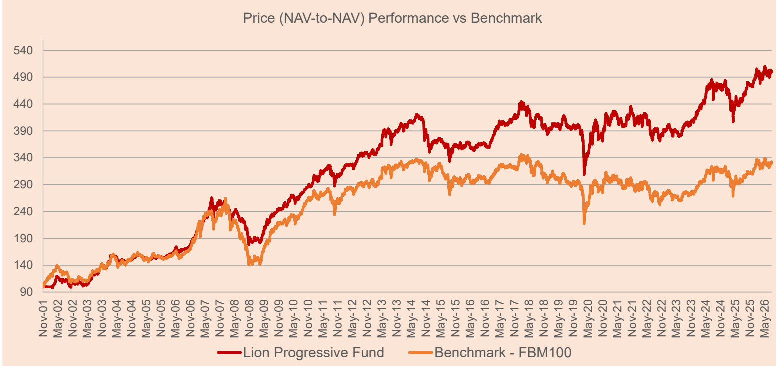
Lion Progressive Fund

31 July 2026

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.

Performance from 01 November 2001 - 31 July 2026



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.

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	3.4%	2.5%	1.0%	13.2%	26.4%	26.4%	403.5%
Benchmark - FBM100	3.9%	3.0%	0.2%	12.8%	21.1%	17.8%	232.6%

Source: Bloomberg - FBM100 - Bursa Malaysia

Asset Allocation

Malaysian Equities: 50% - 90%

Fixed Income Securities: 10%- 50%

Remaining: Cash / Cash Equivalent

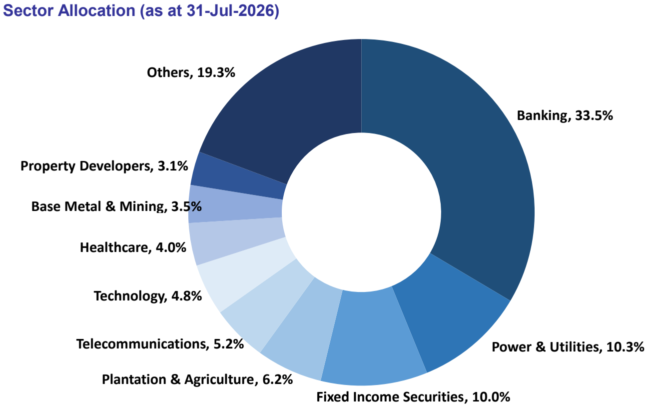
Fund Info (as at 31-Jul-2026)

Inception Date	01 November 2001	**For Single Pricing Product**	
Fund Size (RM mil)	1,128.0	**NAV per unit (RM)**	4.783
Management Fee	1.35% p.a. on NAV	**For Dual Pricing Product**	
Other Charges	Nil	**Bid Unit Price (RM)**	4.783
Fund Manager	GELM Investment	**Offer Unit Price (RM)**	5.035
Valuation	Daily based on market prices	**Risk Profile**	High

Top 5 Holdings (as at 31-Jul-2026)

Name	% of NAV
Tenaga Nasional Bhd	9.7%
Malayan Banking Bhd	9.4%
Public Bank Bhd	9.0%
CIMB Group Holdings Bhd	8.0%
SD Guthrie Bhd	3.6%

Sector Allocation (as at 31-Jul-2026)



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.

Equity

Market Review

The FBMKLCI Index rose by 3.7% last month, while the MSCI Malaysia Index gained 4.2%. Malaysia underperformed regional benchmarks, lagging MSCI ASEAN (+7.4%) but outperformed the broader MSCI Emerging Market Index (-3.0%) and MSCI Asia ex-Japan Index (-3.2%). Plantation (+5.2%), Industrial Production (+4.5%), and Finance (+3.7%) led sector performance. The weakest sectors were Utilities (-1.9%), Property (-1.3%), and REITs (+0.4%). Liquidity also softened, with average daily turnover falling from US$746 million in June to US$591 million this month, a decline of -20.8%.

Market Outlook

The global economy entered 3Q26 with improving business momentum. July Flash PMIs showed expansion across all major developed markets: the Eurozone Composite PMI rose to 51.9, the strongest in five months, while the US reached 53.6, an eight-month high, and Japan's PMI rose to 53.1. Despite firmer growth signals, the rebound in energy prices triggered by the re-escalation of the Middle East crisis could cause some headwinds if it persists, further exacerbated by higher real yields. Central banks are keeping a watchful eye on inflation risks, but spillovers remain limited so far. Overall, the outlook points to moderate but resilient global growth, supported by AI related investment, while geopolitical tensions, energy costs, and tighter financial conditions remain the main downside risks.

The Federal Reserve kept rates on hold, but three members of the FOMC dissented in favour of a rate hike as inflation rates remain elevated. The rebound in energy prices paired with the Fed's decision to remain on hold pushed up longer-term bond yields, with 30-year Treasury yields rising to the highest level in almost two decades. The US stock market has underperformed many of its peers in July as investors are shifting their exposure out of technology stocks into more defensive sectors.

China's economic backdrop remained soft despite ongoing robust exports. Q2 GDP growth slowed to 4.3% YoY, below the government's target with weak credit, tighter fiscal conditions, and subdued private consumption. Encouragingly, the Politburo acknowledged the current weakness and signalled a more supportive stance at its July meeting, emphasizing support for consumption and faster fiscal deployment rather than fresh stimulus.

The Asean equity markets performed strongly in July as investors rotated out of "AI themed" markets as investors grew cautious about the scale of spending in AI by tech giants and whether the returns will ultimately justify it. In addition, concerns over the Middle East conflict gradually eased and interest has shifted back to economic fundamentals, corporate earnings and relative valuations across the region. Indonesia's JCI and Singapore's STI posted the strongest gains with returns of +10.5% and +9.0% respectively in July while Malaysia's FBMKLCI gained 3.7% on the back foreign fund inflows of RM267 million. While geopolitical risks and global growth concerns remain key watchpoints, the improving macro backdrop has strengthened the investment case for Asean equities heading into the second half of 2026.

Fixed Income

Market review

The Malaysian fixed income market weakened in July 2026 amid a challenging external backdrop. Renewed tensions in the Middle East drove oil prices higher, renewing concerns over inflation and geopolitical risks globally. At the same time, global sukuk yields moved higher as investors reassessed the likelihood of policy rates remaining elevated for longer. The U.S. 10-year Treasury yield rose from 4.47% at the beginning of the month to a peak of 4.70%, putting upward pressure on sukuk yields across major markets. Adding to the cautious sentiment, the Federal Reserve maintained its policy rate at 3.50% to 3.75% in a closely watched 9-3 vote, with three regional Fed presidents dissenting in favour of a 25 bps rate hike, highlighting persistent concerns over inflation.

On the domestic front, Bank Negara Malaysia (BNM) kept the Overnight Policy Rate (OPR) unchanged at 2.75% on 9 July 2026, providing policy stability and supporting overall market sentiment. Economic fundamentals remained resilient, with Malaysia's advance estimate for Q2 2026 GDP growth coming in at a stronger-than-expected 5.8% y-oy. Meanwhile, inflation remained relatively contained at 1.9% y-o-y, aided by fuel subsidy measures and stable domestic price conditions.

Despite the supportive macroeconomic backdrop, MGS and MGII experienced selling pressure during the month. The belly of the government yield curve, particularly the 5 to 15-year segment, shifted higher by approximately 11 bps m-o-m, tracking the rise in global yields. Investor sentiment was further weighed down by continued foreign outflows, with foreign investors recording net sales of RM6.4 billion of Malaysian government sukuk in July 2026. Meanwhile, 3M KLIBOR remained elevated at 3.45%, around 70 bps above the current OPR, which may indicate tight liquidity conditions in the banking system, amid a cautious rate environment, with a modest probability of policy tightening by Bank Negara Malaysia priced in

In the corporate sukuk space, credit spread adjustments continued to lag movements in government sukuk, widening marginally by 1 to 4 bps m-o-m. Despite primary corporate sukuk issuance increasing by 15.8% m-o-m to RM16.6 billion in Jul26, led by Infracap's RM5.3 billion issuance, credit spreads remained broadly stable, supported by ample domestic liquidity, sustained investor demand, and a relatively stable credit environment.

Market outlook

The global outlook remains uncertain as the U.S. Federal Reserve continues to adopt a data-dependent monetary policy approach. Upcoming U.S. inflation releases will be closely monitored for signals on the future policy rate path, while geopolitical developments and oil price movements remain key sources of market volatility

In Malaysia, domestic conditions remain supportive, underpinned by moderate inflation, resilient economic growth, and ample system liquidity. While BNM is expected to maintain the current Overnight Policy Rate in the near term, the possibility of a rate hike cannot be entirely ruled out. Meanwhile, movements in U.S. Treasury yields remain a key upside risk, with potential spillover effects to the domestic sukuk market.

Political uncertainty has increased following the recent state elections, with investor focus gradually shifting towards the upcoming general election, which could contribute to periods of market volatility.

Given elevated global yields, ongoing external uncertainties, and domestic political developments, maintaining a neutral-to-underweight stance on fixed income remains warranted, while awaiting more attractive valuation opportunities in the market.