AIA PAM – Moderate Fund

Investment Objective
The Fund seeks to provide returns through a combination of income* and capital growth.
**Income will be reinvested in additional Units in the Fund*

Investment Strategy
The Fund will invest up to 65% of its NAV in equities, with focus on those that are trading below their fair value and equities offering a dividend yield above the market average. The Fund will invest in local and foreign markets. The Fund will also invest at least 35% of its NAV in money market instruments and local fixed income instruments with a minimum credit rating of "BBB3" or "P2" by RAM or equivalent rating by MARC.

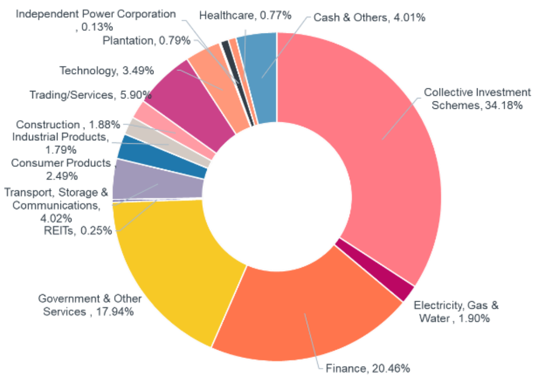
Fund Details

Unit NAV (31 May 2023)	: RM 1.2932
Fund Size (31 May 2023)	: RM 182.8 million
Fund Currency	: Ringgit Malaysia
Fund Launch	: May 16, 2013
Fund Inception	: June 05, 2013
Fund Management Charge	: up to 1.50% p.a
Investment Manager	: AIA Pension and Asset Management Sdn. Bhd.
Basis of Unit Valuation	: Net Asset Value (NAV)
Frequency of Unit Valuation	: Daily
Benchmark	: 25% FBMT 100 Index + 15% MSCI AC Asia ex Japan Index + 40% Quant Shop MGS All Bond Index + 20% MSCI World Index

Top Five Holding

1.	FIDELITY FUNDS-ASIA PACIFIC OPPORTUNITIES FUND	9.82%
2.	SCHRODER ISF GLOBAL SUSTAINABLE GROWTH	9.72%
3.	FIDELITY FUNDS-GLOBAL FOCUS FUND	9.66%
4.	SCHRODER ISF SUSTAINABLE ASIAN EQUITY	4.97%
5.	SUSTAINABILITY GII 3/2022 4.662% 31.3.2038	3.54%

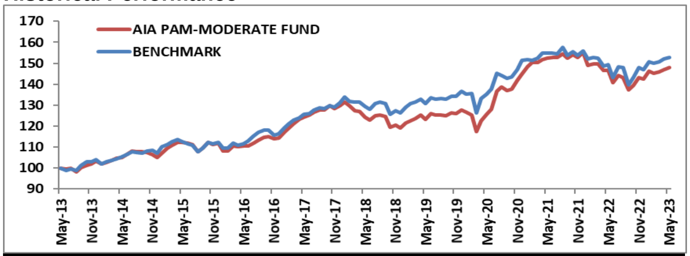
Sector Allocation



Risk
General investment risks involve market risk, fund manager risk, inflation risk and liquidity risk. Specific risks of the Fund involve credit/default risk, interest rate risk, particular security risk, country risk and currency risk.

Risk Management
Investment Manager aims to reduce investment risks through structured and disciplined investment process, rigorous and disciplined credit research and analysis, portfolio diversification and strict and frequent stock evaluation to minimize company specific risk.

Historical Performance



%	1 Mth	1-Year	^3-Year	^5-Year	^Since Inception
Fund	0.65%	0.98%	17.75%	18.95%	47.84%
Index	0.52%	2.21%	12.87%	18.18%	52.78%
Excess	0.13%	-1.23%	4.88%	0.77%	-4.94%

Source: AIA Pension and Asset Management Sdn. Bhd., Bloomberg at 31 May 2023
^ Cumulative returns. The performance is calculated on NAV-to-NAV basis.

Market Review
Malaysian Government Securities ("MGS") traded with mixed sentiment in May 2023. Sentiment at the start of the month was supported by lower yields in the US after a slew of data releases towards the end of April 2023 which missed expectations. However, the sentiment quickly deteriorated throughout the month as hawkish statements from Federal Reserve Open Market Committee ("FOMC") members and concerns on the US debt ceiling extension talks led to sharp rises in US Treasury yields and a stronger US Dollar ("USD"). MGS yields tracked and moved higher in response, but losses were capped by buying interest from local investors towards the end of the month due to attractive valuations and optimism on the eventual resolution of the debt ceiling extension.

Global market was volatile in May due to the US debt ceiling impasse. S&P500 was flat, MSCI Europe declined by 2.4% and MSCI Japan rose by 4.5% respectively MTD in local currency terms. MSCI AC Asia Pacific ex Japan Index fell 2.65% in USD terms in May 2023. Taiwan ROC and Korea KOSPI were among the best performing markets while China and Hong Kong PRC lagged.

The FBMKLCI ("Index") fell by 2.03% Month-on-Month ("MoM") to close at 1,387.12 pts on 31 May 2023. The Index underperformed the MSCI Asia Ex Japan Index, which rose 1.25% MoM in Malaysia Ringgit ("MYR") terms over the same period. Foreign investors stayed net sellers of Malaysian equities amounting to MYR0.73 billion in May 2023 while local institutions remained net buyers with MYR0.71 billion.

Market Outlook
Recent US economic data releases are suggestive of a softening in economic activities and a moderation in inflation, though labour market conditions remain stubbornly strong. Although the US Federal Reserve ("Fed") continues to reiterate the need to maintain tighter monetary policy, the financial sector instability in the US may impede the Fed from further rate hikes. Locally, with still resilient domestic growth outlook and upside risk to inflation, BNM may keep the door opened for further rate increases. For 2023, we expect rates volatility to linger due to uncertainties surrounding central banks' future monetary policy moves on the back of differing and changing views as market conditions evolve. We are cautiously optimistic on the equity and fixed income market in the near term. We continue to favour corporate bonds for yield pickup.

Disclaimer

This fund fact sheet has not been reviewed by the Securities Commission Malaysia ("SC") and Federation of Investment Managers Malaysia ("FIMM"). The SC and FIMM are not liable for this fund fact sheet and are not in any way associated with this fund fact sheet. The SC and FIMM are not responsible for the contents herein and do not make any representation on the accuracy or completeness of this fund fact sheet, either in whole or in part. A copy of the Second Replacement Disclosure Document dated 23 February 2021 ("Disclosure Document") and the Product Highlights Sheet ("PHS") have been registered and lodged with the SC. The registration of the Disclosure Document and lodgement of the PHS to the SC do not amount to nor indicate that the SC has recommended or endorsed the Private Retirement Scheme ("PRS"). A PHS highlighting the key features and risks of the PRS is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the Disclosure Document and the PHS before making a contribution. We suggest that you compare and consider the fees, charges and costs involved prior to making a contribution. The Disclosure Document and the PHS can be obtained from our office, authorised distributors, consultants or representatives. Any issue of units to which the Disclosure Document relates will only be made on receipt of an application form referred to and accompanying with a copy of the Disclosure Document. The price of units and distributions payable, if any, may go down as well as up. The past performance of the PRS should not be taken as an indication of its future performance. Specific risks and general risks for the PRS are elaborated in the Disclosure Document. Investors are advised to understand the risks involved in the PRS and make your own risk assessment and seek professional advice, where necessary.

The blended returns are calculated by AIA Company Limited using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "AS IS" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilizing any MSCI Data, models, analytics or other materials or information.

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.