HEALTHIER, LONGER, BETTER LIVES

AIA Global Dynamic Income-Paying Fund - Peso

December 29, 2025

Fund Description

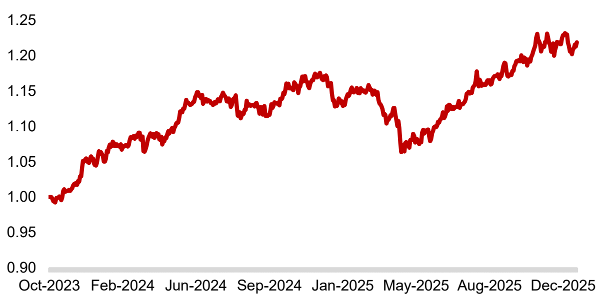
The AIA Dynamic Income Fund seeks to provide regular target income and total return over the long term by investing in variety of income generating asset classes including but not limited to fixed income securities, equities, covered call options and collective investments. Indirect exposure to these asset classes will be achieved primarily through investments in units or shares of the Collective Investment Schemes established by AIA including AIA Investment Funds that are managed either by AIA Investment Management or reputable third-party investment managers with proven track records and a disciplined systematic security selection approach to deliver long-term capital growth.

Historical Performance[1]

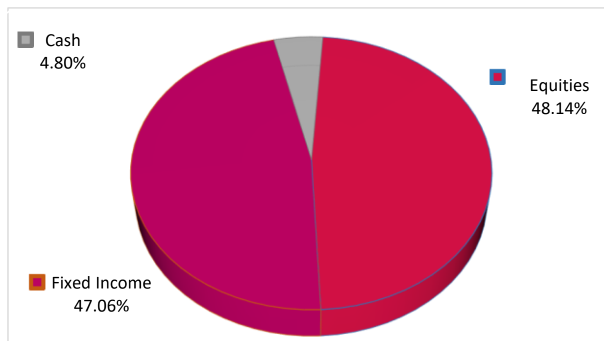
6MOS	1YR	3YRS	5YRS	YTD	Since Inception
8.34%	7.83%	-	-	7.83%	21.87%

[1] Returns are net of fees. Past performance is not indicative of future returns

Net Asset Value Per Unit (NAVPU) Graph



Fund Allocation



Key Figures and Statistics

NET ASSET VALUE PER UNIT (NAVPU)	1.2187
INCEPTION DATE	20 October, 2023
FUND CLASSIFICATION	Multi Asset Fund
RISK PROFILE	Moderately Adventurous
FUND CURRENCY	Philippine Peso
DOMICILE	Philippines

Top Holdings

Top 5 Holdings (Equities)	% of Portfolio
NVIDIA Corp	2.63%
Apple Inc	2.29%
Microsoft Corp	2.09%
Alphabet Inc	1.88%
Amazon.com Inc	1.42%

Top 5 Holdings (Fixed Income)	% of Portfolio
United States Treasury NoteBond 4.75% 15/08/2055	0.66%
United States Treasury NoteBond 3.5% 15/11/2028	0.60%
United States Treasury NoteBond 3.75% 31/10/2032	0.45%
Eagle Funding Luxco Sarl 5.5% 17/08/2030	0.43%
American Express Co 5.043% VRN 01/05/2034	0.39%

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Commentary:

Macro Review

The U.S. economy remained resilient overall, though with continued signs of sectoral divergence. Real GDP grew at an annualized 4.3% QoQ in 3Q 2025, supported primarily by robust consumer spending and stronger exports. The labour market in December was little changed with nonfarm payrolls rising 50,000 from the prior month and the unemployment rate at 4.4%. Job gains were concentrated in food services, health care, and social assistance, while retail trade shed jobs. Previous payroll figures for October and November were revised down by a combined 76,000.

The manufacturing sector weakened further, with the ISM Manufacturing PMI declining to 47.9 in December, the lowest reading of 2025. This marked the 10th consecutive month of contraction, driven by declines in production and inventories. In contrast, the services sector continued to expand, with the ISM Services PMI rising to 54.4, its highest level of 2025. Business activity and new orders remained in expansion, and the employment index returned to expansion for the first time in seven months.

Inflation remains somewhat sticky. Headline CPI rose 0.3% MoM in December, with shelter and food contributing strongly. On a YoY basis, headline inflation held at 2.7%, and core inflation held at 2.6%, both still above the Federal Reserve's 2% target. Against this backdrop, the Federal Reserve cut the policy rate by 25 bps at the December 2025 FOMC meeting, bringing the target range to 3.50%–3.75%.

The Eurozone economy showed mixed momentum toward the end of 2025. The Citi Economic Surprise Index for the Eurozone rose in December 2025, closing the month in positive territory, indicating that the economic data released generally outperformed expectations.

Manufacturing remained the main area of weakness. The HCOB Eurozone Manufacturing PMI fell to 48.8 in December from 49.6 in November, its lowest level since March 2025. Germany saw its sharpest deterioration since February 2025 and was the weakest performer among the eight monitored economies, while Italy and Spain also posted sub50 readings. In contrast, France's manufacturing PMI jumped to a 42month high, signalling its strongest expansion since mid2022. Meanwhile, Eurozone services continued to expand, with the HCOB Services Business Activity Index at 52.4 in December, marking a seventh month of expansion, albeit the slowest in three months. Growth was driven by domestic demand, while new export business declined.

On the policy front, the European Central Bank kept all key interest rates unchanged at its December 2025 monetary policy meeting, reaffirming that inflation is expected to stabilize around 2% in the medium term.

China's data remained mixed at yearend. The Citi Economic Surprise Index stayed in negative territory in December, reflecting weakerthanexpected releases. The economy, however, showed some signs of stabilization: the manufacturing PMI rose to 50.1, returning to expansion for the first time since March 2025. Nonmanufacturing PMI rose to 50.2, supported by a stronger construction sector (reading of 52.7) while services activity remained slightly contractionary at 49.7.

Inflation remained subdued. CPI rose 0.8% YoY with increases across most categories, while PPI fell 1.9% YoY, though the decline narrowed from the previous month. Overall, China ended 2025 with tentative improvements in activity but continued softness in underlying prices.

Market Review

Global equities delivered positive returns in December 2025. Across the major geographic regions in USD terms, Europe equities led, while India equities lagged in December 2025. For the month ending December 2025, Materials, Financials and Industrials led while Utilities, Communication Services, and Consumer Staples lagged. For December 2025, in terms of investment styles, Value led while Minimum Volatility lagged.

Bonds were mixed in December 2025. US high yield corporate bonds delivered positive returns while US treasuries and US investment grade corporate bonds were down in USD terms. US 10-year yield increased in December 2025 from end November 2025 level. Both US investment grade credit spread and US high yield credit spread tightened in December 2025.

Commodities were mixed in December 2025. Gold as well as Copper were up in December 2025, but Oil posted a negative return. The US Dollar depreciated against both other DM currencies and Asia currencies in December 2025.

Portfolio Review

• The fund delivered positive PHP returns for the month of December 2025.

• In terms of currency movements, USD appreciated against the PHP for the month.

• In terms of absolute performance for the month of December 2025, AIA Equity Income Fund, AIA Global Corporate Bond Fund and AIA High Yield Bond Fund delivered positive USD returns while AIA Diversified Fixed Income Fund delivered negative USD returns.

• In terms of relative performance for the month of December 2025, AIA Equity Income Fund and AIA High Yield Bond Fund outperformed while AIA Diversified Fixed Income Fund and AIA Global Corporate Bond Fund underperformed their respective benchmarks.

• Last quarterly dividend was paid in December 2025 (PHP 0.016 per unit, annualized dividend yield of 5.53% pa).

Outlook

We are moderately constructive on the outlook for risk assets over the medium term. At the point of writing, the market is expecting the Fed to further ease monetary conditions in 2026. This provides liquidity support to the markets. In addition, there could be fiscal stimulus for the US economy which could boost economic growth. Looking forward to 2026, analysts are projecting double-digit earnings growth for US companies. While there are positive signs, there are also potential risks such as the formation of an equity bubble in AI stocks as well as an unexpected credit event. A such, we would be vigilant to monitor against signs of tightening liquidity which could impact the more speculative parts of the market. On the upside, we are watching for signs for improvement in market breadth to support the thesis of a sustainable equity rally.

With President Trump at the helm, policy uncertainty is likely to remain elevated and there could be bouts of volatility as market participants react to policy measures and geopolitical actions taken by the US administration. Stewardship via active management and disciplined risk management is key to navigate the ever-evolving investment landscape.