



AIA INVESTMENT FUNDS

AIA ASIA (EX JAPAN) EQUITY FUND

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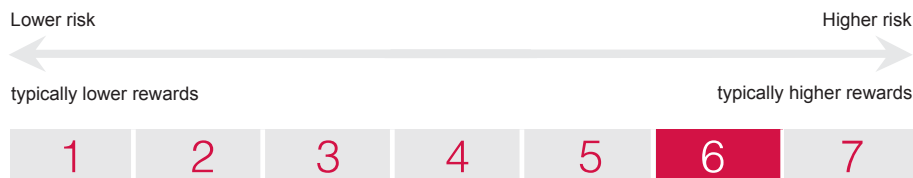
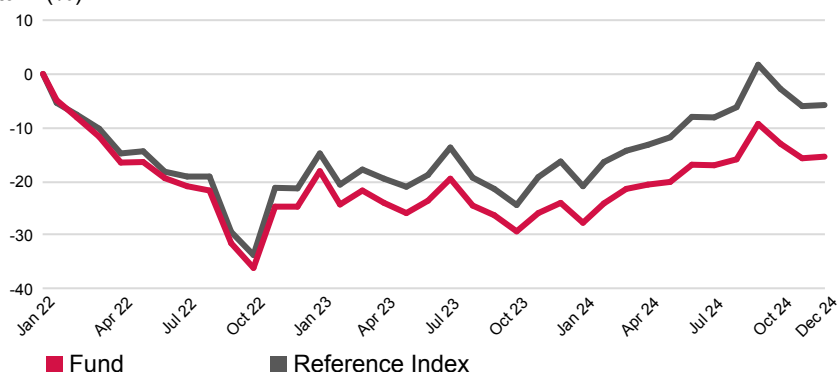
INVESTMENT OBJECTIVE and POLICY

The Sub-Fund aims to generate long-term total returns through a portfolio of equities and equity-related securities issued primarily by Asian 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 either (i) incorporated in the Asia (ex-Japan) region, (ii) listed, traded or quoted on the stock exchanges in the Asia (ex-Japan) or (iii) have most of their assets and/or activities located in the Asia (ex-Japan) region.

The funds described herein are indexed to an MSCI index.

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 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

Currency Risk The Sub-Fund invests in other currencies. Changes in exchange rates will therefore affect the value of the investment.

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.

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

| | |
|--------------------------------|---------------|
| Asset class | Equity |
| ISIN (Class Z) | LU1982191691 |
| Bloomberg ticker (Class Z) | AFAEZUC |
| Fund size | 47,105,981.50 |
| Fund base currency | USD |
| Share class currency (Class Z) | USD |
| Net asset value (Class Z) | 8.4613 |
| Inception date (Class Z) | 12-Jan-22 |
| Domicile | Luxembourg |
| Fund type | UCITS |
| ^Ongoing charges | 0.11% |
| Performance Fee | None |

^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).

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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 | 0.31 | -6.69 | 11.40 | 11.40 | - | - | - | -5.47 |
| ^Benchmark | 0.19 | -7.41 | 12.51 | 12.51 | - | - | - | -2.01 |
| Relative Return | 0.12 | 0.72 | -1.11 | -1.11 | - | - | - | -3.47 |

^MSCI AC ASIA ex JAPAN

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 | 9.8 |
| 2. | Tencent Holdings Ltd | 6.1 |
| 3. | Samsung Electronics Co Ltd | 3.4 |
| 4. | Alibaba Group Holding Ltd | 2.8 |
| 5. | Reliance Industries Ltd | 2.0 |
| 6. | ICICI Bank Ltd | 1.9 |
| 7. | Meituan | 1.7 |
| 8. | HDFC Bank Ltd | 1.7 |
| 9. | Infosys Ltd | 1.6 |
| 10. | China Construction Bank Corp | 1.5 |

COUNTRY WEIGHTS (%)

| | |
|-----------------|------|
| China | 32.3 |
| India | 22.1 |
| Taiwan | 20.7 |
| South Korea | 10.0 |
| Singapore | 5.7 |
| Hong Kong | 3.4 |
| Thailand | 1.8 |
| Indonesia | 1.5 |
| Malaysia | 1.3 |
| Other Countries | 1.3 |

SECTOR WEIGHTS (%)

| | |
|------------------------|------|
| Information Technology | 27.1 |
| Financials | 24.3 |
| Consumer Discretionary | 14.5 |
| Communication Services | 11.4 |
| Industrials | 5.8 |
| Consumer Staples | 4.5 |
| Energy | 4.2 |
| Health Care | 3.4 |
| Real Estate | 2.4 |
| Other Sectors | 2.5 |

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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 | AFAEZUC | LU1982191691 | 2022-01-12 | Up to 5% | 0% | USD 10 | Up to 1% | USD20m | USD100,000 | USD100,000 | USD20m | 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

| 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 | 0.31 | -6.69 | 11.40 | 11.40 | - | - | - | -5.47 |
| ^Benchmark | USD | 0.19 | -7.41 | 12.51 | 12.51 | - | - | - | 2.01 |
| Relative Return | USD | 0.12 | 0.72 | -1.11 | -1.11 | - | - | - | -3.47 |

^MSCI AC ASIA ex JAPAN

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 Pte Ltd
2. AIA Investment Funds

MSCI Asia ex-Japan (MXASJ) rose 12.5% (total return) in 2024. The gap between the best and worst performing major market was the largest since 2009. The best performing market was Taiwan (+36.3% total return) while Korea was the worst performing (-22.8%). Over the course of the year, there were three major drawdowns and three rallies. Early in the year, Chinese equities saw substantial volatility in small caps, structured products and Quant strategies before 'national team' buying helped turn the market around and crowd in foreign buying by March. Korea followed a similar pattern, but for different reasons – unwind of overbought conditions in early January followed by unveiling of value-up program, which drove strength in Financials and Autos. China momentum built from there, and for a while all major markets in Asia were doing well – with artificial intelligence (AI) upside driving Taiwan and small caps and Industrials driving India upside into elections. A brief bout of 'higher for longer' concerns in April was easily dealt with, and a second leg of the rally sustained into July. United States (U.S.) macro conditions then rose to prominence as a sudden 'Goldilocks' rotation drove an unwind of crowded positions across AI, Momentum, Carry trades, etc. This was followed by a brief recession scare in early August. But markets quickly recovered from that. Mid-September saw the third major rally play out as a policy turn in China sharply raised stimulus expectations, leading to the biggest one month rally in MSCI China since 2008. This rally stalled out by mid-October and reversed somewhat as markets then focused on the U.S election, where a Trump win brought the third drawdown in Asian equities as markets began anticipating large-scale U.S tariffs on China.

Taiwan outperformed all other Asian markets (and even the U.S.) as the most direct beneficiary of AI upside, particularly in first half of 2024. After three consecutive years of losses, China (+19.7%) finally saw a recovery in 2024, mainly due to strong performances in September driven by hopes for more stimulus. India's (+12.5%) seemingly unending rise (powering through highly anticipated national elections in 2nd Quarter) in the first nine months was interrupted by a cyclical slowdown in 4th Quarter but it still ranked among the outperformers. Sensitive to the USD and global bond yields, ASEAN (+12.5%) as a whole reacted positively to 'goldilocks' conditions in 3rd Quarter but underperformed through most of the rest of the year. Korea was the worst performing market in 2024, dragged down by Samsung, Battery materials and the KRW despite support from the value-up program.

MXASJ closed at 12.6x forward twelve months price-to-earnings ratio (FTM P/E): Korea's FTM P/E further derated to 7.8x (-1.6 standard deviation (SD)). India and Taiwan are trading at 21.9x and 16.6x FTM P/E, respectively, which is around 1SD above their respective 10-year averages. China and Hong Kong are trading below their respective 10-year averages, with FTM P/E ratios at 10.0x and 11.7x, respectively. ASEAN is generally undervalued. Taiwan (+26.9%) saw the largest forward twelve months earnings per share (FTM EPS) revision in 2024, and this momentum continued into December. In the last month of 2024, Korea (-6.1%) saw significant downward revisions. Notably, December marked the fourth consecutive month of downward FTM EPS forecast revisions in Korea, with cuts across almost all sectors. Analysts slightly raised their FTM EPS forecasts for China (+0.4%) and Hong Kong (+0.6%) in anticipation of forthcoming stimulus.

The AIA Asia ex-Japan Equity Fund returned 11.40% in 2024, underperforming the MXASJ benchmark by 111 basis points (bps). December's performance was positive, outperforming the benchmark by 12 bps

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