



# AIA INVESTMENT FUNDS

## AIA GREATER CHINA EQUITY FUND

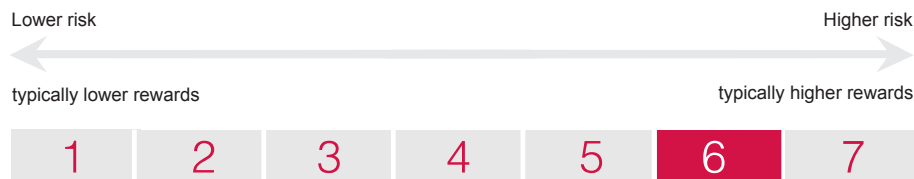
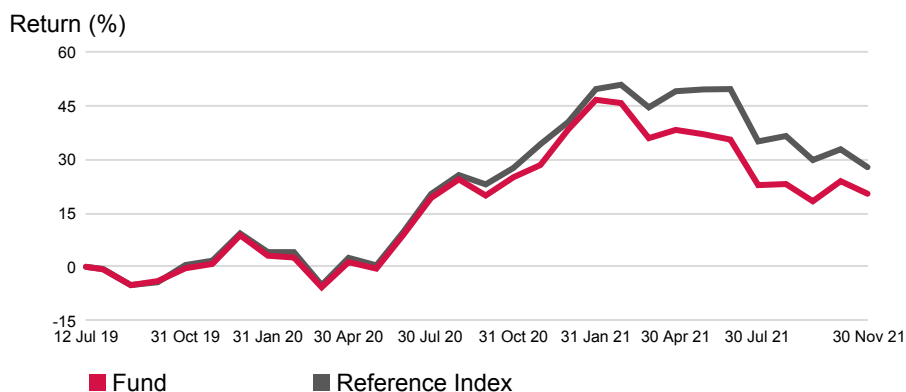
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### INVESTMENT OBJECTIVE and POLICY

The Sub-Fund aims to generate long-term total returns through a portfolio of equities and equity-related securities issued primarily by Greater China companies. In order to achieve its investment objective, the Sub-Fund will invest primarily, i.e. at least 50% of the Sub-Fund's Net Asset Value, in equity securities and equity-related securities issued by companies (i) incorporated in the Greater China region (i.e. the People's Republic of China ("PRC"), the Hong Kong S.A.R., Macau S.A.R. and the Taiwan R.O.C.), (ii) listed, traded or quoted on the stock exchanges in the Greater China region or (iii) having most of their assets and/or activities located in the Greater China region. The Sub-Fund will invest in companies it believes to have above average earnings growth potential compared to other companies or in companies it believes are undervalued compared to their perceived worth. The Investment Manager uses a bottom-up approach to buying and selling investments for the Sub-Fund. The Sub-Fund may invest in equity securities and equity-related securities of companies of any market capitalisation and of any industry or sector.

The funds described herein are indexed to an MSCI index.

### PERFORMANCE



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Sub-Fund. The risk and reward category shown is not guaranteed and may change over time. The lowest category does not mean a risk free investment. The Sub-Fund is rated 6 due to the nature of its investments which include the risks listed below. These factors may impact the value of the Sub-Fund's investments or expose the Sub-Fund to losses.

#### MAIN RISKS

**Emerging Markets Risk** Emerging markets or less developed countries may face more economic, political or structural challenges than developed countries. This may mean your money is at greater risk. Other factors include greater 'Liquidity Risk', restrictions on investment or transfer of assets and failed/delayed delivery of securities or payments to the Sub-Fund.

**Equity Risk** The value of equities and equity-related securities can be affected by daily stock market movements. Other influential factors include political, economic news, company earnings and significant corporate events.

**Source:** Please refer to Section 5 of the prospectus for other risk factors.

| Asset class                    | Equity        |
|--------------------------------|---------------|
| ISIN (Class I)                 | LU1982192152  |
| Bloomberg ticker (Class I)     | AFGCIUC       |
| Fund size                      | 50,952,367.79 |
| Fund base currency             | USD           |
| Share class currency (Class I) | USD           |
| Net asset value (Class I)      | 12.0432       |
| Inception date (Class I)       | 12-Jul-19     |
| Domicile                       | Luxembourg    |
| Fund type                      | UCITS         |
| <sup>^</sup> Ongoing charges   | 1.00%         |
| Performance Fee                | None          |

<sup>^</sup>The ongoing charges figure is based on an estimate calculated during the launch phase. This figure may vary from year to year. It excludes portfolio trade-related costs, except costs paid to the depository at any entry charge paid to an underlying collective investment scheme (if any). Please refer to Page 3 of factsheet for fees of each share class.

### IMPORTANT INFORMATION

Prior to investing, Investors should read the Prospectus and Key Investor Information Document (KIID).

# AIA GREATER CHINA EQUITY FUND

## PERFORMANCE

|                 | Cumulative Returns (%) |      |       |       | Annualised Returns (%) |           |            |                       |
|-----------------|------------------------|------|-------|-------|------------------------|-----------|------------|-----------------------|
|                 | 1 m                    | 3 m  | YTD   | 1 y   | 3 y (p.a)              | 5 y (p.a) | 10 y (p.a) | Since Inception (p.a) |
| Class I         | -2.8                   | -2.1 | -12.9 | -6.2  | -                      | -         | -          | 8.1                   |
| ^Benchmark      | -3.7                   | -6.4 | -9.0  | -4.7  | -                      | -         | -          | 10.8                  |
| Relative Return | 0.91                   | 4.23 | -3.97 | -1.45 | -                      | -         | -          | -2.72                 |

^MSCI AC Golden Dragon

Past performance is not a guide to future performance.

Please refer to [Section 5] of the prospectus for other performance & risk factors.

## TOP 10 HOLDINGS (%)

|     |                                           |      |
|-----|-------------------------------------------|------|
| 1.  | Taiwan Semiconductor Manufacturing Co Ltd | 10.0 |
| 2.  | Tencent Holdings Ltd                      | 9.1  |
| 3.  | Alibaba Group Holding Ltd                 | 6.2  |
| 4.  | Meituan                                   | 4.3  |
| 5.  | MediaTek Inc                              | 3.5  |
| 6.  | Hong Kong Exchanges & Clearing Ltd        | 2.9  |
| 7.  | China Merchants Bank Co Ltd               | 2.9  |
| 8.  | JD.com Inc                                | 2.9  |
| 9.  | XPeng Inc                                 | 2.9  |
| 10. | CTBC Financial Holding Co Ltd             | 2.8  |

## COUNTRY WEIGHTS (%)

|           |      |
|-----------|------|
| China     | 65.0 |
| Taiwan    | 25.9 |
| Hong Kong | 6.3  |
| USA       | 2.0  |
| Italy     | 0.8  |

## SECTOR WEIGHTS (%)

|                        |      |
|------------------------|------|
| Information Technology | 29.1 |
| Consumer Discretionary | 24.2 |
| Financials             | 11.8 |
| Communication Services | 10.5 |
| Consumer Staples       | 7.1  |
| Industrials            | 6.4  |
| Health Care            | 5.2  |
| Real Estate            | 2.4  |
| Materials              | 2.4  |
| Other Sectors          | 1.0  |

# AIA GREATER CHINA EQUITY FUND

## SHARE CLASS DETAILS

| Share class | Currency | Bloomberg ticker | ISIN         | Inception date | Initial sales charges % (max) | Annual management fee% (max) | Initial Offer Px | Redemption Fee / Conversion Fee | Minimum initial investment | Minimum subsequent investment | Minimum Redemption Amount | Minimum Holding Amount | Distribution frequency | Ex-date | Dividend per share |
|-------------|----------|------------------|--------------|----------------|-------------------------------|------------------------------|------------------|---------------------------------|----------------------------|-------------------------------|---------------------------|------------------------|------------------------|---------|--------------------|
| I           | USD      | AFGCIUC          | LU1982192152 | 2019-07-12     | Up to 5%                      | Up to 0.75%                  | USD 10           | Up to 1%                        | USD10m                     | USD100,000                    | USD100,000                | USD10m                 | NA                     | NA      | NA                 |

Distributions are not guaranteed and may fluctuate. Past distributions are not necessarily indicative of future trends, which may be lower. Distribution payouts and its frequency are determined by the Board of Directors and should not be confused with the Fund's performance, rate of return or yield. Any payment of distributions may result in an immediate decrease in the net asset value per share. Please refer to Section 7.2 of the prospectus for dividend distribution policy.

For more information about charges, please see section charges and expenses of the prospectus of the UCITs, which is available at : [www.aia.com/en/funds-information](http://www.aia.com/en/funds-information)

| Share class     | Currency | Cumulative Returns (%) |      |       |       | Annualised Returns (%) |           |            |                       |
|-----------------|----------|------------------------|------|-------|-------|------------------------|-----------|------------|-----------------------|
|                 |          | 1 m                    | 3 m  | YTD   | 1 y   | 3 y (p.a)              | 5 y (p.a) | 10 y (p.a) | Since Inception (p.a) |
| I               |          |                        |      |       |       |                        |           |            |                       |
| Fund            | USD      | -2.8                   | -2.1 | -12.9 | -6.2  | -                      | -         | -          | 8.1                   |
| ^Benchmark      | USD      | -3.7                   | -6.4 | -9.0  | -4.7  | -                      | -         | -          | 10.8                  |
| Relative Return | USD      | 0.91                   | 4.23 | -3.97 | -1.45 | -                      | -         | -          | -2.72                 |

^MSCI AC Golden Dragon

Past performance is not a guide to future performance.

Please refer to [Section 5] of the prospectus for other performance & risk factors.

## COMMENTARY

### Commentary Sources

1. AIA Investment Management Hong Kong
2. AIA Investment Funds

In November, the MSCI Golden Dragon Index returned -3.74%, bringing its year-to-date (YTD) returns to -8.97% in USD terms. Taiwan outperformed China and Hong Kong. By sector, top three outperforming sectors were Information Technology, Industrials and Consumer Staples while top three underperforming sectors were Consumer Discretionary, Energy and Healthcare. This month's sector and stock performances had high correlation with earnings revisions. The IT sector has experience positive earnings revision thanks to continuous chip shortage which triggered better than expected top line growth and operating leverage in many companies in the sector. The Staples sector outperformed on anticipation of price hike as many Food and Beverage companies did not hike price this year despite increasing costs. Lastly, the Discretionary sector underperformed the most mainly dragged by the e-commerce sectors which missed market expectation in either reported earnings or future growth guidance amid overall slower retail sales trend in China.

The AIA Greater China Equity Fund returned -2.83%, outperformed the benchmark by 0.91%. Stock selection was particularly remarkable in the Information Technology in Taiwan and China where the Fund's holding companies reported better than expected results and provided good growth guidance for the next quarter thanks to continuous chip shortage. In general, the foundry market remains a sellers' market going into year end. The Fund also benefited from underweighting the insurance sector which underperformed the index on growing concerns of prolonged VNB slowdown. Consumer Discretionary sector in China also contributed positively thanks to the Fund's exposure in electric vehicle (EV) companies in China. On the flip side, Healthcare and Real Estate's stock selection detracted this month due to concerns on growth slowdown in the CXO (collective name for all the clinical research/manufacturing business in the healthcare industry) market, and on developers' liquidity and lower medium-term earnings visibility with a weaker property market. This month, the Fund added a new position in a power grid industrial company benefiting from a growing grid-related investment for the next few years in China.

The market is now very likely sitting at a transitional phase between late cycle credit contraction and slowly moving to an early credit expansion phase. As such, equity stock market outlook should look brighter in 2022 compared to 2021. Policy easing is a clear direction; however, the intensity of easing remains uncertain. The Fund continues to look for structural opportunities in key policy friendly sectors, specifically maintain its positive stance on innovative industries, consumer upgrade and Covid-recovery sector as well as companies which can benefit from policy easing.

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Please refer to the offering documents (including, but not limited to the current Prospectus and the KIID) of AIAIF for details on fees and charges, dealing & redemption, product features, risk factors and seek professional advice before making any investment decision.

The value of shares in any sub-fund of AIAIF and the income accruing to the shares, if any, may fall or rise. Where an investment is denominated in a currency other than the base currency of a sub-fund of AIAIF, exchange rates may have an adverse effect on the value price or income of that investment. Investors should not make any investment decision solely based on this document. In the event that an investor may choose not to seek advice from a financial adviser, the latter should consider carefully whether an investment into a sub-fund of AIAIF in question is suitable for him.

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**Any sub-fund of AIAIF may use derivative instruments for efficient portfolio management and hedging purposes.**

**This paragraph is only applicable to the distribution share classes of AIAIF.** AIAIF may, at its discretion, determine how the earnings of distribution share classes shall be distributed and may declare distributions from time to time. When AIAIF decides to pay dividends in respect of a distributing share class out of the capital of the sub-fund of AIAIF or where the dividends in respect of a distributing share class are paid out of gross income of the sub-fund of AIAIF, while the sub-fund of AIAIF's fees and expenses are charged to or paid out of the capital of the sub-fund of AIAIF, resulting in an increase in distributable income for the payment of dividends by the sub-fund of AIAIF, such payment of dividends may, in the light of the rules applicable in the jurisdictions where the sub-fund of AIAIF is registered for public distribution, be considered as a payment of dividends out of and effectively out of capital respectively, both of which would amount to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. The distributions, including amounts and frequency, are not guaranteed and are subject to the discretion of AIAIF. Past dividends are not a forecast or projection of future distributions.

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