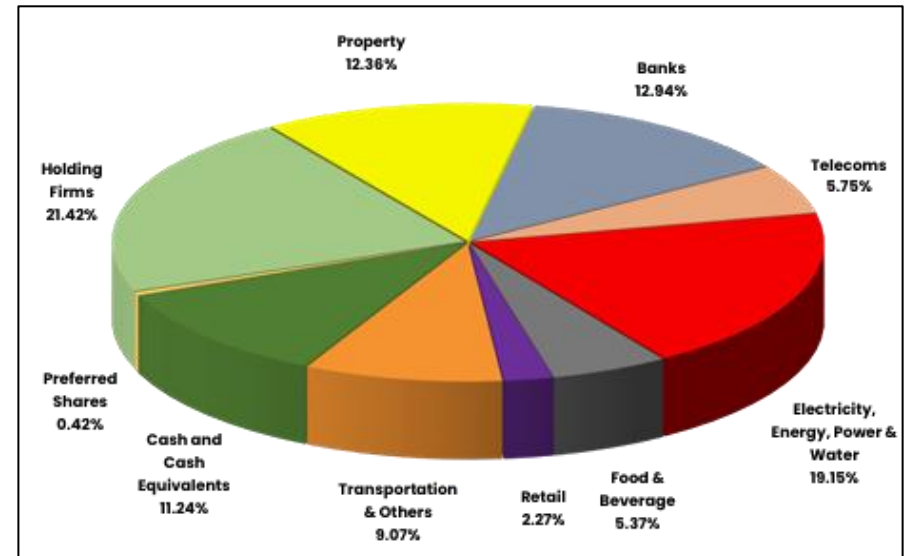
<b>Net Asset Value per Unit (NAVPU)</b>	<b>1.5207</b>
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	<b>Annual Return</b>	<b>Cumulative Return</b>
<b>One-year</b>	<b>-2.97%</b>	<b>-2.97%</b>
<b>Two-year</b>	<b>-2.55%</b>	<b>-5.03%</b>
<b>Three-year</b>	<b>-1.94%</b>	<b>-5.70%</b>
<b>Four-year</b>	<b>-3.36%</b>	<b>-12.79%</b>
<b>Five-year</b>	<b>-2.19%</b>	<b>-10.46%</b>

### Historical Performance



### Portfolio Mix



### Top Holdings

SM Prime Holdings, Inc.  
SM Investment Corporation  
Maynilad Water Services  
Ayala Corporation  
International Container Terminal Services

## Peso Bond Fund

### Fund Description

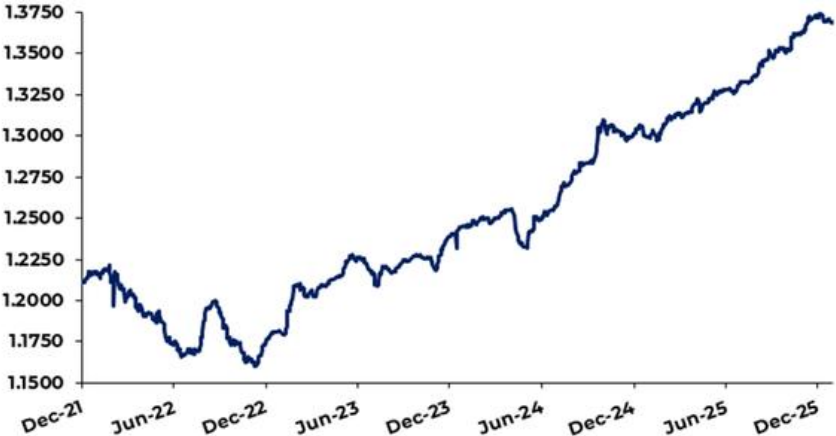
The Peso Bond Fund seeks to generate regular interest income, consistent with its policy to preserve capital and to maintain liquidity of its investments, through a diversified portfolio of high-grade bonds and evidences of debts of solvent corporations and institutions.

### Historical Returns

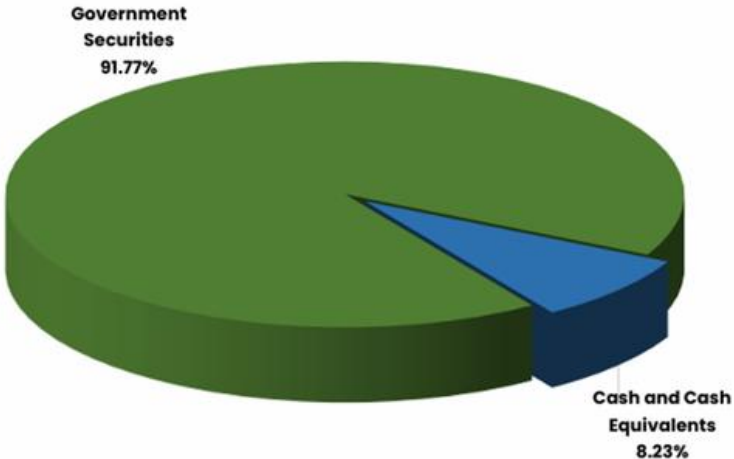
Net Asset Value per Unit (NAVPU)	<b>1.3694</b>
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	Annual Return	Cumulative Return
One-year	5.39%	5.39%
Two-year	4.86%	9.96%
Three-year	5.06%	15.96%
Four-year	3.01%	12.59%
Five-year	1.99%	10.36%

### Historical Performance



### Portfolio Mix



### Top Holdings

- FXTN 10-72
- FXTN 10-69
- RTB 5-19
- FXTN 10-73
- FXTN 7-70

## Peso Fixed Income Fund

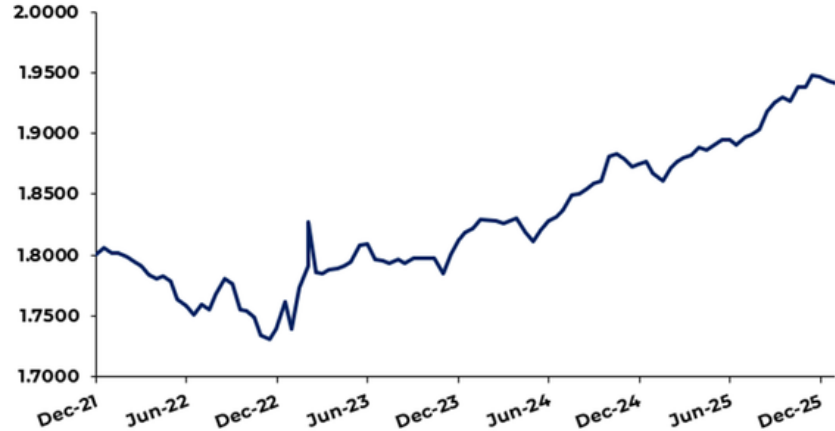
### Fund Description

The Peso Fixed Income Fund seeks to generate regular interest income, consistent with its policy to preserve capital and maintain liquidity of investment through a diversified portfolio of high-grade bonds and evidence of debt of solvent corporations and institutions.

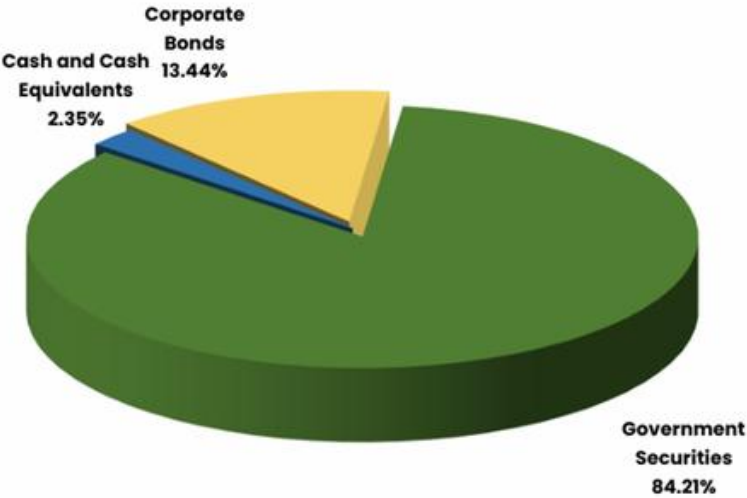
### Historical Returns

Net Asset Value per Unit (NAVPU)		<b>1.9419</b>
	<b>Annual Return</b>	<b>Cumulative Return</b>
<b>One-year</b>	<b>4.00%</b>	<b>4.00%</b>
<b>Two-year</b>	<b>3.24%</b>	<b>6.57%</b>
<b>Three-year</b>	<b>3.74%</b>	<b>11.63%</b>
<b>Four-year</b>	<b>1.90%</b>	<b>7.81%</b>
<b>Five-year</b>	<b>1.49%</b>	<b>7.66%</b>

### Historical Performance



### Portfolio Mix



### Top Holdings

- FXTN 10-73
- FXTN 10-69
- FXTN 10-72
- FXTN 7-70
- RTB 5-19

## Dollar Bond Fund

### Fund Description

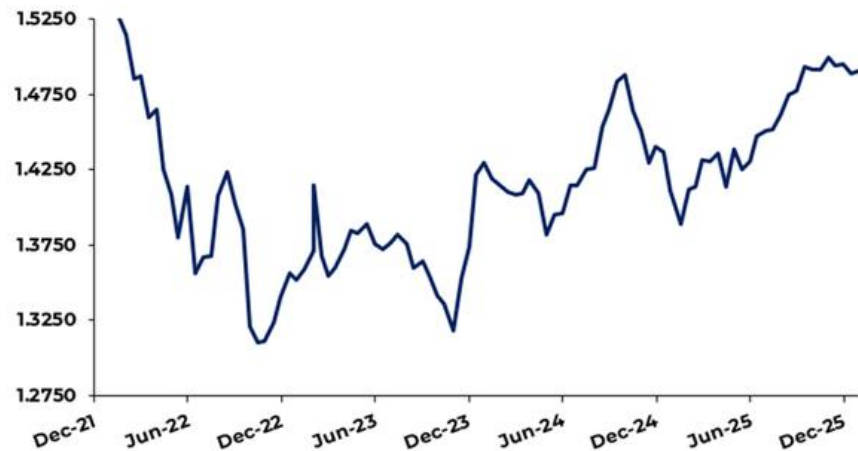
The Dollar Bond Fund seeks to generate regular interest income, consistent with its policy to preserve capital and to maintain liquidity of its investments. The fund shall be invested primarily in dollar denominated fixed-income instruments ranging from debentures, money market instruments and government securities.

### Historical Returns

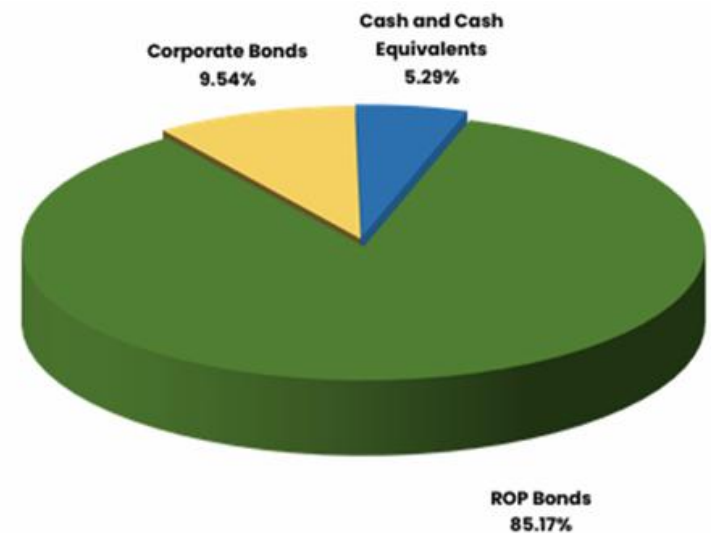
Net Asset Value per Unit (NAVPU)	<b>1.4911</b>
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	Annual Return	Cumulative Return
<b>One-year</b>	<b>5.65%</b>	<b>5.65%</b>
<b>Two-year</b>	<b>2.12%</b>	<b>4.28%</b>
<b>Three-year</b>	<b>3.33%</b>	<b>10.31%</b>
<b>Four-year</b>	<b>-1.08%</b>	<b>-4.24%</b>
<b>Five-year</b>	<b>-1.21%</b>	<b>-5.89%</b>

### Historical Performance



### Portfolio Mix



### Top Holdings

RDB29  
ROP37  
ROP42

## Peso Guaranteed Fund

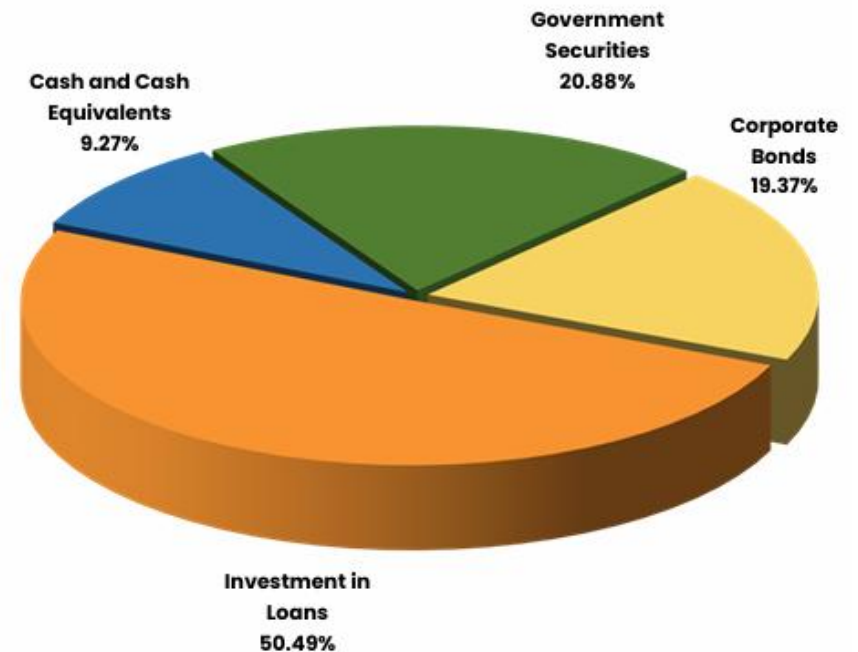
### Fund Description

The Peso Guaranteed Fund is a separate fund with the objective of having an optimum balance of return and risk through investment in fixed income instruments.

### Interest Rates Declared

	2021	2022	2023	2024	2025
January	2.00%	0.50%	0.50%	0.50%	0.50%
February	2.00%	0.50%	0.50%	0.50%	0.50%
March	2.00%	0.50%	0.50%	0.50%	0.50%
April	2.00%	0.50%	0.50%	0.50%	0.50%
May	2.00%	0.50%	0.50%	0.50%	0.50%
June	2.00%	0.50%	0.50%	0.50%	0.50%
July	2.00%	0.50%	0.50%	0.50%	0.50%
August	2.00%	0.50%	0.50%	0.50%	0.50%
September	2.00%	0.50%	0.50%	0.50%	0.50%
October	2.00%	0.50%	0.50%	0.50%	0.50%
November	2.00%	0.50%	0.50%	0.50%	0.50%
December	2.00%	0.50%	0.50%	0.50%	0.50%

### Portfolio Mix



For the avoidance of doubt, the declared interest rate represents the net investment return of the Peso Guaranteed Fund.

## Cocolife Global Consumer Trends Investment Fund

### Fund Description

COCOLIFE Global Consumer Trends Investment Fund is a variable life insurance investment fund based on ATRAM Global Consumer Trends Feeder Fund. This fund seeks to achieve long-term capital growth by investing all or substantially all of its assets in a collective investment scheme that invests globally in equities of companies that are predominantly engaged in the design, production or distribution of products and services related to the discretionary consumer needs of individuals.

### Historical Returns

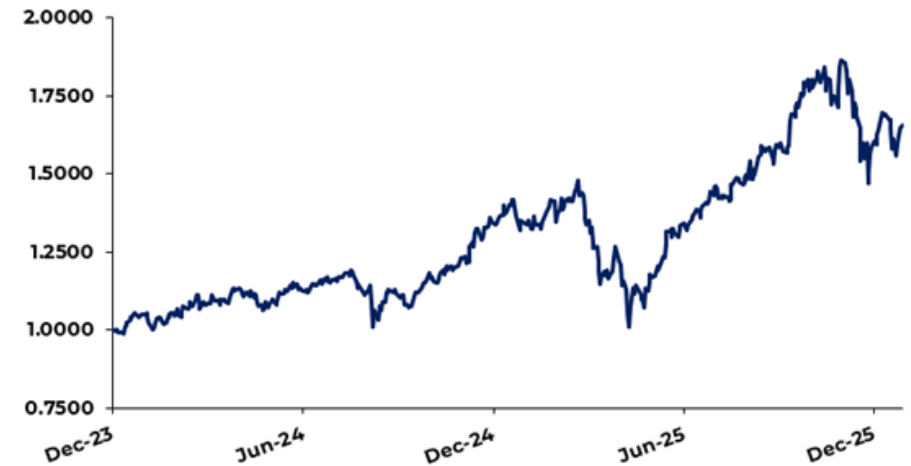
Net Asset Value per Unit (NAVPU)	1.6208
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	Annual Return	Cumulative Return
<b>3-month</b>	-	<b>1.88%</b>
<b>6-month</b>	-	<b>26.97%</b>
<b>1-year</b>	<b>20.20%</b>	<b>20.20%</b>
<b>2-year</b>	<b>24.25%</b>	<b>54.39%</b>

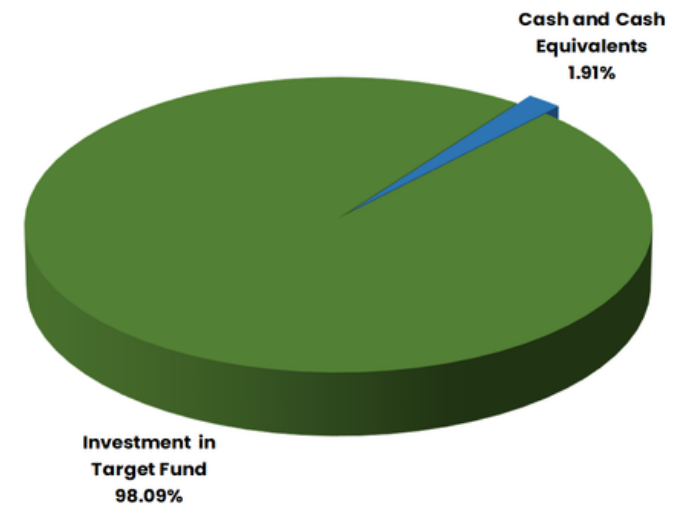
### Top Holdings

Nebius  
Tesla  
Amazon.com Inc  
Meta Platforms 'A'  
Nvidia

### Historical Performance



### Portfolio Mix



## Cocolife Asian Multi-Asset Income Investment Fund

### Fund Description

COCOLIFE Asian Multi-Asset Income Investment Fund is a variable life insurance investment fund based on ATRAM Asian Multi-Asset Income Feeder Fund. This fund seeks to achieve capital growth and income over the medium to longer term by investing all or substantially all its assets in a collective investment scheme that invests primarily in Asian fixed income securities and Asian equities (including real estate investment trusts).

### Historical Returns

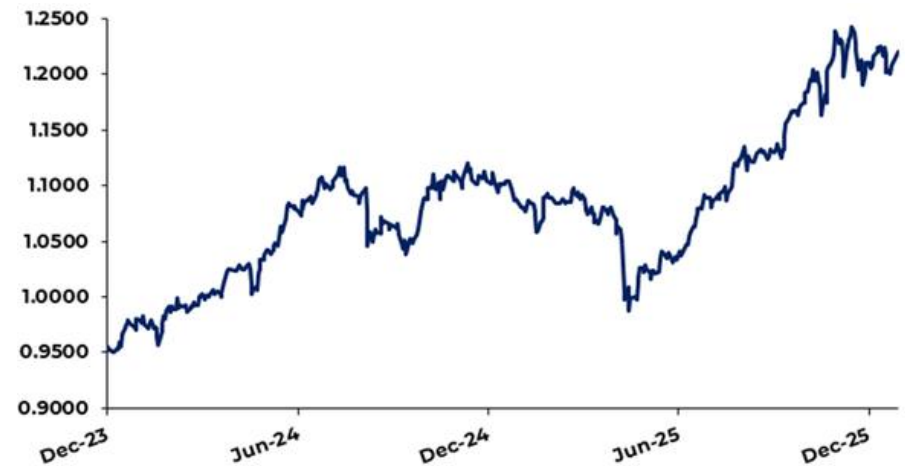
Net Asset Value per Unit (NAVPU)	<b>1.2262</b>
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	Annual Return	Cumulative Return
<b>3-month</b>	-	<b>8.68%</b>
<b>6-month</b>	-	<b>18.57%</b>
<b>1-year</b>	<b>12.67%</b>	<b>12.67%</b>
<b>2-year</b>	<b>11.84%</b>	<b>15.10%</b>

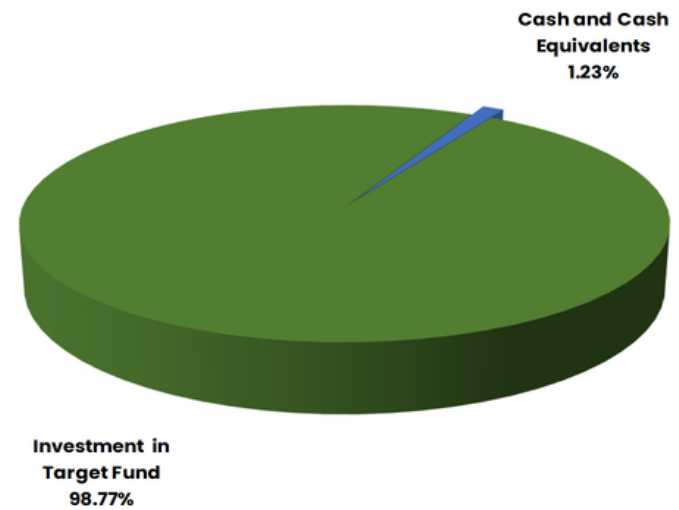
### Top Holdings

Taiwan Semiconductor Manufacturing  
 Hon Hai Precision Industry Ltd  
 China Construction Bank Corp H  
 DBS Group Holdings Ltd  
 Mediatek Inc

### Historical Performance



### Portfolio Mix



## Investment Policy Statement (IPS) Amendment

*In January 2026, the Insurance Commission approved the Company's request to amend the IPS for the Peso Guaranteed Fund to include secured loans among its target investments. The amendment is disclosed in accordance with Section 9(B) of Circular Letter No. 2017-34 and remains compliant with the Amended Insurance Code.*

### Target Investments and Asset Allocation (Post-Amendment)

Target Investments	Asset Allocation
Savings or time deposits, short-term treasury bills, and other certificates of indebtedness.	10%
Bonds issued by the Government of the Philippines, Government-owned and controlled corporations, and instrumentalities.	90%
Bonds issued by solvent corporations or institutions created or existing under the laws of the Philippines.	
<b>Loans secured by assets enumerated under Section 204 (a) to (j) of the Amended Insurance Code.</b>	

### Rationale

*Expanding the investment universe to include secured loans enhances portfolio diversification and potential income generation while remaining consistent with regulatory guidelines.*

### Impact

*This amendment strengthens the fund's ability to generate stable income and meet the declared guaranteed rate, improves flexibility in managing risk, and optimizes returns while maintaining alignment with the fund's investment objectives and client expectations.*

# 2025 ANNUAL REPORT

## UNITED COCONUT PLANTERS LIFE ASSURANCE CORPORATION

As of December 31, 2025

	Asian Multi-Asset Investment Fund	Global Consumer Trend Investment Fund	Peso Fixed Income Fund	Peso Bond Fund	Peso Equity Fund	Peso Guaranteed Fund	Dollar Bond Fund	Dollar Guaranteed Fund
<b>STATEMENT OF ASSETS AND LIABILITIES</b>								
<b>Assets</b>								
Cash and cash equivalents	8,533,196	3,787,150	43,333,963	11,376,211	39,938,129	118,418,415	\$ 158,607	\$ 141,182
Financial Assets at Fair Value Through Profit or Loss								
Debt Securities			1,802,323,968	126,819,964	9,099,717	86,000,877	\$ 2,838,668	\$ 892,298
Equity Securities					387,208,481			
Unit Investment Trust Funds	736,539,332	215,994,584						
Available-for-Sale (AFS) Financial Assets								
Debt Securities						428,403,006		\$ 764,000
Loans and receivables						655,094,987		
Accrued Income	-	-	24,299,995	1,913,833	321,376	6,295,203	\$ 47,938	\$ 28,334
Other Assets	10,649,312	5,255,110	753,910	224,422	3,187,338	-	-	-
	755,721,840	225,036,844	1,870,711,835	140,334,430	439,755,041	1,294,212,487	\$ 3,045,213	\$ 1,825,813
<b>Liabilities</b>								
Accounts payable and accrued expenses	9,831,454	4,328,538	5,969,586	63,764	1,943,378	14,019,668	\$ 63,556	\$ 3,352
Net Assets	745,890,386	220,708,306	1,864,742,250	140,270,666	437,811,663	1,280,192,819	\$ 2,981,657	\$ 1,822,461
Net Asset Value Per Unit	1.2262	1.6208	1.9419	1.3694	1.5207		1.4911	
<b>STATEMENT OF INVESTMENT INCOME AND EXPENSES</b>								
Gross Investment Income	81,469,906	16,316,323	128,351,146	8,857,706	(873,150)	100,919,083	\$ 231,396	\$ 241,920
Expenses								
Investment expenses	78,687	68,775	64,093	2,900	1,310,087	2,900	\$ 19,208	\$ 119
Final taxes	202	77	22,278,848	1,546,330	357,692	8,021,624	\$ 2,433	\$ 5,677
Management Fee	10,910,701	2,380,063	35,356,237	683,363	11,394,352		\$ 54,625	
	10,989,590	2,448,915	57,699,179	2,232,593	13,062,131	8,024,524	\$ 76,266	\$ 5,796
Net Investment Income or Loss	70,480,317	13,867,408	70,651,968	6,625,113	(13,935,281)	92,894,558	\$ 155,130	\$ 236,124
<b>STATEMENT OF CHANGES IN THE FUND</b>								
Net Assets, Beginning of the Year	339,329,247	49,956,997	1,760,434,790	116,724,195	476,627,530	1,887,796,936	\$ 2,759,436	\$ 3,678,433
Add:								
Valuation Reserve						8,712,657		\$ 31,000
Net investment income (loss)	70,480,317	13,867,408	70,651,968	6,625,113	(13,935,281)	92,894,558	\$ 155,130	\$ 236,124
Net contributions (redemptions)	336,080,822	156,883,901	33,655,492	16,921,358	(24,880,587)	(709,211,333)	\$ 67,091	\$ (2,123,096)
Net Assets, End of Period	745,890,386	220,708,306	1,864,742,250	140,270,666	437,811,663	1,280,192,819	\$ 2,981,657	\$ 1,822,461