AIA INVESTMENT FUNDS
AIA US HIGH YIELD BOND FUND

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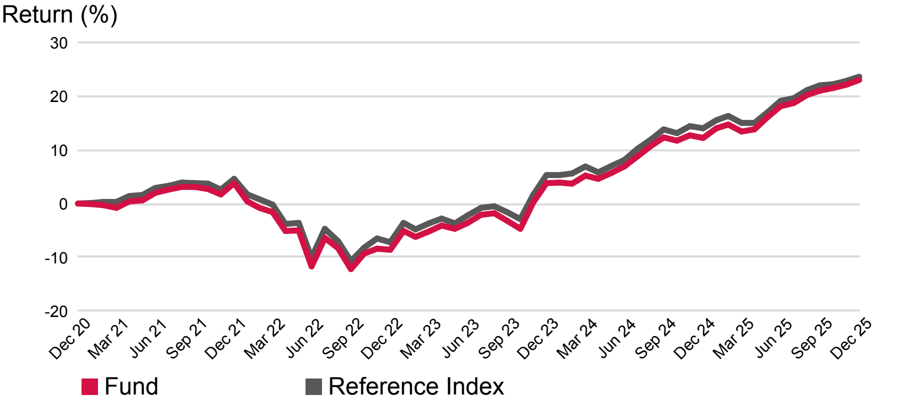
INVESTMENT OBJECTIVE and POLICY

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



Asset class	**Fixed Income**
ISIN (Class Z)	**LU2182890298**
Bloomberg ticker (Class Z)	**AFHYZUC**
Total Fund Size	**171,380,974.11**
Fund base currency	**USD**
Share class currency (Class Z)	**USD**
Net asset value (Class Z)	**12.80**
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.

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

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.

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	0.71	1.60	9.55	9.55	10.38	4.22	-	4.76
^Benchmark	0.66	1.37	8.59	8.59	10.11	4.39	-	5.08
Relative Return	0.05	0.23	0.96	0.96	0.27	-0.17	-	-0.32

^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.	CDS BRC 5% 20/12/30	6.2
2.	United States Treasury Bill 0% 17/02/2026	2.2
3.	CBT US 2YR NOTE (CBT) Mar26	2.1
4.	CDS GOS 5% 20/12/30	1.6
5.	United States Treasury Bill 0% 14/04/2026	1.4
6.	United States Treasury Bill 0% 26/03/2026	1.3
7.	United States Treasury Bill 0% 05/03/2026	0.9
8.	United States Treasury Bill 0% 12/03/2026	0.9
9.	United States Treasury Bill 0% 22/01/2026	0.9
10.	United States Treasury Bill 0% 07/04/2026	0.8

COUNTRY WEIGHTS (%)

USA	86.4
Canada	3.4
United Kingdom	2.2
Netherlands	1.2
Germany	1.2
France	1.0
Luxembourg	0.7
Japan	0.5
Norway	0.5
Derivatives	1.0
Other Countries	2.0

DURATION WEIGHTS (%)

0 - 1 Year	17.4
1 - 3 Years	38.2
3 - 5 Years	38.3
5 - 10 Years	6.0
10+ Years	0.0

SECTOR WEIGHTS (%)

Consumer, Non-cyclical	16.4
Communications	16.3
Consumer, Cyclical	13.2
Energy	11.7
Financial	11.3
Government	10.2
Industrial	9.8
Technology	5.9
Basic Materials	3.8
Derivatives	1.0
Other Sectors	0.6

RATING WEIGHTS (%)

AAA	0.0
AA+	10.2
AA	0.0
AA-	0.0
A+	0.6
A	0.0
A-	0.0
BBB+	0.0
BBB	0.0
BBB-	0.2
Others	88.0
Derivatives	1.0

Note: Due to rounding limitations, the summation of (%)s might not be an exact 100%.

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	NA	NA	NA
IDQ	USD	AFHYIUQ	LU2182890025	2020-09-11	Up to 5%	Up to 0.75%	USD 10	Up to 1%	USD 10m	USD100,000	USD100,000	USD 10m	Quarterly	2025-12-12	0.175391

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

		Cumulative Returns (%)				Annualised Returns (%)			
Share class	Currency	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	0.71	1.60	9.55	9.55	10.38	4.22	-	4.76
^Benchmark	USD	0.66	1.37	8.59	8.59	10.11	4.39	-	5.08
Relative Return	USD	0.05	0.23	0.96	0.96	0.27	-0.17	-	-0.32
IDQ									
Fund	USD	0.66	1.47	9.00	9.00	9.83	3.70	-	4.30
^Benchmark	USD	0.66	1.37	8.59	8.59	10.11	4.39	-	5.09
Relative Return	USD	0.01	0.10	0.41	0.41	-0.28	-0.69	-	-0.79

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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 Sources

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

COMMENTARY

Market sentiment in December was shaped by a combination of shifting policy signals and evolving economic narratives. In the United States, investor focus remained on the outlook for monetary policy, with market participants weighing recent Federal Reserve (Fed) actions alongside mixed macroeconomic data. This environment contributed to a cautious tone, as risk appetite weakened in response to labour market developments and ongoing uncertainty. Across Europe, speculation regarding future monetary policy direction drove fluctuations in government bond markets. Investors remained focused on United Kingdom fiscal developments and Bank of England guidance, as market movements reflected easing inflation pressures alongside persistent labour market challenges. Toward month-end, year-end positioning and anticipation surrounding policy signals added further complexity, as investors navigated an environment defined by evolving central bank stances and the continued recalibration of economic expectations.

The United States two-year government bond yield declined by 2 basis points (bps) to 3.47%, while the United Kingdom two-year yield also fell by 2 bps to 3.71%. In contrast, the United States 10-year yield rose by 15 bps to 4.17%, while the United Kingdom 10-year yield increased by 4 bps to 4.48%. In Germany, the two-year yield rose by 9 bps to 2.12%, and the 10-year yield increased by 17 bps to 2.85%. Within credit markets, United States investment-grade credit spreads tightened by 3 bps to 79 bps, while euro-denominated investment-grade credit spreads tightened by 4 bps to 78 bps. United States high yield credit spreads tightened by 11 bps to 281 bps, and euro-denominated high yield credit spreads tightened by 16 bps to 282 bps. In equity markets, United States equities posted mixed returns, with the Standard & Poor's 500 Index rising marginally by 0.06%, while the Russell 2000 Index declined by 0.58%. European equities advanced, with the Euro Stoxx 50 Index gaining 2.47%, and Japanese equities also recorded positive returns, as the Nikkei Index rose by 0.28%.

In terms of central bank actions, the Bank of Japan adopted a more hawkish stance and raised policy rates, while both the Fed and the Bank of England reduced official rates in response to evolving economic conditions. In the United States, the Fed lowered its benchmark rate by 25 bps, bringing the federal funds target range to 3.5%–3.75%. This decision reflected a cautious approach, as policymakers balanced persistent inflationary pressures against signs of labour market softening. The Bank of England also implemented a 25-bps rate cut, setting its main policy rate at 3.75%, amid easing inflation, slowing economic activity, and a rising unemployment rate. Meanwhile, the Bank of Japan raised its policy rate to 0.75%, the highest level in three decades, reflecting a decisive response to sustained inflation pressures and signalling a more assertive shift in policy as officials sought to address rising price dynamics.

Regarding macroeconomic data, United States labour market indicators appeared stronger than expected, with non-farm payrolls increasing by 64,000 compared with expectations of 50,000. However, the unemployment rate rose to 4.6%, above market expectations of 4.4%. In the United Kingdom, core Consumer Price Index (CPI) inflation declined to 3.2%, below expectations, while headline CPI also fell to 3.2% year over year, below market forecasts. In the euro area, core inflation remained at 2.4% year over year, in line with expectations, while headline inflation held at 2.1% year over year, slightly below forecasts. Eurozone and United Kingdom flash composite Purchasing Managers' Index (PMI) readings printed at 51.9 and 52.1, respectively.

Global investment-grade credit posted negative returns of -0.12% for the month, outperforming like-duration government bonds by 0.25%, as spreads tightened by 3 bps in December. Investment-grade credit continued to benefit from resilient fundamentals and strong demand despite elevated supply. Global high yield credit delivered positive total returns of 0.63%, with higher-quality segments performing broadly in line across ratings cohorts, including BB-rated bonds at 0.47%, B-rated bonds at 0.89%, and CCC-rated bonds at 0.63%. High yield credit was supported by favourable technical conditions, resilient fundamentals, and continued Fed rate cuts.

In December, the AIA US High Yield Fund returned 0.71%, outperforming the benchmark by 0.05%. Positive security selection within Paper and Packaging and Retail contributed to relative performance, while security selection within Gaming and Technology detracted.

The Fund continues to favour United States high yield, reflecting the market's broader and more diversified investor base, stronger liquidity profile, and higher yields on an absolute basis. From a sector perspective, the Fund maintains a preference for defensive, non-cyclical sectors with relatively stable cash flows and remains broadly underweight more cyclical sectors or industries facing structural secular headwinds. The Fund continues to focus on industries with strong asset coverage, manageable leverage levels, and favourable secular and cyclical trends, while remaining cautious toward sectors perceived to face meaningful long-term challenges. The Fund also continues to identify credits that may become acquisition targets or benefit from early refinancing opportunities. Overall, the Fund remains cautiously optimistic and focused on maintaining sufficient liquidity within the portfolio.

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