



AIA INVESTMENT FUNDS

AIA DIVERSIFIED FIXED INCOME FUND

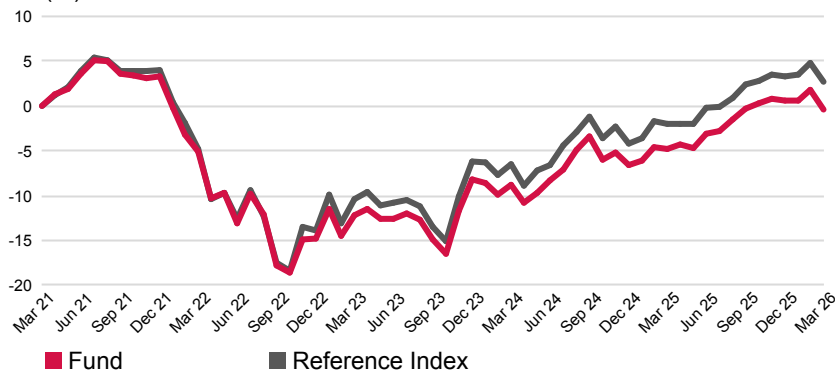
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INVESTMENT OBJECTIVE and POLICY

The Sub-Fund aims to maximise long-term return by investing in a diversified fixed income portfolio consisting primarily investment grade bonds and other debt securities denominated in USD. 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 USD-denominated fixed or floating rate fixed income securities issued by government, agencies and companies globally. The Sub-Fund may invest in a full spectrum of fixed income securities including corporate bonds, emerging markets debt instruments, collateralized loan obligations (CLOs), asset backed securities (ABS), commercial mortgage backed securities (CMBS), taxable municipals, US government or agency obligations, as well as cash and commercial paper. Investments in collateralized loan obligations (CLOs), commercial mortgage backed securities (CMBS), asset backed securities (ABS) and emerging market securities shall not exceed 20% of the net assets of the Sub-Fund.

PERFORMANCE

Return (%)



Lower risk ← Higher risk
typically lower rewards ← typically higher rewards

1 2 3 **4** 5 6 7

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 4 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

Bond Downgrade Risk A Sub-Fund may invest in highly rated / investment grade bonds, however, where a bond is subsequently downgraded it may continue to be held in order to avoid a distressed sale. To the extent that a Sub-Fund does hold such downgraded bonds, there will be an increased risk of default.

Credit Risk The risk of loss arising from default that may occur if an issuer fails to make principal or interest payments when due. This risk is higher if the Fund holds low-rated, non-investment-grade securities.

Interest Rate Risk The performance of a Sub-Fund may be influenced by changes in the general level of interest rates.

Sovereign Debt Risk Sovereign debt refers to debt obligations issued or guaranteed by governments or their agencies and instrumentalities (each a "governmental entity"). Investments in sovereign debt may involve a degree of risk.

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

Asset class	Fixed Income
ISIN (Class I)	LU1982194364
Bloomberg ticker (Class I)	AFDIUC
Total Fund Size	413,429,987.90
Fund base currency	USD
Share class currency (Class I)	USD
Net asset value (Class I)	10.89
Inception date (Class I)	05-Jul-19
Domicile	Luxembourg
Fund type	UCITS
[^] Ongoing charges	0.56%
Performance Fee	None

[^]Data as of 31 December 2025. 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 DIVERSIFIED FIXED INCOME 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	-2.24	-0.99	-0.99	4.54	4.29	-0.09	-	1.27
^Benchmark	-1.98	-0.54	-0.54	4.78	4.66	0.54	-	1.91
Relative Return	-0.26	-0.46	-0.46	-0.24	-0.37	-0.62	-	-0.65

^BBG Barclays US Corporate Bond Index

Benchmark Performance represents the following: Before 1 Jun 2023 - (AIA Diversified Fixed Income Blended BBG/Barclays/JPM Benchmark); 1 Jun 2023 onwards - (BBG Barclays US Corporate Bond Index)

Past performance is not a guide to future performance.

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

TOP 10 HOLDINGS (%)

1.	CBT US 2YR NOTE (CBT) Jun26	5.0
2.	CBT US 10yr Ultra Fut Jun26	3.8
3.	CBT US LONG BOND(CBT) Jun26	2.7
4.	CBT US 5YR NOTE (CBT) Jun26	1.8
5.	TMobile USA Inc 2.625% 15/02/2029	1.3
6.	United States Treasury NoteBond 4.25% 31/03/2033	1.3
7.	United States Treasury Note/Bond 3.5 % 15-Mar-2029	1.1
8.	Eagle Funding Luxco Sarl 5.5% 17/08/2030	1.1
9.	Bank of America Corp 4.979% VRN 24/01/2029	1.1
10.	Edison International 5.75% 15/06/2027	0.9

COUNTRY WEIGHTS (%)

USA	78.6
United Kingdom	3.1
Japan	1.5
Mexico	1.3
Canada	1.1
Denmark	0.8
France	0.8
Netherlands	0.7
Germany	0.6
Derivatives	9.0
Other Countries	2.6

DURATION WEIGHTS (%)

0 - 1 Year	0.9
1 - 3 Years	27.9
3 - 5 Years	16.7
5 - 10 Years	28.5
10+ Years	26.0

SECTOR WEIGHTS (%)

Financial	29.3
Consumer, Non-cyclical	12.7
Communications	8.6
Industrial	8.4
Utilities	8.0
Technology	7.1
Energy	6.3
Government	4.9
Consumer, Cyclical	4.0
Derivatives	9.0
Other Sectors	1.8

RATING WEIGHTS (%)

AAA	0.3
AA+	3.9
AA	0.8
AA-	2.1
A+	4.8
A	10.4
A-	17.8
BBB+	16.0
BBB	23.5
BBB-	8.5
Others	3.0
Derivatives	9.0

AIA DIVERSIFIED FIXED INCOME 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	AFDFIUC	LU1982194364	2019-07-05	Up to 3%	Up to 0.50%	USD 10	Up to 1%	USD10m	USD100,000	USD100,000	USD10m	NA	NA	NA
Z	USD	AFDZUC	LU1982194794	2020-05-06	Up to 3%	0%	USD 10	Up to 1%	USD20m	USD100,000	USD100,000	USD20m	NA	NA	NA
IDQ	USD	AFDFIUQ	LU2209052336	2020-09-11	Up to 3%	Up to 0.50%	USD 10	Up to 1%	USD10m	USD100,000	USD100,000	USD10m	Quarterly	2026-03-13	0.091392
K	USD	AFDKUC	LU2289846128	2021-07-02	Up to 3%	Up to 0.50%	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 9 (fees and expenses) of the prospectus, which is available at : 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	-2.24	-0.99	-0.99	4.54	4.29	-0.09	-	1.27
^Benchmark	USD	-1.98	-0.54	-0.54	4.78	4.66	0.54	-	1.91
Relative Return	USD	-0.26	-0.46	-0.46	-0.24	-0.37	-0.62	-	-0.65
Z									
Fund	USD	-2.19	-0.87	-0.87	5.06	4.82	0.41	-	1.39
^Benchmark	USD	-1.98	-0.54	-0.54	4.78	4.66	0.54	-	1.50
Relative Return	USD	-0.22	-0.34	-0.34	0.29	0.16	-0.12	-	-0.11
IDQ									
Fund	USD	-2.24	-0.99	-0.99	4.54	4.29	-0.09	-	-0.44
^Benchmark	USD	-1.98	-0.54	-0.54	4.78	4.66	0.54	-	0.09
Relative Return	USD	-0.26	-0.46	-0.46	-0.24	-0.37	-0.62	-	-0.53
K									
Fund	USD	-2.21	-0.92	-0.92	4.88	4.63	-	-	-0.55
^Benchmark	USD	-1.98	-0.54	-0.54	4.78	4.66	-	-	-0.27
Relative Return	USD	-0.23	-0.38	-0.38	0.10	-0.03	-	-	-0.28

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Past performance is not a guide to future performance.

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

COMMENTARY

Commentary Sources

1. AIA Investment Management Pte Ltd
2. AIA Investment Funds
3. BlackRock Financial Mgmt, Inc

In its March meeting, the Federal Open Market Committee (FOMC) kept the fed funds rate unchanged at 3.75%, in line with expectations. The median summary of economic projections (SEP) still points to one rate cut this year, although some more dovish members have scaled back their projections. Powell struck a relatively hawkish tone, highlighting uncertainty from Middle East developments and the potential for upside risks to inflation. He emphasized that further progress on inflation is needed before considering additional rate cuts. Ongoing tensions in the Middle East have lasted longer than expected, pushing oil prices and inflation expectations higher. At the same time, recent payroll data came in stronger than expected, with unemployment declining to 4.3%. This combination supports a “higher for longer” rate backdrop, though it remains important to monitor how elevated inflation may impact demand. Against this backdrop, Investment Grade spreads widened by another ~5 basis points (bps) in March to around 85bps. While geopolitical risks and sticky inflation are creating some pressure on spreads, higher all-in yields continue to attract demand, helping to keep spreads relatively contained. Despite a heavy primary calendar, strong yield-driven demand and improving valuations, partly driven by artificial intelligence (AI)-related tailwinds and geopolitical repricing, should provide durability which will also be aided by supply moderating into April.

In March, the AIA Diversified Fixed Income Fund return -2.24%, underperforming the benchmark by 26 bps. With Middle East tensions persisting longer than expected, yields continued to move higher over the month, resulting in a drag from the Fund’s overweight duration stance. This underperformance was partially offset by positive security selection, particularly within Consumer Non-Cyclicals, Cyclicals, Banking, and Insurance.

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Investments in AIAIF are not obligations of, deposits in, guaranteed or insured by AIAIF nor any of its affiliates and are subject to investment risks, including the possible loss of the principal amount invested. **Prospective investors are invited to further consider the risk warnings section of the Prospectus and the relevant KIID.** This document is solely for information and does not have any regard to the specific investment objectives, financial or tax situation and the particular needs of any specific person who may receive this document. No investment strategy or risk management strategy techniques can guarantee returns or eliminate risks in any market environment.

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.

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Past performance and the predictions, projections, or forecasts on the economy, securities markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of the AIAIF.

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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