

Fund Objective

A fund which invests in a mixture of equities (ranging from 40% to 60%) and fixed income securities. This fund seeks to provide medium to long-term capital appreciation, with a moderate level of volatility.

Investment Strategy

This fund shall be actively managed, investing in a mixture of Malaysian equities and fixed income securities with good fundamentals and growth potential. The fund aims to provide stable long term return.

The fund uses top-down approach by adopting a disciplined macroeconomic framework to identify major turning points in global financial markets to determine long term assets allocation decisions. The fund also uses bottom-up approach in stock/bond selection process which relies on qualitative and quantitative factors which are, but not limited to, financial position, valuation, company or industry risks and prospects.

Asset Allocation

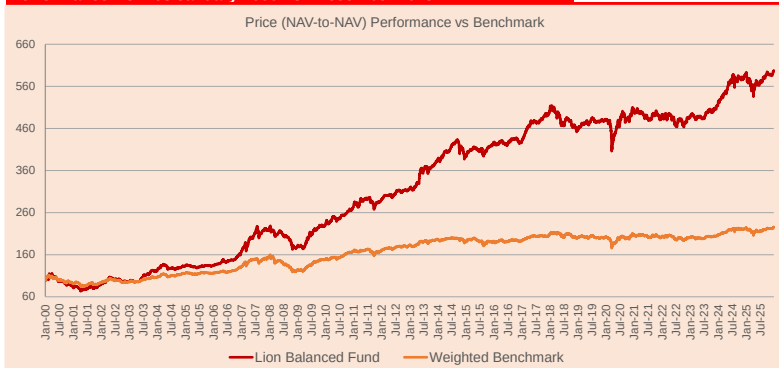
Equities: 40% - 60%

Fixed Income Securities: 40% - 60%

Remaining: Cash / Cash Equivalent

Top 5 Holdings (as at 31-Dec-2025)

Name	% of NAV
Government Investment Issue	11.2%
Malaysia Government Bond	11.0%
Malayan Banking Bhd	5.8%
Tenaga Nasional Bhd	5.6%
CIMB Group Holdings Bhd	5.0%

Performance from 03 January 2000 - 31 December 2025

Notice:

Actual return is based on net basis (net of tax and charges). Past Performance of the fund is not an indication of its future performance. This is strictly the performance of the unit fund, and not the returns earned on the actual premiums paid of the Investment-Linked insurance product.

Percentage Return (NAV to NAV)

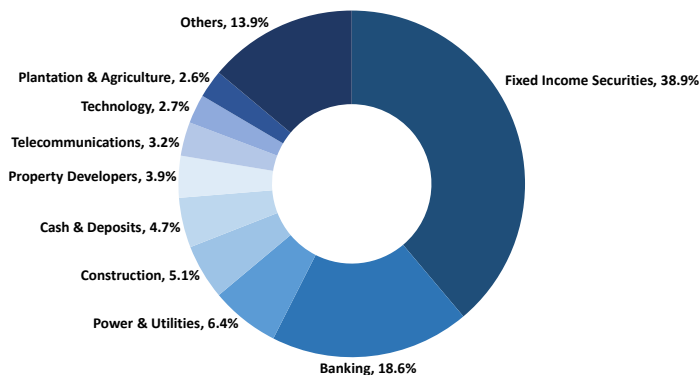
	YTD	1-Mth	6-Mth	1Y	3Y	5Y	Since Inception
Lion Balanced Fund	0.8%	1.8%	5.1%	0.8%	22.1%	18.0%	496.8%
Weighted Benchmark*	0.5%	1.8%	4.5%	0.5%	12.1%	8.9%	137.2%

* Weighted benchmark derived from 50% weight on 12-month MBB Fixed Deposit return and 50% weight on FBM100 index return.

Source: Bloomberg - FBM100 - Bursa Malaysia and 12mth Conventional FD - Maybank

Fund Info (as at 31-Dec-2025)

Inception Date	03 January 2000	For Single Pricing Product
Fund Size (RM mil)	4,031.1	NAV per unit (RM) 5.670
Management Fee	1.0% p.a. on NAV	For Dual Pricing Product
Other Charges	Nil	Bid Unit Price (RM) 5.670
Fund Manager	GELM Investment	Offer Unit Price (RM) 5.968
Valuation	Daily based on market prices	Risk Profile Moderate

Sector Allocation (as at 31-Dec-2025)


The fund performance updates presented by Great Eastern Life Assurance (Malaysia) Berhad ("the Company") are to be used as an information source only.

Please read and understand the contents of the fund fact sheet before investing. The fund performance updates should be read in conjunction with the fund fact sheet, product brochure, Product Disclosure Sheet, sales illustration, and policy contract.

There can be no assurances that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Customers should consider the fees and charges involved.

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Equity**Market Review**

The KLCI 4.7% in December 2025, outperforming the MSCI ASEAN index, and ended 2025 up 2.3% in local currency terms (12.8% in USD) at 1,680. Utilities and Materials are best performing sectors. On the flipside, IT, Telecom, and Consumer Discretionary lagged. Market breadth broadened to 24/6 advancers/decliners in December vs. 13/17 previous month. Average daily traded volume slumped by 21% MoM to US\$549 million during holiday season. Foreign investors net sold US\$502 million of Malaysia stocks in December.

Market Outlook

As expected, the Fed cut the federal funds rate for the third time this year by 25bps to a range of 3.5% to 3.75%, continuing to put more emphasis on a weakening labour market though inflation remains significantly above target. Median fed funds rate expectations remain unchanged at one cut in 2026. Growth estimates for next year were revised up noticeably, helped by a catch-up effect following the end of the longest ever government shutdown. Chairman Powell noted that the fed funds rate is now considered to be in a neutral range, but the overall tone was quite dovish despite still elevated inflation rates.

The global economy has been remarkably resilient so far in 2025, with growth accelerating to a trend-like pace in the second half of the year, despite tariff headwinds. Activity has been supported by monetary easing, expansionary fiscal policy, and solid investment, in part reflecting tech related spending. We anticipate that economic activity will hold up in 2026, with growth slightly below its historical trend. Growth dynamics in the US and Europe will be supported by fiscal easing, with infrastructure and defence spending ramped up in Germany while the US sees tax cuts and investment incentives.

China's exports jumped 5.7% YoY in November, driven by strong gains to Europe of 14.8% and ASEAN of 8.2%, offsetting a steep 28% drop to the US. Auto exports soared 53%, highlighting China's growing dominance in global car markets. Yet, this export muscle masks deeper vulnerabilities at home, including sluggish demand and overcapacity. November data continued to suggest waning growth momentum across the board, with retail sales slowing to 1.3% YoY, significantly missing expectations. Despite fading growth, the December Politburo and Central Economic Work Conference offered no major policy shift, maintaining a cautious, supportive stance for 2026.

The Malaysian equity market as represented by the KLCI, delivered a strong 4.7% gain in Dec 2025, lifting its full-year 2025 performance to +2.3%. Foreign investors were the largest net sellers, with cumulative outflows rising to RM22.3 billion in 2025 which is 5.3x higher than the RM4.2 billion outflow in 2024 and the largest annual foreign net outflow since 2020. We are positive on Malaysia's equity market in 2026, supported by improving earnings visibility, resilient domestic demand, and a constructive policy environment. Other Asean markets finished positively into the year end with Singapore's STI rising 2.7% followed by Indonesia's JCI up 1.6%.

Recent Asian trade data has been strong, showing minimal "payback effect". Asia's export strength stems from the US-led AI capex boom rather than generically downplaying the impact of tariffs. Electronic exports are outperforming, reflecting robust growth in Taiwan, South Korea and Vietnam. Asean economies like Vietnam and Thailand are importing more intermediate goods, suggesting export gains stem from relocating downstream production. Positive indicators for Asian trade include rebound in container shipments to the US, Taiwan's recovering export orders, and expanding ASEAN PMIs.

Fixed Income**Market review**

Global bond markets saw some policy rhetoric shifts in December. The Fed ended quantitative tightening and opted to reinvest maturities, keeping balance sheet at elevated level. On 10th December, the Fed cut the fed-fund rate by 25bps to 3.50–3.75%, prioritizing employment risks over lingering inflation concerns, with a hawkish tone. US Treasury (UST) yields bear-steepened in December, with 5Y and longer maturities rising 12–18bps. The 10Y UST closed the year at 4.167%, down 40bps from end-2024 levels.

On domestic front, MGS yields were mixed in December, with the 10Y rising 4bps while 1–3Y tenors eased by 1–2bps. For the full year 2025, the curve bull-steepened, with yields falling by 19–47bps, driven by the OPR cut and renewed foreign inflows amid firmer Ringgit against the USD and other regional currencies.

Demand for the 10y MGS reopening—the year's final auction—was decent, with a bid-to-cover ratio of 1.924x, defying expectations of a cancellation. Meanwhile, the 2026 auction calendar was announced, featuring 37 auctions (up from 36) to accommodate larger government bond issuance, with funding skewed towards shorter-maturities compared to 2025.

Foreign ownership of MGS increased to 33.9% in November (from October 33.35%), as net inflows exceeded the growth in outstanding supply.

The Ringgit strengthened against the USD in December, ending the month at 4.06025. For the full year 2025, it appreciated by 10.15% versus the USD, cementing its position as one of the region's top-performing currencies.

Market outlook

Taking cue from the last quarter of 2025, global bond markets in 2026 are expected to remain characterized by an unsynchronised easing cycle among the world major central banks. While the US Fed and BOE may remain on dovish bias, overall global monetary easing cycle are likely to come closer to an end. Market may see heightened volatility on pre-emptive expectation of the next rate tightening cycle. Macroeconomic uncertainties ranging from persistent fiscal pressures, geopolitical development, as well as potential uptick in inflation from tariffs implementation will drive sentiment of global rates.

Back home, Fitch reaffirmed Malaysia's 'BBB+' sovereign rating with a Stable Outlook, reflecting expectations of a gradual decline in the debt-to-GDP ratio, thanks to evidence of government's commitment towards fiscal consolidation. Looking ahead, 2026 GDP growth is expected to remain robust with a stable inflation outlook, suggesting a likely hold for OPR by Bank Negara Malaysia. Supply conditions should remain manageable amid fiscal discipline, while demand is expected to continue to be supported by healthy growth in domestic local funds. The continual fiscal consolidation could further enhance Malaysia's fiscal credibility and potentially pave the way for sovereign rating upgrades. Nonetheless, in the absence of a clear domestic rate catalyst, coupled with global rates consolidation, and rhetoric of monetary policy inflection, further yield compression in the local bond yields may be limited despite sustainable economic fundamentals and a supportive demand supply technical.