



# AIA INVESTMENT FUNDS

## AIA DIVERSIFIED FIXED INCOME FUND

For Institutional Investors only\*.

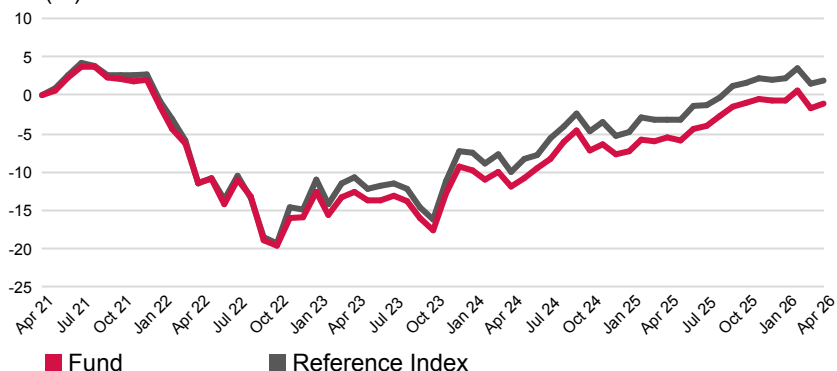
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### INVESTMENT OBJECTIVE and POLICY

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



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	451,397,214.82
Fund base currency	USD
Share class currency (Class I)	USD
Net asset value (Class I)	10.95
Inception date (Class I)	05-Jul-19
Domicile	Luxembourg
Fund type	UCITS
<sup>^</sup> Ongoing charges	0.56%
Performance Fee	None

<sup>^</sup>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	0.62	-0.38	-0.38	4.71	4.22	-0.22	-	1.35
^Benchmark	0.45	-0.27	-0.09	5.29	4.52	0.38	-	1.95
Relative Return	0.17	-0.11	-0.29	-0.58	-0.31	-0.60	-	-0.61

^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	7.8
2.	CBT US 10yr Ultra Fut Jun26	3.2
3.	CBT US LONG BOND(CBT) Jun26	2.4
4.	United States Treasury NoteBond 3.5% 28/02/2031	2.3
5.	United States Treasury Note/Bo 4.125 % 15-Feb-2036	2.2
6.	United States Treasury NoteBond 4.25% 31/03/2033	1.9
7.	TMobile USA Inc 2.625% 15/02/2029	1.2
8.	Eagle Funding Luxco Sarl 5.5% 17/08/2030	1.0
9.	Bank of America Corp 4.979% VRN 24/01/2029	1.0
10.	United States Treasury Note/Bond 3.5 % 15-Mar-2029	0.9

## COUNTRY WEIGHTS (%)

USA	79.2
United Kingdom	2.6
Japan	1.3
Mexico	1.2
Ireland	1.2
Canada	1.0
Denmark	0.7
France	0.7
Netherlands	0.7
Derivatives	8.9
Other Countries	2.6

## DURATION WEIGHTS (%)

0 - 1 Year	3.0
1 - 3 Years	27.3
3 - 5 Years	15.8
5 - 10 Years	29.0
10+ Years	24.8

## SECTOR WEIGHTS (%)

Financial	26.6
Consumer, Non-cyclical	11.9
Government	9.4
Communications	8.4
Industrial	7.6
Utilities	7.4
Technology	7.2
Energy	5.8
Consumer, Cyclical	4.4
Derivatives	8.9
Other Sectors	2.4

## RATING WEIGHTS (%)

AAA	0.2
AA+	8.5
AA	1.5
AA-	2.1
A+	4.7
A	10.0
A-	17.9
BBB+	15.1
BBB	20.9
BBB-	7.3
Others	2.8
Derivatives	8.9

# 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	AFDIUQ	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](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)
<b>I</b>									
Fund	USD	0.62	-0.38	-0.38	4.71	4.22	-0.22	-	1.35
^Benchmark	USD	0.45	-0.27	-0.09	5.29	4.52	0.38	-	1.95
Relative Return	USD	0.17	-0.11	-0.29	-0.58	-0.31	-0.60	-	-0.61
<b>Z</b>									
Fund	USD	0.66	-0.25	-0.21	5.23	4.74	0.29	-	1.48
^Benchmark	USD	0.45	-0.27	-0.09	5.29	4.52	0.38	-	1.55
Relative Return	USD	0.21	0.01	-0.13	-0.05	0.22	-0.10	-	-0.07
<b>IDQ</b>									
Fund	USD	0.62	-0.37	-0.37	4.72	4.22	-0.22	-	-0.32
^Benchmark	USD	0.45	-0.27	-0.09	5.29	4.52	0.38	-	0.17
Relative Return	USD	0.17	-0.11	-0.29	-0.57	-0.31	-0.60	-	-0.49
<b>K</b>									
Fund	USD	0.65	-0.30	-0.27	5.05	4.56	-	-	-0.41
^Benchmark	USD	0.45	-0.27	-0.09	5.29	4.52	-	-	-0.17
Relative Return	USD	0.20	-0.03	-0.19	-0.24	0.03	-	-	-0.23

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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

April was characterized by a meaningful improvement in risk sentiment following the announcement of a ceasefire between the U.S. and Iran over the Strait of Hormuz. The U.S. 10-year Treasury yield moved higher in April as a hawkishly split Federal Reserve (Fed) held rates while signaling higher-for-longer policy amid surging oil prices from Middle East tensions. Fixed income delivered slightly positive returns over the month as higher oil prices, rising term premiums, and policy uncertainty weighed on performance. Curve moves were mixed, with the 2s10s spread tightening by 1 basis point (bps), while the 5s30s steepened modestly by 2 bps, highlighting greater pressure at the front end relative to long-dated rates. At its April meeting, the Fed held rates steady at 3.50%–3.75%, as widely expected, but the decision was unusually divided, with an 8-4 vote, the most dissents since 1992. While there was broad agreement on holding policy unchanged, consensus around the future policy path was far weaker. Chair Powell emphasized that no members are currently advocating for rate hikes, signaling a shift toward a more neutral, data-dependent stance where both cuts or hikes remain possible.

Labor income bounced and payrolls rose faster than expected in April, but the unemployment rate rose and 2-month revisions were modestly negative. On a 3 month change basis, both payrolls growth and the unemployment rate are slightly below average, suggesting a sluggish labor market although there has been a clear improvement relative to November. Labor market flows data deteriorated over the month, and the steady state unemployment rate returned to the high end of its recent range. On inflation front, March's headline Consumer Price Index (CPI) was dominated by the expected surge in energy commodity prices. However, core CPI was a bit softer than expected. Lastly, the option-adjusted spread for the U.S. Investment Grade Credit Index tightened in April.

The AIA Diversified Fixed Income Fund returned 0.62%, outperforming its benchmark by 17 bps, primarily driven by positive contributions from sector allocation and security selection. This was partially offset by duration positioning amid the sharp sell-off in rates caused by rising uncertainty in the Middle East.

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# AIA DIVERSIFIED FIXED INCOME FUND

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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.

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**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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