



MONTHLY FUND PERFORMANCE UPDATE AIA DANA BON

Investment Objective

The primary goal of this Fund is to provide a steady stream of income returns through investments in Islamic fixed income securities and Islamic money market instruments. The secondary goal of the Fund is to provide medium-to-long-term capital appreciation whilst preserving the capital invested.

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

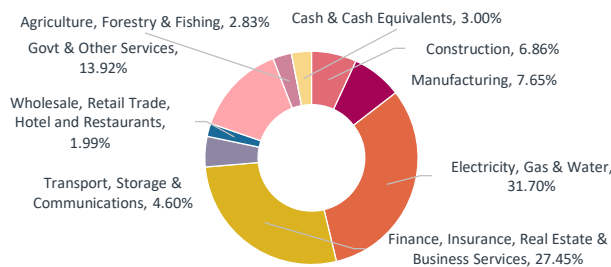
Fund Details

Unit NAV (31 May 2026)	: RM 1.06984
Fund Size (31 May 2026)	: RM 348.983 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 22 July 2008
Offer Price at Inception	: RM0.50
Fund Management Charge	: 0.50% p.a.
Investment Manager	: AIA Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

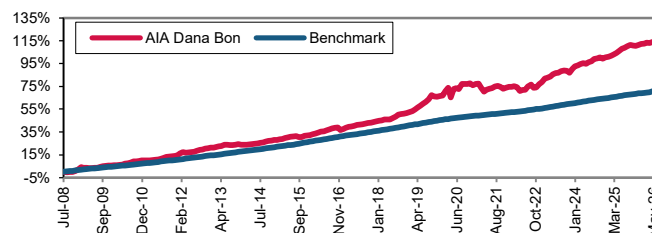
Top Holdings

1	YINSON HOLDINGS BHD	11.66%
2	MALAYSIA GOVERNMENT SECURITIES	11.21%
3	PENGURUSAN AIR SPV BHD	5.16%
4	SARAWAK PETCHEM SDN BHD	4.20%
5	AMANAT LEBUHRAYA RAKYAT BHD	3.93%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^a	0.27%	1.38%	3.67%	15.08%	24.19%	113.51%
Benchmark*	0.17%	1.09%	2.32%	8.27%	13.42%	70.24%
Excess	0.10%	0.30%	1.35%	6.81%	10.78%	43.27%

^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.

* 12-month Maybank General Investment Account (Islamic) Tier 1 Rate (Source: Maybank)

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

Market Review

The Government Investment Issue ("GII") yield curve bear-flattened in May 2026 amid higher global rates, as markets reacted to persistent inflation concerns, stronger-than-expected economic data, and uncertainty surrounding the US Federal Reserve's ("Fed") interest-rate path. Disruptions in and around the Strait of Hormuz also kept Brent crude prices above USD90 per barrel. Kevin Warsh was confirmed by the U.S. Senate as the 17th Chair of the Fed, formally succeeding Jerome Powell. At the start of the year, Fed funds futures had been pricing in rate cuts for 2026; however, expectations have since shifted toward potential rate hikes. Domestically, Bank Negara Malaysia ("BNM") kept the Overnight Policy Rate ("OPR") unchanged at 2.75%, as widely expected, and maintained that the current policy stance remains appropriate and consistent with the outlook for continued price stability and sustainable economic growth. On the currency front, the MYR strengthened by 0.2% against the USD in May 2026, ending the month at 3.9645. GII yields as at end-May 2026 were: 3-year at 3.22% (+4 bps), 5-year at 3.37% (+5 bps), 7-year at 3.56% (+7 bps), 10-year at 3.61% (+4 bps), 15-year at 3.88% (+2 bps), and 20-year at 3.97% (unchanged).

Fixed income foreign holdings rose, with foreign investors increasing holdings by MYR3.8 billion in April 2026 (March 2026: MYR6.1 billion). Foreign holdings in Malaysian Government Securities ("MGS") and GII dipped slightly to 21.5% in April 2026 (March 2026: 21.6%).

There were two government security auctions during the month: the 10-year GII 4/35 reopening (MYR5.0 billion) recorded a bid-to-cover ("BTC") ratio of 2.868x with an average yield of 3.60%, while the 30-year GII 1/56 reopening (MYR3.0 billion), together with a MYR2.0 billion private placement, recorded a BTC ratio of 2.285x with an average yield of 4.103%. Overall, demand was healthy, as indicated by bid-to-cover ratios above 2.0x for both offerings.

On the economic data front, Malaysia's foreign reserves decreased slightly to USD129.5 billion as of 15 May 2026 (30 April 2026: USD129.7 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 to 1.9% YoY in April 2026 (March 2026: 1.7% YoY), mainly driven by higher transport inflation. Core inflation, which excludes volatile fresh food prices and price-administered goods, eased slightly to 2.0% YoY (March 2026: 2.1% YoY). Malaysia's exports growth accelerated sharply to 36.9% YoY in April 2026 (March 2026: 8.3% YoY), mainly driven by demand for E&E products from the ongoing Artificial Intelligence ("AI")-driven tech upcycle. Imports also grew 20.0% YoY (March 2026: 10.4% YoY), resulting in a trade surplus of MYR28.8 billion (March 2026: MYR24.5 billion). Industrial production for March 2026 grew 3.1% YoY (February 2026: 3.1% YoY). The expansion was supported by the manufacturing and electricity sectors, partially offset by the mining sector. Malaysia's 1Q26 GDP grew slightly better than expected at 5.4% YoY (4Q25: +6.2% YoY). Q12026 saw slower growth in services, construction, and agriculture, while manufacturing remained resilient. Moderation in private and public consumption and investment led to a deceleration in private expenditure.

In the primary corporate sukuk space, notable issuances included MYR4.0 billion Tenaga Nasional Berhad sukuk, MYR1.91 billion Cagamas Berhad sukuk, MYR2.0 billion Intiaz Sukuk II Berhad sukuk, and MYR1.2 billion Malayan Banking Berhad sukuk. In terms of credit ratings, RAM Ratings upgraded Exsims Capital Resources Berhad's outstanding MYR340 million Tranche 5 sukuk to AAA/Stable from AA2/Positive.

Market Outlook

While external risks, particularly geopolitical risk, continue to linger, Malaysia's proactive policy measures and resilient domestic fundamentals are expected to provide a constructive backdrop for the local sukuk market in 2026. The latest Summary of Economic Projections from the US Federal Open Market Committee ("FOMC") continues to indicate one rate cut for 2026, which is expected to support the ringgit and attract foreign inflows. Domestically, BNM kept the OPR unchanged at 2.75% at its May 2026 Monetary Policy Committee ("MPC") meeting. Despite Malaysia's solid GDP growth, the monetary policy statement was neutral, with BNM highlighting contained inflation and downside risks to growth as reasons to remain cautious. For now, BNM is expected to keep the policy rate on hold while evaluating incoming data to guide its next steps.



Lipper Leader Fund for:

Total Return
Consistent Return

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.