March 2026

MONTHLY FUND PERFORMANCE UPDATE
AIA DANA PROGRESIF

Investment Objective

This Fund focuses on Shariah-approved securities listed on Bursa Malaysia and Islamic debt securities to maximize medium to long-term capital appreciation on your investment. The Fund is suitable for investors who are willing to take moderate risk to achieve a reasonable return.

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

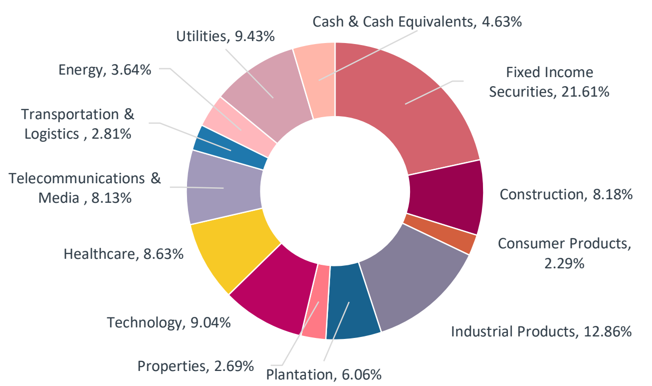
Fund Details

Unit NAV (31 March 2026)	:	RM 3.35451
Fund Size (31 March 2026)	:	RM 551.291 million
Fund Currency	:	Ringgit Malaysia
Fund Inception	:	3 March 2000
Offer Price at Inception	:	RM1.00
Fund Management Charge	:	1.40% p.a.
Investment Manager	:	AIA Bhd.
Basis of Unit Valuation	:	Net Asset Value
Frequency of Unit Valuation	:	Daily

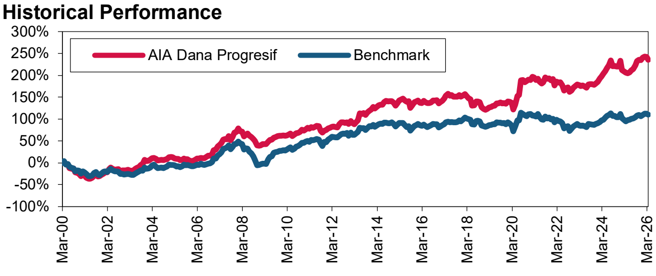
Top Holdings

1	TENAGA NASIONAL BHD	8.94%
2	MALAYSIA GOVERNMENT SECURITIES	7.55%
3	IHH HEALTHCARE BHD	5.66%
4	PRESS METAL ALUMINIUM HOLDINGS BHD	4.99%
5	TIME DOTCOM BHD	4.25%

Asset and Sector Allocation



Historical Performance



Cumulative Performance	1-Mth	6-Mth	1-Year	3-Year	5-Year	Since Inception
Fund^	-1.88%	0.86%	9.55%	21.78%	15.88%	235.45%
Benchmark*	-0.73%	1.00%	7.85%	13.94%	2.17%	110.40%
Excess	-1.15%	-0.14%	1.70%	7.84%	13.71%	125.06%

^ 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") declined 0.8% Month-on-Month ("MoM") to close at 12,117 pts in March 2026, materially outperforming the MSCI Asia ex Japan Index, which fell 10.4% MoM in Malaysian Ringgit ("MYR") terms over the same period amid a sharp deterioration in global risk sentiment. The defensive nature of the Malaysian market, characterized by higher weighting in banks, utilities and telco, helped cushion downside volatility. Foreign investors recorded their first outflow of the year, selling MYR42 million while local institutions turned into net buyers, with purchases totaling MYR77 million. Market activity improved with Bursa Malaysia's average daily transaction value ("ADTV") rising 23.8% MoM to MYR3.8 billion in March 2026. At the stock level, Petronas Chemical (+102.3%), KL Kepong (+13.2%) and Press Metal (+12.2%) were the key gainers while Sunway (-16.6%), MR DIY (-14.5%) and Gamuda (-11.0%) were the key detractors. Sector-wise, Plantation (+8.6%), Industrial (+7.1%) and Energy (+5.8%) outperformed, while Construction (-11.2%), Technology (-9.6%) and Consumer (-8.3%) lagged. Key developments during the month included the escalation of Middle East tensions which pushed crude oil prices above USD100 per barrel, the strong market debut of Sunway Healthcare Holdings, and the Securities Commission Malaysia's announcement of the upcoming 'MY Value Up' programme.

Government Investment Issue ("GII") yield curve shifted higher in a bear flattening manner in March 2026, tracking the broader sell-off in global bond markets after the US Federal Open Market Committee ("FOMC") kept rates unchanged at 3.50%–3.75% while reinforcing a relatively hawkish stance amid persistent inflation concerns. The move was further driven by the heightened geopolitical tensions from the escalating US-Iran war, as disruptions around the Strait of Hormuz pushed Brent oil prices above USD100/barrel, lifting global inflation expectations and adding risk premium across regional bond markets. As a result, the front and belly of the GII curve repriced more sharply in line with higher U.S. Treasury ("UST") yields, while the long end remained relatively better anchored by Malaysia's unchanged overnight policy rate ("OPR") at 2.75% and still-moderate domestic inflation backdrop, resulting in a flatter curve overall. On the currency front, the Malaysian ringgit ("MYR") weakened against the US dollar ("USD") by 4.0% in March 2026 to end the month at 4.0495. GII levels as at end-March 2026 were: 3-year at 3.24% (+14 bps), 5-year at 3.41% (+13 bps), 7-year at 3.59% (+24 bps), 10-year at 3.64% (+13 bps), 15-year at 3.93% (+12 bps) and 20-year at 4.00% (+6 bps).

Fixed income foreign inflows came to a halt as foreign investors reduced holdings by MYR2.5 billion in February 2026 (January 2026: MYR1.0 billion). Foreign holdings in Malaysian Government Securities ("MGS") and GII decreased slightly to 21.2% in February 2026 (January 2026: 21.5%).

There was one government security auction during the month: The 15-year MGII 7/40 reopening auction with an auction size of MYR3.5 billion and a MYR1.5 billion private placement drew a bid-to-cover ("BTC") ratio of 2.295x at an average yield of 3.895%.

On the economic data front, Malaysia's foreign reserves reduced slightly to USD128.1 billion as of 13 March 2026 (27 February 2026: USD128.3 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 moderated to 1.4% Year-on-Year ("YoY") in February 2026 (January 2026: 1.6% YoY). Inflation saw slower increases in food & beverages, housing, water, electricity, gas & other fuels, information & communication, healthcare and education. Core inflation, which excludes volatile fresh good prices and price-administered goods, also moderated to 2.0% YoY (January 2026: 2.3% YoY). Malaysia's exports sustained its double-digit gains at 10.8% YoY in February 2026 (January 2026: 19.6% YoY) driven by demand for electrical & electronic ("E&E") products. Imports grew 8.2% YoY (January 2026: 5.3% YoY), resulting in a narrower trade surplus of MYR16.7bn (Jan 2026: MYR21.4bn). Industrial Production for Jan 2026 increased to 5.9% YoY (December 2025: 4.8% YoY). The expansion was supported by the manufacturing, electricity and mining sectors.

On the primary corporate sukuk space, notable issuances included MYR1.5 billion TNB Power Generation Sdn Bhd IMTN, MYR0.95 billion CelcomDigi Telecommunications Sdn Bhd IMTN, MYR0.9 billion Sunway Treasury Sukuk Sdn Bhd IMTN and MYR0.8 billion Pengerang LNG (Two) Sdn Bhd IMTN. In terms of credit ratings, RAM upgraded Country Garden Real Estate Sdn Bhd sukuk programme to B1/stable from B3/negative. Meanwhile, RAM has placed the A1 rating of Telekosang Hydro One Sdn Bhd's sukuk programme on rating watch with a negative outlook. MARC Ratings has upgraded its outlook on Sunway Group's sukuk programme ratings to positive from stable.

Market Outlook

The US–Iran war has heightened geopolitical tensions, leading to increased oil price volatility and introducing uncertainty to the two key factors that supported equity markets in the first two months of the year — namely expectations of US Federal Reserve ("Fed") rate cuts and a weaker US dollar ("USD"), both of which have been supportive of Asian equities. 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 the development closely.

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 Artificial Intelligence ("AI") capex. In this environment, we will maintain 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. The latest Summary of Economic Projections from the FOMC continues to indicate one rate cut for 2026, which is expected to support the MYR and attract foreign inflows. Domestically, Bank Negara Malaysia ("BNM") kept the OPR unchanged at 2.75% in its recent Monetary Policy committee ("MPC") meeting in March 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.