



May 2026

MONTHLY FUND PERFORMANCE UPDATE AIA STRATEGIC EQUITY FUND

Investment Objective

The Fund aims to maximize medium to long term growth of capital and income through investments in a diversified portfolio of equity securities listed on local and foreign bourses. The Fund is suitable for investors that are willing to take higher investment risk in return for potential higher returns by diversifying their investments into foreign equities.

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

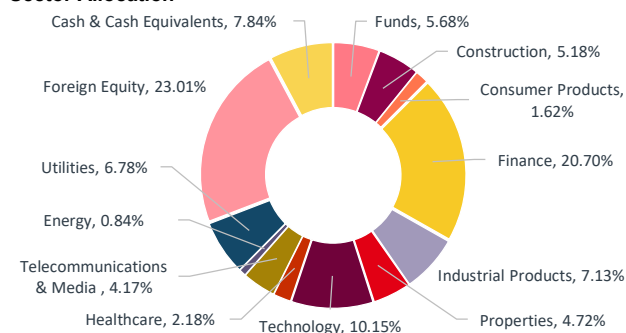
Fund Details

Unit NAV (31 May 2026)	: RM 2.10580
Fund Size (31 May 2026)	: RM 2,458.955 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 6 May 2020
Offer Price at Inception	: RM1.00
Fund Management Charge	: 1.50% p.a.
Investment Manager	: AIA Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

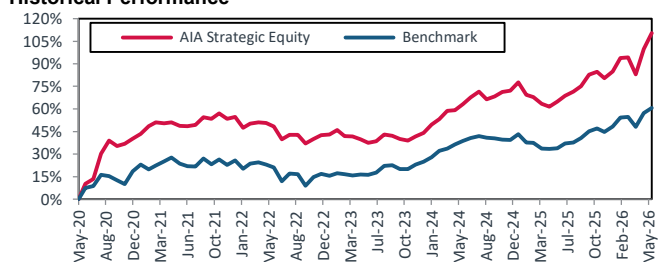
Top Holdings

1	MALAYAN BANKING BHD	5.83%
2	PUBLIC BANK BHD	5.09%
3	CIMB GROUP HOLDINGS BHD	4.85%
4	TENAGA NASIONAL BHD	4.62%
5	SK HYNIX INC	4.49%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^a	5.29%	16.70%	27.69%	53.07%	41.51%	110.58%
Benchmark ^a	2.13%	10.95%	20.08%	38.35%	29.87%	60.66%
Excess	3.16%	5.75%	7.61%	14.72%	11.64%	49.92%

^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.

^a Benchmark will be revised from 70% FBM 100 + 30% MSCI World Index to 70% FBM 100 (Source: Bursa Malaysia) + 25% MSCI Asia ex-Japan Index + 5% MSCI World Index (Source: Bloomberg), effective 1 January 2024.

^a Performance Benchmark is reported on a price return basis from 1st May 2021 (from total return previously).

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

Market Review

The FBMKLCI ("Index") fell 2.3% Month-on-Month ("MoM") to close at 1,683 pts in May 2026, underperforming the MSCI Asia ex Japan Index, which rose 10.8% MoM in Malaysian Ringgit ("MYR") terms over the same period. The weaker performance was driven by persistent foreign selling, weaker-than-expected 1Q26 corporate earnings, and escalating geopolitical tensions in the Middle East. Foreign investors turned net sellers at MYR3,731 million in May 2026, reversing their net buying position of MYR241 million in the preceding month. Local institutions were net buyers at MYR2,928 million, followed by local retail investors with a net buy of MYR597 million. Market activity strengthened, with Bursa Malaysia's average daily trading value ("ADTV") rising 23.6% MoM to MYR3.8 billion in May 2026. At the stock level, YTL Power (+8.9%), Maxis (+6.3%) and AMMB Holdings (+5.4%) were the key gainers, while Nestle Malaysia (-16.1%), Axiata Group (-14.9%) and PPB Group (-14.1%) were the main detractors. Sector-wise, Technology (+19.0%), Utilities (+2.8%) and Healthcare (+2.2%) outperformed, while Energy (-7.4%), Consumer (-5.9%) and Plantation (-4.9%) lagged. Key developments during the month included worsening supply chain disruptions and rising cost pressures as the Middle East conflict strained raw materials and manufacturing activity, heightened political uncertainty following resignation of Members of Parliament and increasing speculation of a potential snap general election, and targeted government interventions such as cost-of-living support measures and subsidy adjustments to cushion households and sustain economic stability.

U.S. equities rallied strongly in May 2026, propelling major benchmarks to fresh all-time highs as the Nasdaq 100 surged 10.5% and the S&P 500 advanced 5.2% MoM in US dollar ("USD") terms. This upward trajectory was fundamentally supported by exceptionally strong corporate earnings, particularly within Artificial Intelligence ("AI") and digital infrastructure, rather than speculative multiple expansion. Against this constructive global backdrop, Asian markets outperformed international peers, with the MSCI Asia ex Japan index returning 10.8% in USD terms on the back of the semiconductor upcycle. Regionally, Taiwan and Korea capitalized on surging demand for advanced chips and server infrastructure. Conversely, Greater China remained range-bound; targeted policy easing stabilized sentiment, but property sector weakness and uneven consumption restricted gains to technology and export segments. Elsewhere, ASEAN delivered mixed results as export-reliant economies gained from supply chain diversification while domestic markets lagged, and India entered a consolidation phase as valuation compression and foreign outflows temporarily offset its intact structural growth drivers.

Market Outlook

The US-Iran war has heightened geopolitical tensions, leading to increased oil price volatility. At this stage, the outcome and duration of the conflict remain uncertain. The longer the war persists, the higher the risk premium is likely to be embedded in oil prices. Sustained elevated oil prices could subsequently impact global growth, inflation dynamics and policy responses. Markets are therefore assessing whether the current situation represents a temporary geopolitical disruption or a more persistent supply shock to the global energy market. Asia and Europe are likely to be more affected than the United States, given their relatively higher dependence on oil imports from the Middle East. Our base case, for now, is that the supply shock remains transitory, although we will continue to monitor developments closely. Despite concerns surrounding a potential oil supply shock and its implications for the broader global economy, we have continued to see net earnings upgrades within the technology sector. Corporates are increasingly raising capital expenditure commitments, supported by a stronger-than-expected Artificial Intelligence ("AI") outlook and ongoing investment into digital infrastructure and AI-related ecosystems. While we remain mindful that a prolonged period of elevated oil prices could lead to earnings downgrades across non-technology sectors, particularly among energy-intensive industries, we continue to remain constructive and positive on equities overall. This is underpinned by our base view that oil prices within the USD90-110 per barrel range remain manageable for corporates and the broader economy, although some moderation in economic activity may be expected.

For Malaysia, we remain constructive on domestic equities. Malaysia is among the least affected markets in a higher oil price environment, given that the country is a net exporter of oil and gas, in contrast to most Asian economies which are net energy importers. Domestic growth also continues to be supported by several structural initiatives, including the Johor-Singapore Special Economic Zone, the National Energy Transition Roadmap, and ongoing major infrastructure projects. Key risks to monitor include a prolonged oil supply shock, a weaker Chinese economy, delays in domestic growth initiatives, and hyperscalers scaling back AI capex. In this environment, we will maintain a proactive and disciplined approach to portfolio construction as conditions evolve.



Lipper Leader Fund for:

1. Total Return
2. Consistent Return
3. Preservation

Lipper uses a ranking system of 1 to 5. A ranking of 5 means the fund is in the top 20% of funds in that category while a ranking of 1 means the fund is in the bottom 20%.
Source: www.lipperleaders.com

This document is for informational use only. Investments are subject to investment risks including the possible loss of the principal amount invested. The value of the units may fall as well as rise. Past performance of the fund is not an indication of its future performance. This is not a pure investment product such as unit trust and please evaluate the options carefully and satisfy that the Investment-Linked Insurance / Takaful plan chosen meets your risk appetite. Please refer to the Fund Fact Sheet for more information about the fund.