



MONTHLY FUND PERFORMANCE UPDATE A-DANA BALANCED

Investment Objective

The fund objective is to maximize total returns with reasonable safety of principal and is suitable for participants who are willing to take moderate risk in order to achieve a reasonable return.

Notice: Please refer to the Fund Fact Sheet for more information about the Fund.

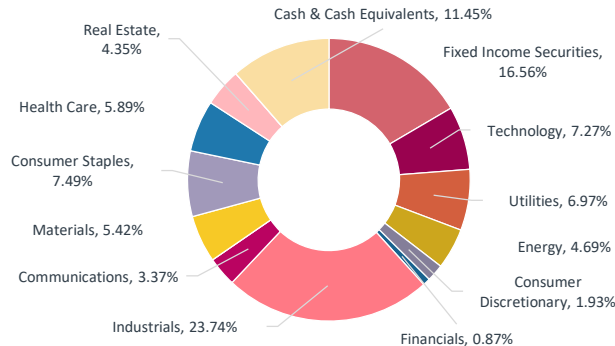
Fund Details

Unit NAV (30 June 2026)	: RM 1.98490
Fund Size (30 June 2026)	: RM 221.213 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 8 August 2011
Offer Price at Inception	: RM1.00
Fund Management Charge	: 1.20% p.a.
Investment Manager	: AIA Bhd.
Takaful Operator	: AIA PUBLIC Takaful Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

Top Holdings

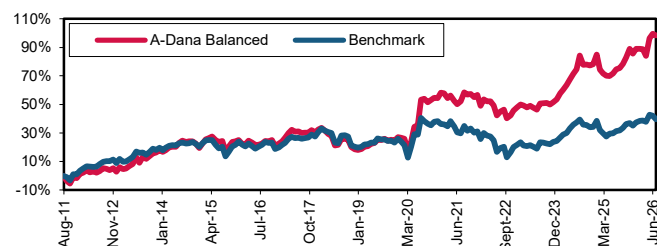
1	TENAGA NASIONAL BHD	6.97%
2	AEON CREDIT SERVICE M BHD	4.53%
3	MALAYSIA GOVERNMENT SECURITIES	4.44%
4	IHH HEALTHCARE BHD	4.13%
5	GAMUDA BHD	3.02%

Asset and Sector Allocation



*Sector Allocation sourced from GICS Sector effective on June 2026

Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^a	-0.56%	5.05%	13.79%	35.63%	32.19%	98.49%
Benchmark [*]	-1.70%	1.69%	6.27%	17.38%	7.10%	39.56%
Excess	1.15%	3.37%	7.52%	18.25%	25.09%	58.93%

^a Calculation of past performance is based on NAV-to-NAV. This is strictly the performance of the investment fund, and not the returns earned on the actual premiums/contributions paid of the investment-linked product.

^{*} 70% FBM Emas Shariah (Source: Bursa Malaysia) + 30% GII ALL Index (Source: RAM QuantShop @www.quantshop.com)

Notice: Past performance of the Fund is not an indication of its future performance.

Market Review

The FBMS ("Index") fell 2.5% Month-on-Month ("MoM") to close at 12,284 pts in June 2026, underperforming the MSCI Asia ex Japan Index, which rose 1.4% MoM in Malaysian ringgit ("MYR") terms over the same period. The weaker performance was driven by persistent foreign selling, geopolitical uncertainty surrounding the US-Iran conflict, and pre-election risk aversion ahead of the Johor and Negeri Sembilan state elections. Foreign investors remained net sellers at MYR2.4 billion in June 2026, and this represented a 36.2% decline from MYR3.7 billion in May 2026 but still marking the second-largest monthly net sell of 2026. In contrast, local institutions were the largest net buyers, with net inflows of MYR2.1 billion, followed by local retail investors with net buy of MYR453 million. Market liquidity softened during the month, with Bursa Malaysia's average daily trading value ("ADTV") easing to MYR3.0 billion from MYR3.8 billion in May 2026 following the completion of the MSCI index rebalancing. At the stock level, Petronas Dagangan (+6.5%), IOI Corp (+5.8%) and Axiata (+5.5%) were the key gainers, while Petronas Chemicals (-22.3%), Press Metal (-14.7%) and CelcomDigi (-12.5%) were the main detractors. Sector-wise, Plantation (+4.2%), Construction (+1.7%) and Consumer (+1.1%) outperformed, while Property (-10.1%), Healthcare (-9.0%) and Industrial (-8.7%) lagged. Key developments during the month included Johor dissolving its state assembly on 1 June 2026, setting the stage for elections by August 2026 in what is widely seen as a crucial test for Prime Minister Anwar Ibrahim's governing coalition, and Malaysia's rise to 15th place in the 2026 International Institute for Management Development ("IMD") World Competitiveness Ranking, while economic data stayed resilient, with stronger industrial production, exports, and wholesale and retail trade growth, alongside inflation remaining contained at 2.0%.

Government Investment Issue ("GII") yields were mixed in June 2026 amid continued volatility in global rates, as markets reacted to persistent inflation concerns, uncertainty surrounding the US Federal Reserve's ("Fed") reaction function and ongoing headlines from the Middle East on US-Iran tensions. The signing of Memorandum of Understanding between the US and Iran to end the tensions in mid-June calmed markets with Brent crude oil prices falling 20.8% to USD72.92. Nonetheless, market expectations remain skewed toward potential rate hikes in 2026 as latest May 2026 US Consumer Price Index ("CPI") data remained elevated at 4.2% Year-on-Year ("YoY"). Local government bond yields continue to be well anchored amid stable domestic inflation backdrop and deep pool of onshore investors. On the currency front, the Malaysian ringgit ("MYR") weakened 3.0% against the US dollar ("USD") in June 2026, ending the month at 4.0840.

GII levels as at end-June 2026 were: 3-year at 3.25% (3 bps), 5-year at 3.39% (2 bps), 7-year at 3.54% (-2 bps), 10-year at 3.61% (-), 15-year at 3.89% (1 bp) and 20-year at 3.98% (1 bp).

Fixed income foreign holdings fell for first time in three months, with foreign investors reducing holdings by MYR4.3 billion in May 2026 (April 2026: +MYR3.8 billion). Foreign holdings in Malaysian Government Securities ("MGS") and GII dipped to 20.8% in May 2026 (April 2026: 21.5%).

There were 2 government security auctions during the month: The 15-year GII 7/40 reopening with an auction size of MYR3.5 billion and an MYR1.5 billion private placement drew a bid-to-cover ("BTC") ratio of 3.410x at an average yield of 3.898% and the 20-year GII 5/45 reopening with an auction size of MYR3.0 billion and a MYR2.0 billion private placement drew a BTC ratio of 3.136x at an average yield of 3.995%.

On the economic data front, Malaysia's foreign reserves decreased slightly to USD130.5 billion as of 15 June 2026 (29 May 2026: USD130.6 billion). The reserves position is sufficient to finance 4.6 months of imports of goods and



services and cover 0.9x of total short-term external debt. Malaysia's headline inflation increased slightly to 2.0% YoY in May 2026 (April 2026: 1.9% YoY). Inflation was mainly driven by an increase in food & beverages and housing & utilities categories. Core inflation, which excludes volatile fresh food prices and price-administered goods, remained flat at 2.0% YoY (April 2026: 2.0% YoY). Malaysia's exports growth accelerated sharply to 45.3% YoY in May 2026 (April 2026: 37.3% YoY), mainly driven by demand for electrical & electronic ("E&E") products from the ongoing Artificial Intelligence ("AI")-driven tech upcycle. Imports moderated to 14.1% YoY (April 2026: 20.0% YoY), resulting in a higher trade surplus of MYR40.4 billion (April 2026: MYR28.8 billion). Industrial Production for April 2026 grew 8.2% YoY (April 2026: 3.1% YoY). The expansion was supported by the manufacturing, mining and electricity sectors.

On the primary corporate sukuk space, notable issuances included MYR0.97 billion Pengurusan Air SPV Berhad IMTN, MYR0.6 billion DRB Hicom Perpetual Sukuk and MYR0.85 billion Abraj Sdn Bhd IMTN. In terms of credit ratings, there were no major announcements in June 2026.

Market Outlook

The Strait of Hormuz has reopened following a Memorandum of Understanding (MoU) signed on 17 June 2026, which made the reopening a core condition of the accord. Energy prices have eased from their recent highs, and we view the earlier supply shock as transitory in nature. The geopolitical situation remains fluid, and the agreement's durability is still very much untested with renewed strikes and Iranian retaliation were already reported in late June 2026. If the peace process stalls or implementation falls short, the risk of renewed supply disruption and another leg up in energy prices is real. The US Federal Reserve ("Fed") maintained rates in June 2026, but its updated projections send the stronger signal, pointing to a higher-for-longer regime that keeps the USD firm and Emerging Markets ("EM") currencies under pressure for now.

Overall, we stay positive on equities, with a base case of no recession and no excessive rate hikes. Inflation should also ease as oil prices reverse. This view is supported by continued earnings upgrades, particularly in the technology sector, underpinned by fundamentally driven Artificial Intelligence ("AI")-related demand. Hyperscalers' capex spending remains disciplined rather than overleveraged, and AI monetization continues to show a positive trend. Turning to Malaysia, our view stays constructive. As a net exporter of oil and gas, the country is comparatively well insulated from a higher oil price environment, and domestic inflation remains manageable. Malaysia is during a multi-year investment upcycle, underpinned by record Foreign Direct Investment ("FDI") momentum driven by China Plus One and the broader AI boom, benefiting semiconductors, industrial property, renewable energy, utilities, and construction. Growth is further supported by several pillars of growth such as the Johor Singapore Special Economic Zone, the National Energy Transition Roadmap and a healthy pipeline of infrastructure projects. Key risks to monitor include a collapse of the ceasefire that reignites oil prices, any pullback in AI-related capex from global hyperscalers, and delays to domestic initiatives. We remain committed to a proactive and disciplined approach to portfolio construction as conditions evolve.

While external risks, particularly geopolitical risk, continue to linger, Malaysia's proactive policy measures and resilient domestic fundamentals will continue to provide a constructive backdrop for the local sukuk market in 2026. Domestically, Bank Negara Malaysia ("BNM") kept the overnight policy rate ("OPR") unchanged at 2.75% in its recent monetary policy committee ("MPC") meeting in May 2026. Despite Malaysia's solid Gross Domestic Product ("GDP") growth, the monetary policy statement was rather neutral where BNM highlighted contained inflation and downside risks to growth as reasons to stay cautious. For now, BNM will likely keep the policy rate on hold while evaluating incoming data to guide its next steps.