



MONTHLY FUND PERFORMANCE UPDATE AIA FIXED INCOME FUND

Investment Objective

The primary goal of this Fund is to provide a steady stream of income returns through investments in fixed income securities and 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.

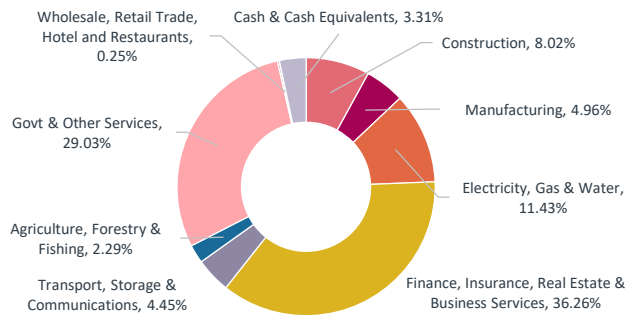
Fund Details

Unit NAV (28 February 2026)	: RM 3.57312
Fund Size (28 February 2026)	: RM 3,354.702 million
Fund Currency	: Ringgit Malaysia
Fund Inception	: 29 February 2000
Offer Price at Inception	: RM1.00
Fund Management Charge	: 0.50% p.a.
Investment Manager	: AIA Bhd.
Basis of Unit Valuation	: Net Asset Value
Frequency of Unit Valuation	: Daily

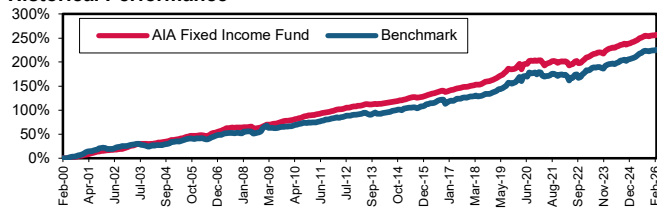
Top Holdings

1	MALAYSIA GOVERNMENT SECURITIES	26.51%
2	GENM CAPITAL BHD	4.92%
3	YINSON HOLDINGS BHD	4.89%
4	PENGURUSAN AIR SPV BHD	3.00%
5	DANAINFRA NASIONAL BHD	2.75%

Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund ^A	0.32%	0.77%	4.45%	15.09%	19.36%	257.31%
Benchmark [*]	0.25%	0.65%	5.52%	15.37%	19.75%	225.73%
Excess	0.07%	0.12%	-1.07%	-0.27%	-0.39%	31.58%

^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.

^{*} MGS All Index (Source: RAM QuantShop)

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

Market Review

Malaysian Government Securities (“MGS”) traded mixed in February 2026 amidst a volatile global market environment. Trading sentiment in the local bond market remained uncertain amidst lack of strong catalyst for both rate cuts and hikes in near term. Bank Negara Malaysia (“BNM”) held its first Monetary Policy Committee (“MPC”) meeting for the year in January 2026 which it kept the Overnight Policy Rate (“OPR”) unchanged at 2.75% with a neutral MPC statement. While there was no US Federal Open Market Committee (“FOMC”) meeting for the month, speeches by FOMC members were mixed. Some members pointed out that more policy rate cuts are warranted amidst signs of disinflation while some sounded cautious as inflation remains elevated amidst a stable labour market. On the currency front, the Malaysian ringgit (“MYR”) appreciated against the US dollar (“USD”) by 1.3% in February 2026 to end the month at 3.8925. MGS levels as at end-February 2026 were: 3-year at 3.06% (+3 bps), 5-year at 3.31% (+3 bps), 7-year at 3.42% (-2 bps), 10-year at 3.50% (-), 15-year at 3.78% (+1 bp), 20-year at 3.93% (+1 bps) and 30-year at 4.03% (-).

Fixed income foreign net inflows totaled MYR1.0 billion in January 2026 (December 2025: MYR3.0 billion). Foreign holdings in MGS and Government Investment Issue (“GI”) decreased slightly to 21.5% in January 2026 (December 2025: 21.6%).

There were 3 government security auctions during the month: The 10-year MGS 7/35 reopening auction with an auction size of MYR5 billion drew a bid-to-cover (“BTC”) ratio of 1.603x at an average yield of 3.572%, the 20-year GI 5/45 reopening with an auction size of MYR3.0 billion and a MYR2.0 billion private placement drew a BTC ratio of 2.896x at an average yield of 3.990% and the 5-year MGS 6/31 reopening with an auction size of MYR5 billion drew a BTC ratio of 2.921x at an average yield of 3.359%.

On the economic data front, Malaysia’s foreign reserves rose to USD127.9 billion as of 13 February 2026 (30 January 2026: USD126.9 billion). The reserves position is sufficient to finance 4.7 months of imports of goods and services and cover 0.9x of total short-term external debt. Malaysia’s headline inflation remained stable at 1.6% Year-on-Year (“YoY”) in January 2026 (December 2025: +1.6% YoY). Inflation was mainly driven by food & beverages, alcohol & tobacco and higher services inflation, particularly in education and miscellaneous goods & services. Core inflation, which excludes volatile fresh good prices and price-administered goods, was stable at 2.3% YoY (December 2025: +2.3% YoY). Malaysia’s exports surged 19.6% YoY (December 2025: +10.4% YoY) on strong demand for electrical & electronic (“E&E”) products and machinery, equipment & parts. Imports grew 5.3% YoY (Dec 2025: +12.0% YoY), resulting in a wider trade surplus of MYR21.4 billion (December 2025: MYR19.3 billion). Industrial Production for December 2025 increased to 4.8% YoY (November 2025: +4.3% YoY). The expansion was supported by the manufacturing sector which gained 6.7% YoY (November 2025: +4.9% YoY) and electricity production which rose 3.7% YoY (Nov 2025: +2.7% YoY). Meanwhile, mining sector production weakened by 2.5% YoY (November 2025: +2.3% YoY). Malaysia’s 4Q 2025 Gross Domestic Product (“GDP”) grew strongly at 6.3% YoY (3Q 2025: +5.4% YoY), bringing full-year GDP growth for 2025 to 5.2% YoY.

On the primary corporate bond space, notable issuances included MYR1.6 billion PASB IMTN, MYR1.4bn Danum IMTN and MYR0.5 billion UEMS IMTN. In terms of credit ratings, RAM upgraded the long-term ratings of Leader Energy Sdn Bhd’s sukuk programme to AA with a stable outlook.

Market Outlook

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 bond market in 2026. A dovish global monetary stance, particularly from the US Federal Reserve (“Fed”), is likely to support the MYR and foreign inflows. Domestically, BNM kept the OPR unchanged at 2.75% in its recent MPC meeting in January 2026. Despite Malaysia’s solid 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.