

Fund Objective

A fund which invests in a mixture of equities (ranging from 50% to 90%) and fixed income securities. This fund seeks to provide medium to long-term capital appreciation, with a moderate-to-high level of volatility.

Investment Strategy

This fund shall be actively managed, investing mainly in Malaysian equities with good fundamentals and growth potential. The fund may switch partially into fixed income securities during periods of uncertainty. The aim of this fund is to provide consistent long-term return above the benchmark.

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

Malaysian Equities: 50% - 90%

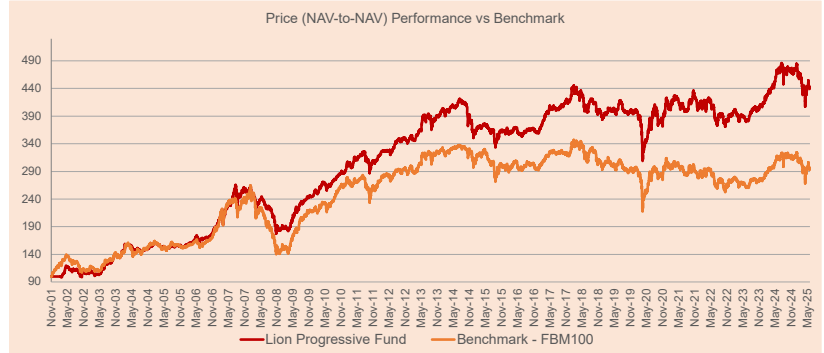
Fixed Income Securities: 10%- 50%

Remaining: Cash / Cash Equivalent

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

Name	% of NAV
Tenaga Nasional Bhd	8.5%
CIMB Group Holdings Bhd	8.0%
Malayan Banking Bhd	7.7%
Public Bank Bhd	5.2%
Gamuda Bhd	3.4%

Performance from 01 November 2001 - 31 May 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 Progressive Fund	(9.5%)	(0.4%)	(6.0%)	(5.9%)	6.9%	19.6%	338.6%
Benchmark* - FBM100	(9.8%)	(1.1%)	(6.5%)	(6.0%)	1.9%	7.3%	192.4%

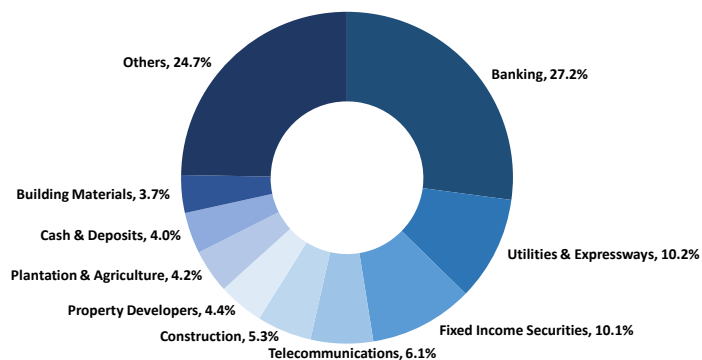
* Prior to 1/7/09 is KLCI, thereafter is FBM100

Source: Bloomberg - FBM100 - Bursa Malaysia

Fund Info (as at 31-May-2025)

Inception Date	01 November 2001	For Single Pricing Product
Fund Size (RM mil)	1,035.7	NAV per unit (RM) 4.167
Management Fee	1.35% p.a. on NAV	For Dual Pricing Product
Other Charges	Nil	Bid Unit Price (RM) 4.167
Fund Manager	GELM Investment	Offer Unit Price (RM) 4.386
Valuation	Daily based on market prices	Risk Profile High

Sector Allocation (as at 31-May-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**

FBM KLCI declined by 1.9% in May, reversing the rebound earlier in April. MSCI Malaysia also headed down by 1.9% in USD terms, undershooting MSCI ASEAN (+3.9% MoM) and MSCI EM (+4.3% MoM) in the month. Industrial was the only sector with positive returns, whilst rest of the sectors were in the red. IT, Consumer Discretionary, and Consumer Staples were the key laggards. Market breadth flipped to 10/20 advancers/decliners in May vs. 20/9 previous month. Average daily traded value rose by 16% MoM to US\$582mn.

Market Outlook

In an effort to de-escalate the tension between the world's two largest economies, US and China agreed to significantly reduce mutual tariffs which further supported improving investor sentiment. The US S&P 500 has regained all of its losses since the tariff-induced setback and has risen back into positive territory for the year. Nevertheless, risks and uncertainty remain elevated and investors' focus has shifted to the sustainability of the US fiscal situation as the tax bill works its way through Congress. 30yr Treasury yields rose back above 5% last month, emphasising the increasing risk premium investors are asking to hold US government bonds.

The US and Chinese governments agreed to a 90-day trade truce slashing tariffs by 115%, a surprise move that gave markets a quick lift. Domestically, China continues to grapple with weak consumer spending and a sluggish property market. On the bright side, exports and factory output held up better than expected in April, thanks to stockpiling by foreign buyers and trade being rerouted through third countries. The PBoC cut key rates and the reserve requirement ratio as widely expected, while government bond issuance surged, likely reflecting efforts to clean up hidden local government debt. While market excitement has cooled, Chinese stocks, especially tech-heavy H-shares, still look attractive with light positioning and cheap valuations while building on a positive AI story.

Over in ASEAN, market performance was mixed with the Jakarta Composite Index staging a recovery from the previous month as the Indonesian Rupiah gained at the expense of a weaker US dollar. The FBM KLCI lost 2.1% in May as the 1Q25 reporting season concluded against a disappointing earnings backdrop. The Straits Times Index was the key outperformer as it gained 1.9% in the month. Fund flows were divergent but Malaysia saw inflows of RM1.02bn after four consecutive months of outflows since the start of the year. Malaysian PMI data as at end May registered at 48.8, from 48.6 in April. Demand remained subdued as both new orders and production remained within contractionary territory. Malaysian firms reported that production was weak amid muted new orders, in part due to heightened trade tensions. ASEAN PMI came in at 49.2 from 48.7 in April. This is consistent with declining manufacturing activities in the North Asian economies. Manufacturing activity in the Asean region remains weighed down by the tariff war, which is causing lower orders and production.

Fixed Income**Market review**

During the month, Bank Negara Malaysia ("BNM") kept the Overnight Policy Rate ("OPR") steady at 3.00%, but lowered the Statutory Reserve Requirement ("SRR") Ratio by 100 basis points, from 2% to 1%. According to the central bank, its decision to lower the SRR was made to ensure that liquidity in the domestic financial system remain sufficient and that the reduction will release approximately RM19 billion worth of liquidity into the banking system. 3M KLIBOR fell by 15bps month-on-month as some of the tightness in the banking system eased. Although the OPR was held unchanged, there were some changes in the Monetary Policy Statement compared to the previous one in March where growth is concerned, leading to rising expectations of an OPR cut some time this year. The words that the monetary stance "remains supportive of the economy" were removed and more mention was made of the downside risks to the economy.

Tariff headlines continue to hit the wire, keeping volatility elevated. While a trade truce between China and the US was reached this month, concerns emerged later on that the talks had stalled, coupled with accusations that China had violated some terms of the deal. Subsequently, a US Court ruled that the tariffs cannot be enforced but this was then stayed by an appeals court. However, it is believed that even if the Trump Administration loses its appeal, there are other ways it can pursue its tariff agenda.

US fiscal concerns also gained dominance in May, starting with Moody's downgrade of the US' ratings to Aa1 from Aaa, citing its burgeoning debt and the mounting cost of servicing these debts. Growing concerns on the US fiscal position and also its credibility after the many about-turns in its tariff policies have played a role in the dollar's decline as some investors diversify away from the US. The US Federal Reserve kept the fed funds rate at 4.25%-4.50% for the third consecutive FOMC meeting. The Fed noted that "uncertainty around the economic outlook has increased further" and that "the risks of higher unemployment and higher inflation have risen".

Against this backdrop, yields of Malaysian Government Securities ("MGS") fell in May, led by the 5-year which declined by 20bps compared to April. Bonds with longer maturities, such as the 30-year, lagged the move, only declining by 2 bps month-on-month. Meanwhile, credit spreads widened this month, as supply in the belly of the curve improved. Yields on corporate bonds have also not caught up the rally in the MGS.

Market outlook

Although central banks in most major economies are cutting rates, term premiums (the yields investors are asking for longer term debt) are rising due to worries over excessive government borrowing. This has played out recently in the US, Japan and the UK. While the domestic market has so far been unscathed given strong demand from locals and foreigners, this is something which bears watching. Having barely survived a vote in the House of Representatives, President Trump's so-called big, beautiful bill now goes to the Senate. The Congressional Budget Office has estimated the bill could add USD2.5 trillion to public debt, coming at a time when appetite for US assets is diminished.

The official GDP forecast for Malaysia for 2025 remains under review following the tariffs. Comments by the Ministry of Finance suggest that fuel subsidy rationalisation will go ahead in 2H25. In any case, BNM's recent monetary policy statement do not give the impression that it is concerned about inflation and a cut in the OPR in 2H25 is widely expected to support the economy. While external factors remain key to market sentiment, favourable local dynamics will likely cushion the Malaysian bond market from external volatilities.