



AIA INVESTMENT FUNDS

AIA US HIGH YIELD BOND FUND

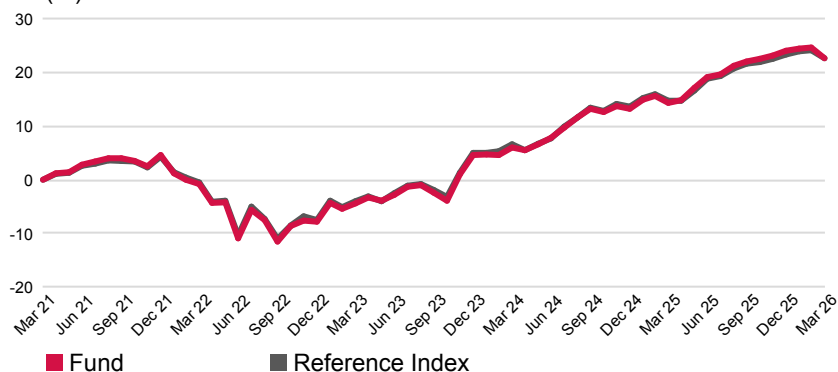
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INVESTMENT OBJECTIVE and POLICY

The Sub-Fund aims to maximise long-term total return, consistent with preservation of capital and prudent investment management by investing in a diversified fixed income portfolio consisting primarily of high yield 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 a diversified portfolio of high yield fixed income securities denominated in USD that are rated lower than Baa3 by Moody's, or lower than BBB- by S&P or equivalently rated by Fitch.

PERFORMANCE

Return (%)



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

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.

Fixed Income Transferable Securities Debt securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated debt security or its issuer or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market. In certain market environments this may lead to investments in such securities becoming less liquid, making it difficult to dispose of them. A Sub-Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect a Sub-Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities. An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, a Sub-Fund may experience losses and incur costs. Issuers of non-investment grade or unrated debt may be highly leveraged and carry a greater risk of default. In addition, non-investment grade or unrated securities tend to be less liquid and more volatile than higher rated fixed-income securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated fixed-income securities. Such securities are also subject to greater risk of loss of principal and interest than higher rated fixed-income securities.

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

Liquidity Risk In difficult market conditions, the Sub-Fund may not be able to sell a security for full value or at all. This could affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares.

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

Asset class	Fixed Income
ISIN (Class Z)	LU2182890298
Bloomberg ticker (Class Z)	AFHYZUC
Total Fund Size	192,788,647.08
Fund base currency	USD
Share class currency (Class Z)	USD
Net asset value (Class Z)	12.66
Inception date (Class Z)	08-Sep-20
Domicile	Luxembourg
Fund type	UCITS
[^] Ongoing charges	0.11%
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 US HIGH YIELD BOND 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 Z	-1.66	-1.14	-1.14	7.23	8.64	4.15	-	4.33
^Benchmark	-1.18	-0.53	-0.53	6.98	8.58	4.22	-	4.75
Relative Return	-0.47	-0.61	-0.61	0.25	0.06	-0.06	-	-0.42

^ICE BofAML US High Yield Constrained Index, exclude transaction cost.

Benchmark Performance represents the following: Sep 08 2020 to Jan 09 2022 - (ICE BofAML BB-B US High Yield Constrained Index); Jan 10 2022 onwards - (ICE BofAML US High Yield Constrained 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	8.6
2.	CDS BRC 5% 20/12/30	5.4
3.	CBT US 10YR NOTE (CBT)Jun26	3.8
4.	United States Treasury Bill 0 % 25-Jun-2026	3.2
5.	CDS BRC 5% 20/06/31	1.7
6.	United States Treasury Bill 0% 19/05/2026	1.3
7.	United States Treasury Bill 0% 30/06/2026	1.2
8.	CDS GOS 5% 20/12/30	1.2
9.	United States Treasury Bill 0% 26/05/2026	1.1
10.	United States Treasury Bill 0 % 18-Jun-2026	0.8

COUNTRY WEIGHTS (%)

USA	76.6
Canada	2.3
United Kingdom	1.3
Germany	0.9
Netherlands	0.8
France	0.7
Luxembourg	0.6
Israel	0.5
Switzerland	0.4
Derivatives	14.3
Other Countries	1.7

DURATION WEIGHTS (%)

0 - 1 Year	13.4
1 - 3 Years	38.0
3 - 5 Years	39.1
5 - 10 Years	8.6
10+ Years	0.9

SECTOR WEIGHTS (%)

Consumer, Non-cyclical	13.6
Communications	12.9
Consumer, Cyclical	12.2
Industrial	9.8
Financial	9.7
Government	9.3
Energy	9.2
Technology	5.7
Basic Materials	3.1
Derivatives	14.3
Other Sectors	0.3

RATING WEIGHTS (%)

AAA	0.0
AA+	9.3
AA	0.0
AA-	0.0
A+	0.2
A	0.0
A-	0.0
BBB+	0.1
BBB	0.0
BBB-	0.2
Others	76.0
Derivatives	14.3

AIA US HIGH YIELD BOND 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
Z	USD	AFHYZUC	LU2182890298	2020-09-08	Up to 5%	0%	USD 10	Up to 1%	USD 20m	USD100,000	USD100,000	USD 20m	Quarterly	NA	NA
IDQ	USD	AFHYIUQ	LU2182890025	2020-09-11	Up to 5 %	Up to 0.75%	USD 10	Up to 1%	USD10m	USD100,000	USD100,000	USD10m	NA	2026-03-13	0.162115

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)
Z									
Fund	USD	-1.66	-1.14	-1.14	7.23	8.64	4.15	-	4.33
^Benchmark	USD	-1.18	-0.53	-0.53	6.98	8.58	4.22	-	4.75
Relative Return	USD	-0.47	-0.61	-0.61	0.25	0.06	-0.06	-	-0.42
IDQ									
Fund	USD	-1.70	-1.26	-1.26	6.70	8.10	3.63	-	3.87
^Benchmark	USD	-1.18	-0.53	-0.53	6.98	8.58	4.22	-	4.75
Relative Return	USD	-0.52	-0.73	-0.73	-0.28	-0.48	-0.59	-	-0.89

^ICE BofAML US High Yield Constrained Index, exclude transaction cost.

Benchmark Performance represents the following: Sep 08 2020 to Jan 09 2022 - (ICE BofAML BB-B US High Yield Constrained Index); Jan 10 2022 onwards - (ICE BofAML US High Yield Constrained Index)

Past performance is not a guide to future performance.

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

Commentary Sources

1. AIA Investment Management Pte Ltd
2. AIA Investment Funds
2. PIMCO Asia Pte Ltd

COMMENTARY

March was shaped by a sharp rise in geopolitical risk, as an escalation centred on Iran became the dominant driver of market sentiment. Actions around the Strait of Hormuz materially disrupted oil and liquefied natural gas (LNG) supply, intensifying concerns over global energy supply. As disruption risks mounted, oil prices moved decisively higher, with Brent trading in a wide range around \$100–120 per barrel. The resulting energy shock contributed to a pronounced global sell off in government bonds, with yield curves broadly bear flattening across developed markets as near-term inflation expectations and market expectations for future policy rates rose. Risk sentiment remained fragile for much of the period, before late month headlines raised tentative hopes of de-escalation and a potential easing of tail risks. The U.S. 2-year (y) yield rose 42 basis points (bps) to 3.79%, and the United Kingdom (UK) 2y yield rose 89bps to 4.40%. The U.S. 10y yield rose 38bps to 4.32%, and the UK 10y yield rose 68bps to 4.91%. In Germany, the 2y yield rose 62bps to 2.61%, and the 10y yield rose 36bps to 3.00%. Within credit spreads, USD investment grade credit widened 4bps to 90bps, and EUR investment grade credit widened 13bps to 95bps. USD high yield credit spreads widened 16bps to 328bps and EUR high yield credit spreads widened 62bps to 349bps. Equities declined in March across major regions. U.S. stocks fell, with the S&P 500 down -4.98% and the Russell 2000 down -5.00%. European equities also finished the month lower, as the EuroStoxx 50 declined -7.78%, and Japanese equities saw sharper losses, with the Nikkei down -12.64%.

Major central banks largely held policy rates steady in March, with communication becoming more cautious as energy-driven inflation risks came into sharper focus. In the U.S., the Federal Reserve left its federal funds rate target unchanged at 3.50-3.75%, with Chair Powell noting that Middle East developments pose risks to both sides of the dual mandate and that further progress on inflation would be required before cuts could resume. The Bank of England also held the Bank Rate at 3.75% but delivered a hawkish surprise through a unanimous 9–0 vote and the removal of its previous easing bias, stating that the Committee would “stand ready to act” to ensure inflation returns to target. The European Central Bank kept policy rates unchanged, holding the deposit facility rate at 2%, while President Lagarde emphasized the need for clarity on the size and persistence of the energy shock as well as any potential second-round effects. In Japan, the Bank of Japan maintained its policy rate at 0.75% in an 8–1 decision, noting that escalating Middle East tensions cloud the economic outlook. By contrast, the Reserve Bank of Australia stood out, raising its cash rate by 25bps to 4.10% in line with market expectations, citing inflationary pressures.

Regarding macro prints, U.S. non-farm payrolls came in below expectations at -92k (vs. +59k expected), and the unemployment rate rose to 4.4% (vs. 4.3% expected). U.S. core consumer price index (CPI) remained at 2.5% year-over-year (yoy) (in line with expectations), and headline CPI at 2.4%yoy (in line with expectations). In the UK, core CPI rose to 3.2%yoy (vs. 3.1% expected) and headline CPI stayed at 3.0%yoy (in line with expectations). Across the Euro Area, core inflation rose to 2.4%yoy and headline inflation rose to 1.9%yoy (both in line with expectations). Finally, the Eurozone and UK flash composite purchasing manager index (PMIs) printed at 50.5 and 51.0, respectively.

Global investment grade credit posted negative returns for the month, underperforming like-duration government bonds as spreads widened in March. Investment grade credit returns were negative as interest rates broadly sold off amid rising inflationary concerns, while spreads remained relatively range-bound amid resilient fundamentals and robust demand. Global high yield delivered negative total returns with the B-rated segment of the high yield market, outperforming BB-rated and CCC rated bonds. High yield credit was broadly negative amid geopolitical volatility and continued software concerns, while the Energy sector remained relatively insulated.

In March, the AIA U.S. High Yield Fund returned -1.66%, underperforming the benchmark by 47 bps. Key detractors to the Fund performance include security selection in both Finance & Brokerage and Technology. Key contributors include security selection in both Gaming and Retail. The Fund favors U.S. high yield, as the market benefits from a broader and more diversified investor base, superior liquidity, and higher absolute yields. From a sector perspective, the Fund emphasizes defensive, non-cyclical sectors with relatively stable cash flows, while remaining broadly underweight more cyclical areas and sectors perceived to be in secular decline due to shifting market or customer dynamics, though selective opportunities

are pursued where fundamentals-adjusted valuations are compelling. The focus remains on industries with strong asset coverage, manageable leverage, and supportive secular and cyclical trends, while maintaining caution toward those facing meaningful structural challenges. The Fund also seeks credits that may be potential acquisition targets or could benefit from early refinancing activity. Overall, the Fund maintains a cautiously optimistic stance, with an emphasis on preserving adequate liquidity.

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