

Monthly Fund Fact Sheet

— May 2019



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HLA Venture Growth Fund (HLAVGF)

May 2019

Fund Features

1. Investment Objective

The objective of the fund is to achieve higher returns than the general stock market by investing into growth stocks which potentially generate more superior returns.

2. Investment Strategy & Approach

This fund focuses on growth stocks listed in Bursa Malaysia and/or in any foreign stock exchanges that provide potentially higher capital gains.

3. Asset Allocation

The fund may invest up to 95% of its NAV in equities.

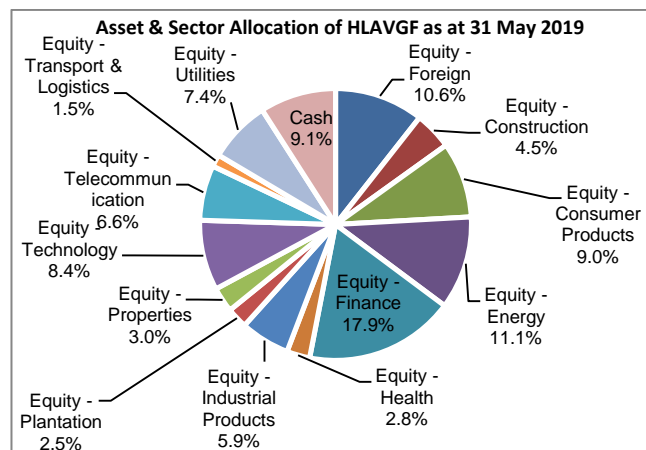
4. Target Market

This fund is suitable for investors with moderate to high-risk appetite with a medium to long-term investment horizon.

Fund Details

Unit Price (31/5/2019)	:RM2.1497
Fund Size (31/5/2019)	:RM377.9mil
Fund Management Fee (effective as at 01/08/2018)	: 1.39% p.a. (capped at 1.50%)
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Equity
Fund Inception	:19 Jan 2000
Benchmark	:FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	:Daily

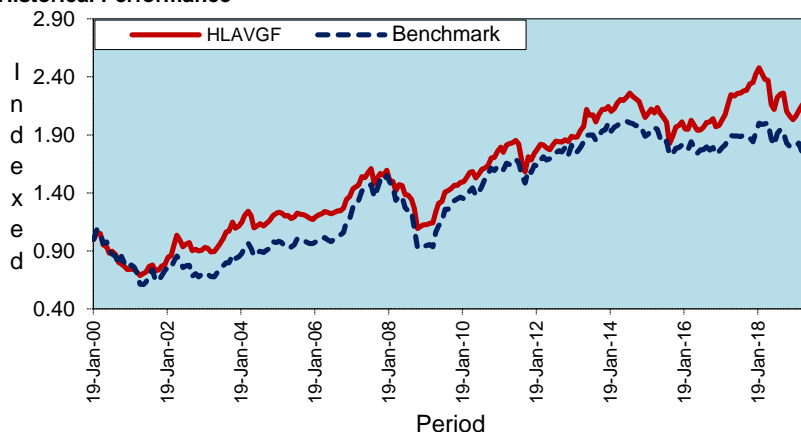
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.



Top 5 Holdings for HLAVGF as at 31 May 2019

	%
1. CIMB	8.2
2. MAYBANK	7.8
3. TENAGA	7.4
4. YINSON	5.0
5. DIALOG	4.9
Total Top 5	33.2

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVGF	5.80%	-1.98%	-0.46%	10.72%	-2.21%	64.01%	114.97%
Benchmark*	-2.36%	0.52%	-5.16%	1.52%	-11.88%	58.10%	76.86%
Relative	8.16%	-2.50%	4.70%	9.20%	9.68%	5.91%	38.11%

*Source: Bloomberg

Market Review, Outlook & Strategy

Regionally, investors were hopeful that a deal to end the trade war was imminent; but the positive mood was soon crushed when Mr Lighthizer and his team briefed the US President that China was apparently backtracking on their pledges. As a result the US President threatened to raise levies on US\$200b of Chinese imports from 10% to 25% and also to impose 25% levies on all remaining Chinese imports worth US\$325b. The listing of Huawei onto the 'Entity List' raised significant uncertainty on the technology supply chain and makes the process of a trade deal even more complex. China has also warned of striking back; potentially by limiting its supply of rare earth to the US since China accounted for 80% of US rare earths imports in 2014-17. Politics continued to dominate headlines in the Eurozone region and Brexit in the UK with Prime Minister Theresa May announcing her intention to step down in June. In the commodities space, President Donald Trump stepped up sanctions on Iran to ban trade in iron, steel, aluminium and copper in response to Iran's threat to resume uranium enrichment in 60 days. Despite supply concerns on potential disruption at the Straits of Hormuz, crude oil prices fell by 16% mom to US\$53 per barrel as a result of the trade war.

Domestically, both business and consumer sentiment remain lacklustre at this juncture. This was reflected in 1Q19 GDP growth which slowed to +4.5% yoy from 4Q18's +4.7% yoy. Bank Negara Malaysia (BNM) had earlier reacted with a 25bps cut to the Overnight Policy Rate (OPR) given the weak investment and credit trend outlook. The recent reporting season was also a weak one with lower earnings seen in the plantation, chemical, technology and financial sectors.

The FBM KLCI outperformed the broader market in May. The KLCI was up by 0.5% mom to close at 1,650.76 pts. FBM Emas was down by 0.6% to 11,588.37 pts, FBM Shariah declined by 0.4% to 11,795.77 pts and FBM Small Cap was the worst performing index recording a decline of 7.9% mom to close at 12,546.52 pts in May.

Going forward, market will continue to be volatile, predominately driven by news-flow from the US-China trade war. The outlook for the local bourse is also uninspiring due to external uncertainties and the subdued domestic environment as well as prolonged weakness in commodity prices. We will continue to stick to quality names with resilient earnings and dividend yield. Among the other themes that we also like are beneficiaries of government pump-priming and Ringgit weakness.

HLA Venture Growth Fund (HLAVGF)

Actual Annual Investment Returns for the Past Ten (10) Calendar Years

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	45.2%	19.3%	0.8%	10.3%	10.5%	-5.7%	-3.9%	-3.0%	9.5%	-5.9%
HLAVGF- Gross	36.7%	21.1%	0.5%	10.7%	16.3%	-3.2%	-0.6%	-0.1%	26.0%	-16.1%
HLAVGF - Net	32.4%	18.0%	-0.9%	8.5%	13.6%	-4.4%	-1.9%	-1.5%	22.5%	-16.2%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

- 1. Market Risk**
Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.
- 2. Liquidity Risk**
Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.
- 3. Credit Risk**
This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.
- 4. Interest Rate Risk**
The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.
- 5. Country Risk**
The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.
- 6. Currency Risk**
This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

Others

HLA Venture Growth Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

HLA Venture Blue Chip Fund (HLAVBCF)

May 2019

Fund Features

1. Investment Objective

The objective of the fund is to achieve returns comparable to the general stock market by taking average risks, with focus on well-capitalised and financially sound "blue chip" stocks to achieve a balance of capital gains and dividend income.

2. Investment Strategy & Approach

This fund provides participation in the stock market without taking excessive risk by focusing on fundamentally strong "blue chip" stocks listed in Bursa Malaysia and/or in any foreign stock exchanges. This fund is suitable for investors with moderate risk tolerance and expects returns that are comparable to the market as represented by the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI).

3. Asset Allocation

The fund may invest up to 95% of its NAV in equities.

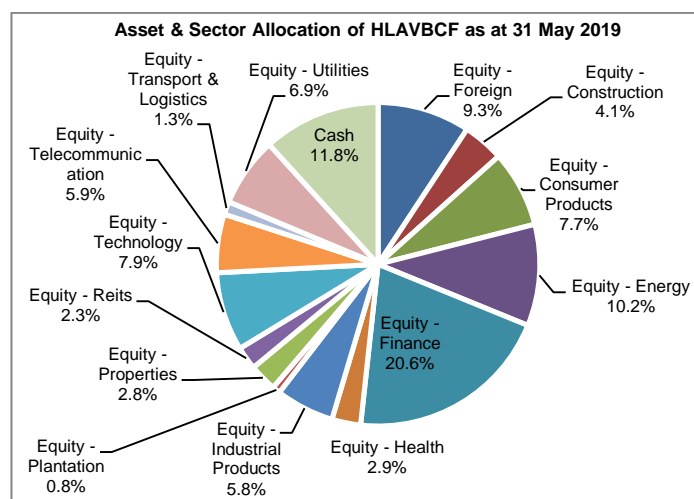
4. Target Market

This fund is suitable for investors with moderate risk tolerance and expects returns that are comparable to the market as represented by the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI).

Fund Details

Unit Price (31/5/2019)	: RM2.4309
Fund Size (31/5/2019)	: RM239.2mil
Fund Management Fee (effective as at 01/05/2018)	: 1.43% p.a. (capped at 1.50%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 19 Jan 2000
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

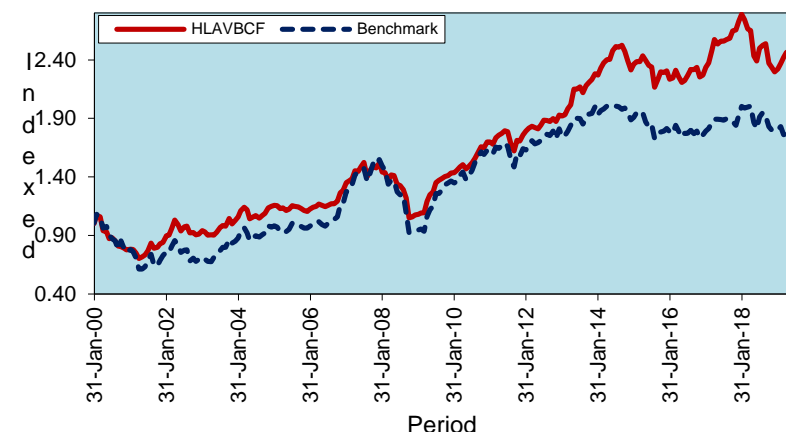
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.



Top 5 Holdings for HLAVBCF as at 31 May 2019

		%
1.	MAYBANK	7.0
2.	CIMB	7.0
3.	TENAGA	6.9
4.	YINSON	6.2
5.	MYEG	4.0
Total Top 5		31.3

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVBCF	5.82%	-1.42%	-0.10%	10.16%	1.11%	94.74%	143.09%
Benchmark*	-2.36%	0.52%	-5.16%	1.52%	-11.88%	58.10%	76.86%
Relative	8.18%	-1.94%	5.06%	8.64%	12.99%	36.63%	66.23%

*Source: Bloomberg

Market Review, Outlook & Strategy

Regionally, investors were hopeful that a deal to end the trade war was imminent; but the positive mood was soon crushed when Mr Lighthizer and his team briefed the US President that China was apparently backtracking on their pledges. As a result the US President threatened to raise levies on US\$200b of Chinese imports from 10% to 25% and also to impose 25% levies on all remaining Chinese imports worth US\$325b. The listing of Huawei onto the 'Entity List' raised significant uncertainty on the technology supply chain and makes the process of a trade deal even more complex. China has also warned of striking back; potentially by limiting its supply of rare earth to the US since China accounted for 80% of US rare earths imports in 2014-17. Politics continued to dominate headlines in the Eurozone region and Brexit in the UK with Prime Minister Theresa May announcing her intention to step down in June. In the commodities space, President Donald Trump stepped up sanctions on Iran to ban trade in iron, steel, aluminium and copper in response to Iran's threat to resume uranium enrichment in 60 days. Despite supply concerns on potential disruption at the Straits of Hormuz, crude oil prices fell by 16% mom to US\$53 per barrel as a result of the trade war.

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The FBM KLCI outperformed the broader market in May. The KLCI was up by 0.5% mom to close at 1,650.76 pts. FBM Emas was down by 0.6% to 11,588.37 pts, FBM Shariah declined by 0.4% to 11,795.77 pts and FBM Small Cap was the worst performing index recording a decline of 7.9% mom to close at 12,546.52 pts in May.

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HLA Venture Blue Chip Fund (HLAVBCF)

Actual Annual Investment Returns for the Past Ten (10) Calendar Years

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	45.2%	19.3%	0.8%	10.3%	10.5%	-5.7%	-3.9%	-3.0%	9.5%	-5.9%
HLAVBF- Gross	37.4%	21.6%	5.4%	11.9%	21.4%	3.2%	1.1%	-0.1%	23.6%	-15.7%
HLAVBF - Net	33.1%	18.5%	3.6%	9.6%	18.3%	1.5%	-0.4%	-1.6%	20.3%	-15.9%

Net returns are adjusted for tax and fund management fees.

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Investment Risks

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3. Credit Risk

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Others

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HLA Venture Dana Putra (HLAVDP)

May 2019

Fund Features

1. Investment Objective

The objective of the fund is to achieve capital growth over the medium to long term.

2. Investment Strategy & Approach

This fund invests in Syariah-approved securities and money market instruments.

3. Asset Allocation

The fund will invest up to 90% but not less than 40% of its NAV in equities.

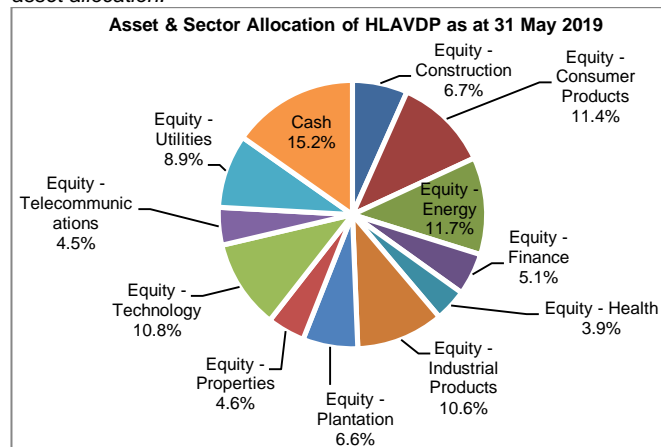
4. Target Market

This fund is suitable for investors who are willing to take moderate risk.

Fund Details

Unit Price (31/5/2019)	: RM2.3997
Fund Size (31/5/2019)	: RM74.6mil
Fund Management Fee (effective as at 01/01/2019)	: 1.34% p.a. (capped at 1.40%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 19 Jul 2000
Benchmark	: FBM EmasShariah Index (KL Shariah Index)
Frequency of Unit Valuation	: Daily

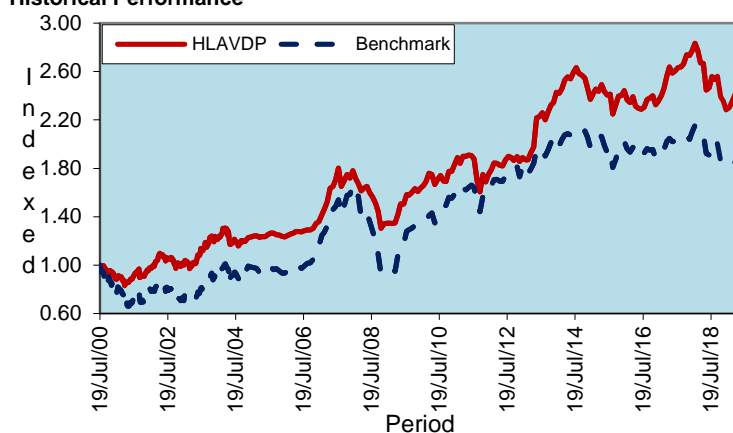
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Top 5 Holdings for HLAVDP as at 31 May 2019

		%
1.	TENAGA	7.9
2.	YINSON	5.6
3.	QL	5.5
4.	MYEG	5.1
5.	BIMB	5.1
Total Top 5		29.2

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVDP	5.14%	-2.16%	-1.93%	4.44%	-5.53%	59.48%	139.97%
Benchmark*	2.53%	-0.35%	-3.12%	-1.06%	-10.20%	60.69%	86.27%
Relative	2.61%	-1.81%	1.19%	5.50%	4.67%	-1.21%	53.70%

Source: Bloomberg

Market Review, Outlook & Strategy

Regionally, investors were hopeful that a deal to end the trade war was imminent; but the positive mood was soon crushed when Mr Lighthizer and his team briefed the US President that China was apparently backtracking on their pledges. As a result the US President threatened to raise levies on US\$200b of Chinese imports from 10% to 25% and also to impose 25% levies on all remaining Chinese imports worth US\$325b. The listing of Huawei onto the 'Entity List' raised significant uncertainty on the technology supply chain and makes the process of a trade deal even more complex. China has also warned of striking back; potentially by limiting its supply of rare earth to the US since China accounted for 80% of US rare earths imports in 2014-17. Politics continued to dominate headlines in the Eurozone region and Brexit in the UK with Prime Minister Theresa May announcing her intention to step down in June. In the commodities space, President Donald Trump stepped up sanctions on Iran to ban trade in iron, steel, aluminium and copper in response to Iran's threat to resume uranium enrichment in 60 days. Despite supply concerns on potential disruption at the Straits of Hormuz, crude oil prices fell by 16% mom to US\$53 per barrel as a result of the trade war.

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HLA Venture Dana Putra (HLAVDP)

Actual Annual Investment Returns for the Past Ten (10) Calendar Years

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	43.0%	18.2%	2.4%	11.9%	13.3%	-4.2%	2.4%	-6.1%	10.7%	-13.5%
HLAVDP- Gross	25.1%	14.4%	-3.1%	10.0%	32.6%	-1.1%	4.9%	-2.4%	20.8%	-17.8%
HLAVDP - Net	21.7%	11.9%	-4.5%	7.8%	28.6%	-2.4%	3.1%	-3.6%	17.7%	-17.7%

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$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

Others

HLA Venture Dana Putra is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

HLA Venture Flexi Fund (HLAVFF)

May 2019

Fund Features

1. Investment Objective

The objective of the fund is to provide investors the opportunity to enjoy medium to long-term capital appreciation from the prevailing sectorial and investment themes in Malaysian equities market.

2. Investment Strategy & Approach

The fund would be actively managed, rotating between sectors deemed to benefit the most at any given point in time, and would comprise several Core Sectors and Trading / Rotational Sectors which would vary depending on prevailing market conditions. The strategy will be to identify the themes in its early phase to capitalize on its growth. This fund is suitable for aggressive investors who are willing to take higher risk and wish to seek higher returns from a diversified portfolio with thematic investment opportunities.

3. Asset Allocation

The fund will invest a minimum of 30% and up to 95% of its NAV in equities.

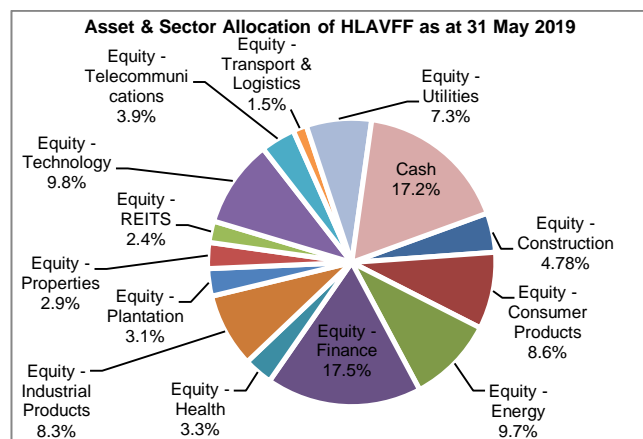
4. Target Market

This fund is suitable for aggressive investors who are willing to take higher risk and wish to seek higher returns from a diversified portfolio with thematic investment opportunities.

Fund Details

Unit Price (31/5/2019)	: RM0.8981
Fund Size (31/5/2019)	: RM68.2mil
Fund Management Fee (effective as at 01/01/2019)	: 1.31% p.a. (capped at 1.48%)
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 06 April 2009
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

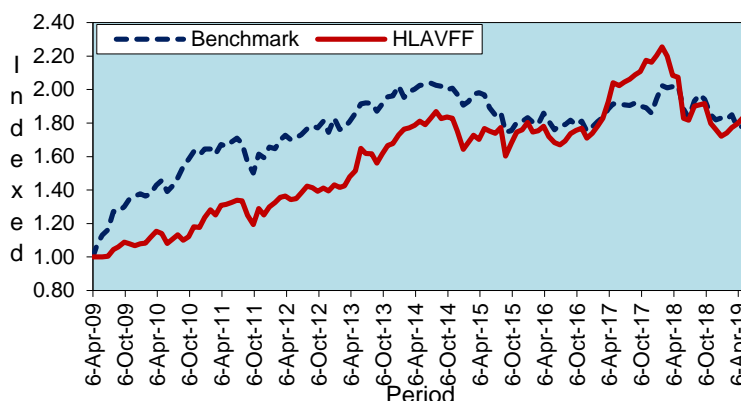
The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.



Top 5 Holdings for HLAVFF as at 31 May 2019

	%
1. MAYBANK	6.8
2. CIMB	6.5
3. TENAGA	6.4
4. YINSON	5.4
5. MYEG	4.3
Total Top 5	29.4

Historical Performance



	YTD	1 month	1 year	3 years	5 years	Since Inception
HLAVFF	4.37%	-1.87%	-1.74%	6.73%	0.29%	79.62%
Benchmark*	-2.36%	0.52%	-5.16%	1.52%	-11.88%	78.70%
Relative	6.72%	-2.38%	3.42%	5.20%	12.17%	0.92%

*Source: Bloomberg

Market Review, Outlook & Strategy

Regionally, investors were hopeful that a deal to end the trade war was imminent; but the positive mood was soon crushed when Mr Lighthizer and his team briefed the US President that China was apparently backtracking on their pledges. As a result the US President threatened to raise levies on US\$200b of Chinese imports from 10% to 25% and also to impose 25% levies on all remaining Chinese imports worth US\$325b. The listing of Huawei onto the 'Entity List' raised significant uncertainty on the technology supply chain and makes the process of a trade deal even more complex. China has also warned of striking back; potentially by limiting its supply of rare earth to the US since China accounted for 80% of US rare earths imports in 2014-17. Politics continued to dominate headlines in the Eurozone region and Brexit in the UK with Prime Minister Theresa May announcing her intention to step down in June. In the commodities space, President Donald Trump stepped up sanctions on Iran to ban trade in iron, steel, aluminium and copper in response to Iran's threat to resume uranium enrichment in 60 days. Despite supply concerns on potential disruption at the Straits of Hormuz, crude oil prices fell by 16% mom to US\$53 per barrel as a result of the trade war.

Domestically, both business and consumer sentiment remain lacklustre at this juncture. This was reflected in 1Q19 GDP growth which slowed to +4.5% yoy from 4Q18's +4.7% yoy. Bank Negara Malaysia (BNM) had earlier reacted with a 25bps cut to the Overnight Policy Rate (OPR) given the weak investment and credit trend outlook. The recent reporting season was also a weak one with lower earnings seen in the plantation, chemical, technology and financial sectors.

The FBM KLCI outperformed the broader market in May. The KLCI was up by 0.5% mom to close at 1,650.76 pts. FBM Emas was down by 0.6% to 11,588.37 pts, FBM Shariah declined by 0.4% to 11,795.77 pts and FBM Small Cap was the worst performing index recording a decline of 7.9% mom to close at 12,546.52 pts in May.

Going forward, market will continue to be volatile, predominately driven by news-flow from the US-China trade war. The outlook for the local bourse is also uninspiring due to external uncertainties and the subdued domestic environment as well as prolonged weakness in commodity prices. We will continue to stick to quality names with resilient earnings and dividend yield. Among the other themes that we also like are beneficiaries of government pump-priming and Ringgit weakness.

HLA Venture Flexi Fund (HLAVFF)

Actual Annual Investment Returns for the Past Ten (10) Calendar Years

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	37.8%	19.3%	0.8%	10.3%	10.5%	-5.7%	-3.9%	-3.0%	9.5%	-5.9%
HLAVFF- Gross	9.9%	17.4%	7.0%	12.7%	24.1%	-3.9%	12.2%	-2.4%	30.6%	-22.2%
HLAVFF - Net	7.8%	14.6%	5.1%	10.2%	20.8%	-5.0%	9.8%	-3.7%	26.7%	-21.9%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 6 April 2009. The actual investment returns are calculated based on unit price from 6 April 2009 to 31 December 2009.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

Others

HLA Venture Flexi Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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HLA Value Fund (HLVF)

May 2019

Fund Features

1. Investment Objective

The objective of the fund is to achieve large capital gains by investing in companies that are well-managed and financially stable which are undervalued or at deep discount to their net tangible asset values.

2. Investment Strategy & Approach

The strategy is to provide investors an access into a diversified portfolio of value stocks listed on Bursa Malaysia and/or in any foreign stock exchanges that offer potential capital appreciation. The fund may feed into collective investment schemes that meet the fund's objective. At inception, the fund will invest by feeding into Hong Leong Penny Stock Fund ('Target Fund') with the option to increase the number of funds or replace the Target Fund in future. The Target Fund will invest with a value investment strategy across equity securities of all market capitalization level of companies operating in Malaysia. Generally, companies that have valuations at a discount to the market and/or its sector peers are selected. Additionally, the Target Fund may also invest in stocks with market capitalization of up to RM1 billion that are not well covered by equity research houses and stockbrokers.

3. Plough Back Mechanism

In the event that the net fund performance is below 5% per annum based on the performance assessment on the last business day of September of each year, an amount equivalent to 0.5% per annum of the fund's Net Asset Value (NAV) will be ploughed back to the fund in four equal weekly payments. The first payment will be due on the first business day of October of each year.

4. Asset Allocation

The indicative asset allocation for Hong Leong Penny Stock Fund ('Target Fund') is to invest a minimum of 70% of its NAV in equities and maximum 30% of its NAV in fixed income securities. Generally, HLA Value Fund may invest up to 95% of its NAV in equities.

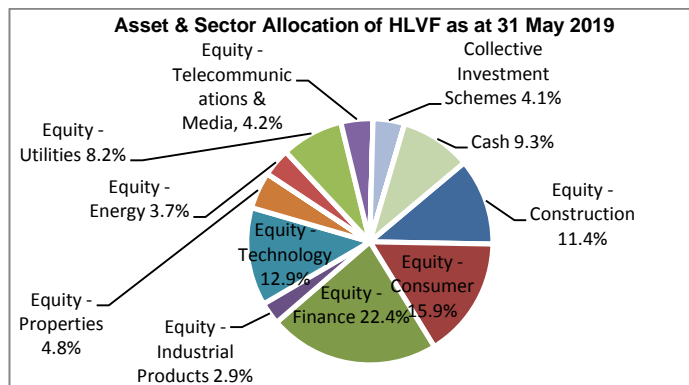
5. Target Market

This fund is suitable for investors who have a higher than average risk tolerance level, medium-term investment horizon, and are able to accept the anticipated higher volatility of the fund.

Fund Details

Unit Price (31/5/2019)	: RM 1.2091
Fund Size (31/5/2019)	: RM 82.2mil
Fund Management Fee (effective as at 01/10/2015)	: 1.45% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 01 October 2015
Benchmark	: FTSE Bursa Malaysia EMAS
Frequency of Unit Valuation	: Daily

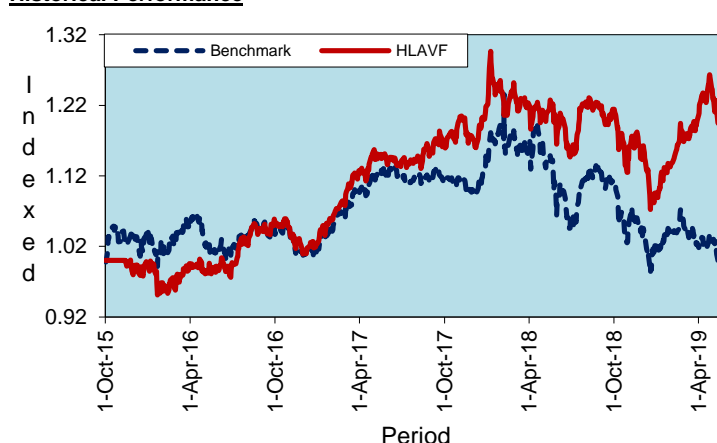
Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 5 Holdings for HLVF as at 31 May 2019

	%
1. TENAGA NASIONAL BERHAD	8.2
2. RHB BANK BERHAD	5.5
3. PENTAMASTER CORPORATION BHD	5.0
4. MALAYSIAN RESOURCES CORPORATION	4.8
5. SYARIKAT TAKAFUL MALAYSIA BERHAD	4.7
Total Top 5	28.2

Historical Performance



	YTD	1 month	1 year	2 years	3 years	Since Inception
HLVF	10.30%	-2.70%	2.87%	6.29%	22.48%	20.91%
Benchmark*	0.73%	-0.55%	-4.46%	-7.81%	1.74%	2.80%
Relative	9.57%	-2.14%	7.32%	14.09%	20.74%	18.11%

*Source: Bloomberg

Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI rose 0.5% to close at 1,651 points. The broader market underperformed as the FTSE BM EMAS Index declined 0.6% to close at 11,588 points. Small caps underperformed as the FTSE BM Small Cap Index declined 7.9% to close at 12,547 points.

After months of underperformance, the FTSE BM KLCI managed to post a small gain in the midst of regional market weakness.

On the corporate front, YTL Corporation Berhad's subsidiary, YTL Cement Berhad, made an offer to buy a 51% stake in Lafarge Malaysia Berhad for RM3.75 per share. Singapore-listed Hong Leong Asia Limited wants to take Tasek Corporation Berhad private for RM5.50 per share.

The Fund will continue to identify companies that are potential winners in growing industries helmed by capable management.

Hong Leong Assurance Berhad (94613-X)

Level 3, Tower B, PJ City Development, No. 15A, Jalan 219, Seksyen 51A, 46100 Petaling Jaya, Selangor.

Telephone 03-7650 1818 Facsimile 03-7650 1991

Customer Service Hotline 03-7650 1288 Customer Service Hotfax 03-7650 1299

HLA Value Fund (HLVF)

Actual Annual Investment Returns for the Past Four (4) Calendar Years

Year	2015	2016	2017	2018
Benchmark	4.6%	-2.8%	12.9%	-11.1%
HLVF- Gross	-0.1%	4.7%	22.2%	-9.3%
HLVF - Net	-0.4%	2.8%	19.0%	-10.0%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past four (4) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 1 October 2015. The actual investment returns are calculated based on unit price from 1 October 2015 to 31 December 2015.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

5. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

If the fund invests in Foreign Asset, the fund will be exposed to the following risks:

6. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

7. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Target Fund Details

Hong Leong Penny Stock Fund is an Equity fund managed by Hong Leong Asset Management. The past performance of this fund is as follows:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Performance	42.6%	20.9%	1.7%	8.1%	19.6%	1.1%	18.8%	3.1%	21.7%	-12.2%

Source: Hong Leong Asset Management

HLA Value Fund (HLVF)

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

Others

HLA Value Fund is managed by HLA. Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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Hong Leong SMART Invest Fund (HLSIF)

May 2019

Fund Features

1. Investment Objective

The primary objective of the fund is to achieve large capital gains by investing in companies that are well-managed and financially stable which are undervalued or at deep discount to their net tangible asset values.

2. Investment Strategy & Approach

The strategy is to provide investors an access into a diversified portfolio of value stocks listed on Bursa Malaysia and/or in any foreign stock exchanges that offer potential capital appreciation. The fund will principally feed into collective investment schemes that meet the fund's objective. At inception, the fund will invest by feeding into Hong Leong Penny Stock Fund ('Target Fund') with the option to increase the number of funds or replace the Target Fund in future. The Target Fund will invest with a value investment strategy across equity securities of all market capitalization level of companies operating in Malaysia. Generally, companies that have valuations at a discount to the market and/or its sector peers are selected. Additionally, the Target Fund may also invest in stocks with market capitalization of up to RM1 billion that are not well covered by equity research houses and stockbrokers.

3. Asset Allocation

The indicative asset allocation for Hong Leong Penny Stock Fund ('Target Fund') is to invest a minimum of 70% of its NAV in equities and maximum 30% of its NAV in fixed income securities. Generally, Hong Leong SMART Invest Fund may invest up to 95% of its NAV in equities.

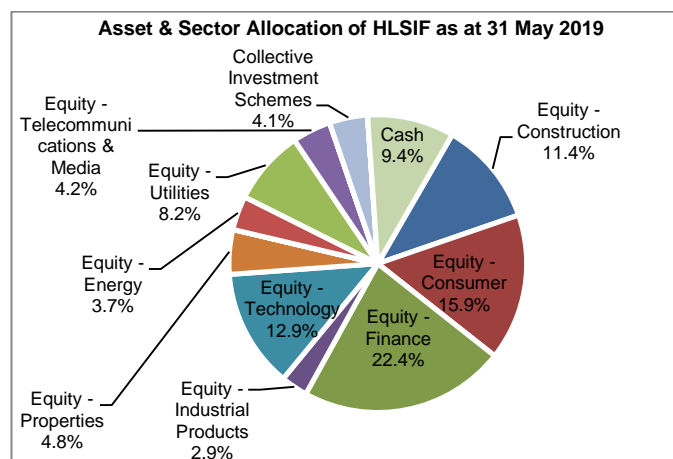
4. Target Market

This fund is suitable for investors who have a higher than average risk tolerance level, medium-term investment horizon, and are able to accept the anticipated higher volatility of the fund.

Fund Details

Unit Price (31/5/2019)	: RM1.0114
Fund Size (31/5/2019)	: RM159.6mil
Fund Management Fee (effective as at 23/11/2017)	: 1.50% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 23 November 2017
Benchmark	: FTSE Bursa Malaysia EMAS
Frequency of Unit Valuation	: Daily

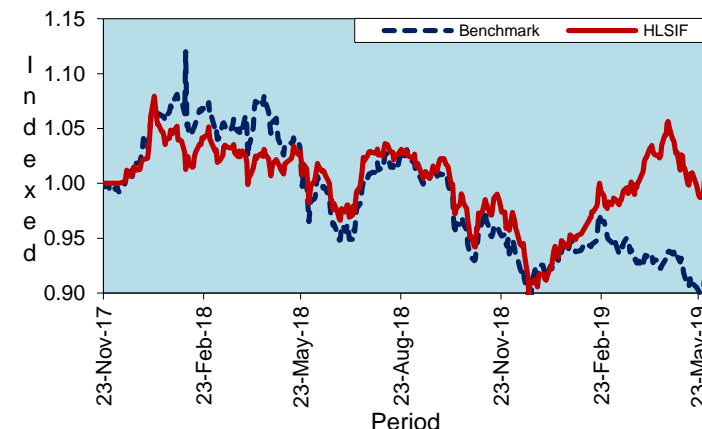
Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 5 Holdings for HLSIF as at 31 May 2019

	%
1. TENAGA NASIONAL BERHAD	8.2
2. RHB BANK BERHAD	5.5
3. PENTAMASTER CORPORATION BHD	5.0
4. MALAYSIAN RESOURCES CORPORATION	4.8
5. SYARIKAT TAKAFUL MALAYSIA BERHAD	4.7
Total Top 5	28.2

Historical Performance



	YTD	1 month	3 months	1 year	Since Inception
HLSIF	10.22%	-2.64%	3.52%	2.11%	1.14%
Benchmark*	0.73%	-0.55%	-2.02%	-4.46%	-6.79%
Relative	9.49%	-2.08%	5.54%	6.57%	7.93%

*Source: Bloomberg

Market Review, Outlook & Strategy

During the month, the FTSE BM KLCI rose 0.5% to close at 1,651 points. The broader market underperformed as the FTSE BM EMAS Index declined 0.6% to close at 11,588 points. Small caps underperformed as the FTSE BM Small Cap Index declined 7.9% to close at 12,547 points.

After months of underperformance, the FTSE BM KLCI managed to post a small gain in the midst of regional market weakness.

On the corporate front, YTL Corporation Berhad's subsidiary, YTL Cement Berhad, made an offer to buy a 51% stake in Lafarge Malaysia Berhad for RM3.75 per share. Singapore-listed Hong Leong Asia Limited wants to take Tasek Corporation Berhad private for RM5.50 per share.

The Fund will continue to identify companies that are potential winners in growing industries helmed by capable management.

Hong Leong Assurance Berhad (94613-X)

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Hong Leong SMART Invest Fund (HLSIF)

Actual Annual Investment Returns for the Past Two (2) Calendar Years

Year	2017	2018
Benchmark	12.9%	-11.1%
HLSIF- Gross	2.5%	-9.4%
HLSIF - Net	2.2%	-10.2%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past two (2) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 23 November 2017. The actual investment returns are calculated based on unit price from 23 November 2017 to 31 December 2017.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

5. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

If the fund invests in Foreign Asset, the fund will be exposed to the following risks:

6. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

7. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
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 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date;
 plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Target Fund Details

Hong Leong Penny Stock Fund is an Equity fund managed by Hong Leong Asset Management. The past performance of this fund is as follows:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Performance	42.6%	20.9%	1.7%	8.1%	19.6%	1.1%	18.8%	3.1%	21.7%	-12.2%

Source: Hong Leong Asset Management

Hong Leong SMART Invest Fund (HLSIF)

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

Others

Hong Leong SMART Invest Fund is managed by HLA. Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.

Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

Hong Leong Smart Growth Fund (HLSGF)

May 2019

Fund Features

1. Investment Objective

The primary objective of the fund is to provide investors with steady long-term capital growth at moderate risk.

2. Investment Strategy & Approach

The strategy is to provide investors an access into a diversified portfolio of growth stocks listed on Bursa Malaysia and/or in any foreign stock exchanges that offer potential capital appreciation at moderate risk. The fund may feed into collective investment schemes that meet the fund's objective. At inception, HLSGF will invest by feeding into Kenanga Growth Fund ("Target Fund") with the option to increase the number of funds or replace the Target Fund in future. The Target Fund's assets are actively invested in a diversified portfolio of Malaysian equity and equity-related securities of companies with sustainable business model that is trading at a discount to its intrinsic value.

3. Asset Allocation

Under normal market conditions, the Target Fund's equity exposure is expected to range from 75% to 95% of the Target Fund's NAV with the balance in money market instruments, fixed deposits and/or cash.

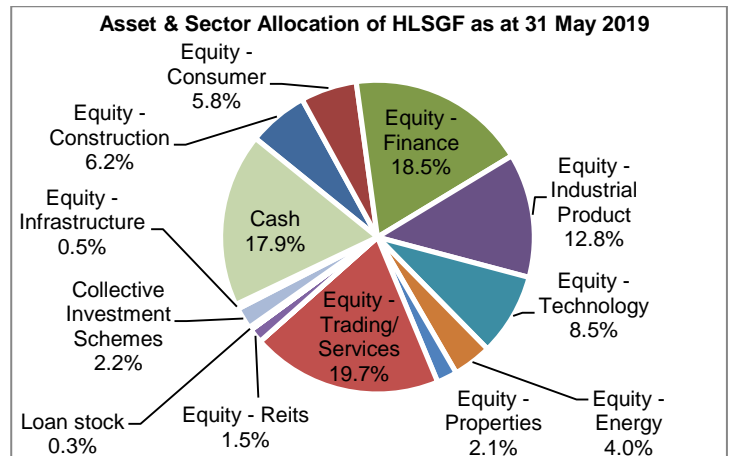
4. Target Market

This fund is suitable for investors who have long term investment time horizon and have a moderate risk profile with tolerance for short-term periods of volatility.

Fund Details

Unit Price (31/5/2019)	: RM1.742
Fund Size (31/5/2019)	: RM213.1mil
Fund Management Fee	: 1.50% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Equity
Fund Inception	: 01 Oct 2012
Benchmark	: FTSE Bursa Malaysia KLCI Index (FBM KLCI)
Frequency of Unit Valuation	: Daily

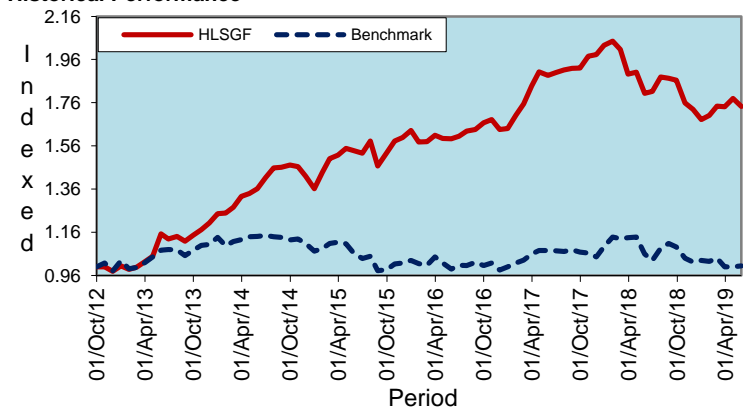
Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 5 Holdings for HLSGF as at 31 May 2019

	%
1. TENAGA NASIONAL BHD	5.6
2. DIALOG GROUP BHD	4.3
3. HONG LEONG FINANCIAL GROUP BHD	4.1
4. YINSON HOLDINGS BHD	4.0
5. PUBLIC BANK BHD	3.5
Total Top 5	21.5

Historical Performance



	YTD	1 month	1 Year	3 Years	5 Years	Since Inception
HLSGF	3.59%	-2.12%	-3.44%	9.34%	27.97%	74.20%
Benchmark*	-	-	-	-	-	-
Relative	2.36%	0.52%	-5.16%	1.52%	-11.88%	0.45%
Relative	5.95%	-2.63%	1.73%	7.82%	39.85%	73.75%

Source: Bloomberg

Hong Leong Smart Growth Fund (HLSGF)

Market Review, Outlook & Strategy relevant to Target Fund

The renewed US-China trade tension with both countries raising tariffs against each other triggered a widespread selloff in May. The selloff also spilled over into the technology sector as US companies were banned from doing business with Huawei. In response to that, China toughened its stance on the trade war in the White Paper and emphasized that a trade deal must be mutually beneficial, indicating further delay of a potential trade deal. One of the non-tariff retaliatory measures China could take is to restrict rare earth export to US as US imports up to 80% of its rare earth consumption from China. Brent oil price fell 11.4% month-on-month (MoM) in May as trade tensions weigh on market sentiment and global economy outlook.

Both the Dow Jones Industrial Average index and Euro STOXX 50 tumbled 6.7% MoM in May. MSCI Asia ex-Japan fell 8.9% MoM with HSCEI (-10.0%) and HSI (-9.4%) being the worst performers, followed by Singapore (-8.3%), Korea (-7.3%) and CSI300 (-7.2%). Outperformers were India (+1.8%), Australia (1.1%) and Philippines (+0.2%). There is still downside pressures on China's economy as May manufacturing Purchasing Managers' Index (PMI) came in below consensus at 49.4 (April: 50.1) although services PMI was holding steadily at 54.3. Sentiment in India was boosted as the election confirmed a strong victory for the ruling party and Prime Minister Modi secured an absolute majority for the Party for a second successive term.

MSCI ASEAN was 4.8% lower MoM as Singapore, Indonesia and Thailand dropped 8.3%, 3.8% and 3.2% respectively. Singapore, being one of the most exposed countries to slowdown in global trade, had its worst monthly performance since 2015 and the three major banks were down 10% to 15% MoM. Indonesian equities rebounded sharply in the second half of May, driven by Bank Indonesia's liquidity injection into the banking sector. S&P also raised Indonesia sovereign credit rating to BBB from BBB-. In Philippines, BSP cut policy rate by 25 bps to 4.5% and announced staggered RRR cuts of 200bps while the mid-term election was concluded with minimal changes.

On the domestic front, KLCI gained 0.5% in May despite the aggressive selloff in regional equities, partly supported by foreign buying in the last three days of May. KLCI also outperformed FBM100 and FBMSCI that declined 0.2% and 7.9% respectively. On 7 May, BNM cut Overnight Policy Rate by 25bps to 3%, the first change in 8 policy meetings which is negative for Banks' net interest margins and companies with high cash holdings. 9 May marked the first anniversary of the Pakatan Harapan government in power where it made good progress in improving governance and addressing structural weaknesses. KLCI's negative performance of 12% since GE14 should be seen as short term pain. 1Q19 GDP growth came in above expectations at 4.5% but there was a broad-based deceleration in demand.

Noticeable Merger and Acquisition deals include the proposed Telenor-Axiata merger, YTL Cement's acquisition on Lafarge Malaysia followed by Hong Leong Group's privatisation of Tasek Corp. Overall 1Q19 corporate results was not inspiring but there were some positive surprises among the big caps including Tenaga, Dialog, Telekom Malaysia and Malaysian Airports. FTSE Russell and Bursa Malaysia announced no changes to the constituents of KLCI following the semi-annual review. Foreign investors remained net sellers in May (RM2 billion) and brought cumulative outflows in 5M19 to RM4.8 billion.

All eyes will be on G20 meeting in Japan scheduled on June 28-29 where both President Trump and Chairman Xi will meet to discuss on trade matters. Another key event to watch is the June 18-19 FOMC meeting as Fed is turning more dovish on the back of slowing US economy momentum. Over in Europe, Teresa May will step down as the Prime Minister of UK on June 7. While a 90-day temporary waiver is granted on Huawei sanction, disruptions in the technology supply chain could have long term implications to technology dependent countries including Korea and Taiwan. In China, more easing and stimulus measures are expected as growth has yet to truly bottom out. The Chinese government is managing expectations to prepare for RMB trading above 7 against USD in the event of more US tariffs. Though valuations are looking more attractive following the correction in May, we remain cautiously optimistic on the market and will manage our portfolios more proactively in order to outperform amid volatile markets. We remain Overweight on ASEAN in particularly Indonesia as compared to North Asia, Neutral on Singapore and Thailand.

Actual Annual Investment Returns for the Past Seven (7) Calendar Years

Year	2012	2013	2014	2015	2016	2017	2018
Benchmark	2.8%	10.5%	-5.7%	-3.9%	-3.0%	9.5%	-5.9%
HLSGF- Gross	3.3%	27.8%	11.8%	23.1%	2.3%	27.1%	-16.8%
HLSGF - Net	1.6%	24.1%	9.3%	19.8%	0.6%	23.5%	-17.0%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past seven (7) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 1 October 2012. The actual investment returns are calculated based on unit price from 1 October 2012 to 31 December 2012.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

Hong Leong Assurance Berhad (94613-X)

Level 3, Tower B, PJ City Development, No. 15A, Jalan 219, Seksyen 51A, 46100 Petaling Jaya, Selangor.

Telephone 03-7650 1818 Facsimile 03-7650 1991

Customer Service Hotline 03-7650 1288 Customer Service Hotfax 03-7650 1299

Hong Leong Smart Growth Fund (HLSGF)

4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

7. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Target Fund Details

Kenanga Growth Fund is an Equity fund managed by Kenanga Investors Berhad. The past performance of this fund is as follows:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Performance	33.3%	32.7%	19.1%	14.1%	26.4%	9.3%	20.9%	-0.1%	25.8%	-18.1%

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

Others

Hong Leong Smart Growth Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

HLA Venture Global Fund (HLAVGLF)

May 2019

Fund Features

1. Investment Objective

The objective of the fund is provide investors with steady growth and consistency in income return over a medium to long term investment horizons by investing into global equities.

2. Investment Strategy & Approach

This fund will initially invest in, but not limited to Hong Leong Asia-Pacific Dividend Fund and Hong Leong Strategic Fund that uses equity, fixed income and money market instruments as their underlying assets. This fund will seek to diversify its investment geographically and by asset classes i.e. global equity of companies involved in the extraction, processing, transportation and distribution of natural resources, high dividend yield equities in Asia Pacific region (excluding Japan), global equities and/or local equities.

3. Asset Allocation

The fund will invest up to 95% of its NAV into selected unit trust funds.

4. Target Market

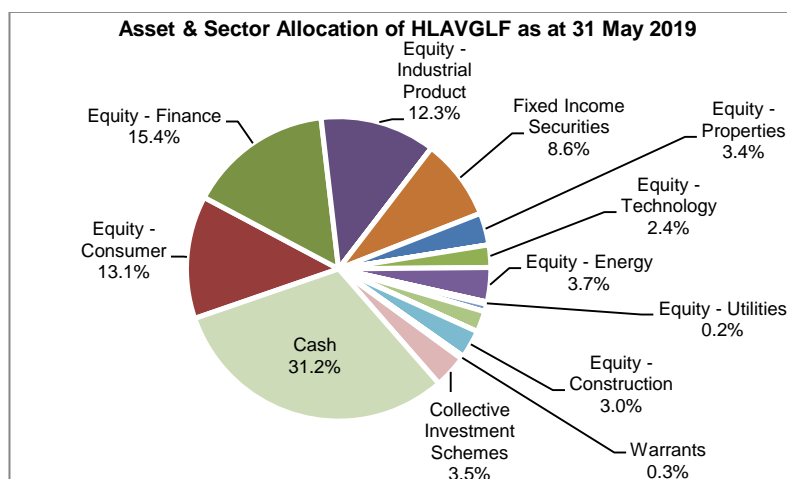
This fund is suitable for investors with moderate to high-risk appetite with a medium to long-term investment horizon.

Fund Details

Unit Price (31/5/2019)	:RM1.2227
Fund Size (31/5/2019)	:RM27.1mil
Fund Management Fee	:1.29% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Equity
Fund Inception	: 02 April 2007
Benchmark	:MSCI AC Asia Pacific ex Japan + MSCI ACWI Index + RAM Quantshop MGS ALL
Frequency of Unit Valuation	:Daily

Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

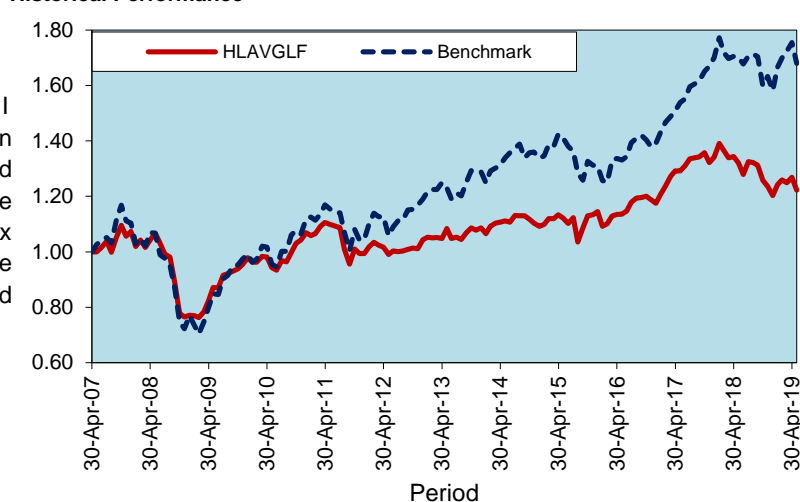
Asset Allocation for HLAVGLF as at 31 May 2019	%
Hong Leong Asia-Pacific Dividend Fund	56.3
Hong Leong Strategic Fund	43.3
Cash	0.4
Total	100.0



Top 5 Holdings for HLAVGLF as at 31 May 2019

	%
1. Malaysian Government Securities	8.6
2. Country Garden Services Holdings Co Ltd	4.2
3. Kerry Logistics Network Ltd	4.0
4. AIA Group Limited	3.8
5. Genting Berhad	3.8
Total Top 5	24.4

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVGLF	1.70%	-3.61%	-7.41%	7.59%	9.95%	40.23%	22.27%
Benchmark*	6.24%	-4.26%	-1.24%	26.20%	25.44%	97.96%	68.03%
Relative	-4.54%	0.65%	-6.17%	-18.61%	-15.50%	-57.73%	-45.76%

Source: Bloomberg, RAM Quantshop

HLA Venture Global Fund (HLAVGLF)

Market Review, Outlook & Strategy relevant to Target Fund

Equity Review

Global – Global markets succumbed to intense selling pressure during the month as trade tensions between China and the United States (US) escalated quickly. Donald Trump announced tariff increase on China goods, leading to a breakdown in trade negotiations, much to the surprise of investors. The Dow Jones Industrial Average Index declined 6.7% and the broader S&P 500 Index declined 6.6%. The Euro Stoxx Index declined 6.7% and the FTSE 100 Index declined 3.5%.

Asia Pacific – The negative sentiment from the failed trade negotiations spread to regional equity markets. In particular, the ban on Huawei by the US commerce department affected sentiment on technology stocks in the region. India markets rallied briefly on anticipation of greater political stability and policy continuity following the election results which confirmed the victory by the National Democratic Alliance. In the region, Australia and India were the leaders while Hong Kong and Singapore were the laggards.

Malaysia – The local market lived up to its widely held perception as a defensive market as the FTSE BM KLCI bucked the overall trend and registered a positive return during the month. The FTSE BM KLCI rose 0.5% to close at 1,651 points. The broader market underperformed as the FTSE BM EMAS Index declined 0.6% to close at 11,588 points. Small caps underperformed as the FTSE BM Small Cap Index declined 7.9% to close at 12,547 points.

Outlook & Strategy

Global - The US increased tariff from 10% to 25% on USD200 billion worth of goods imported from China during the month. Economic data in the US gave a mixed picture of the overall health of the US economy. The US Manufacturing Purchasing Managers' Index (PMI) fell in May while US consumer confidence rose and appears to be holding up for now. Economic data in Europe also appeared mixed as the Manufacturing PMI fell to below 50, indicating contraction while consumer confidence picked up.

Asia Pacific - Even before the US announced the increase in tariffs, the recent economic data from China suggests that economic recovery remains fragile and this is likely to spur more stimulus measures by the government. Fears of uncontrolled Chinese Yuan depreciation also weighs on market sentiment. In China, private sector and manufacturing investments appear to have slowed while the slack has been taken up by infrastructure and real estate investments, driven by recent policy supports.

Malaysia – As foreign interest in the local market remains low, we expect the Malaysia market to see less of a beating than regional peers should the current market turmoil persist. We prefer to be invested in blue-chip stocks that are trading at attractive levels, selected consumer stocks and export stocks.

Fixed Income Review and Outlook

Asian markets continued to be weighed down by US-China trade tensions since negotiations crumbled in early May. Geopolitical risks stemming from the latest development in the Brexit saga as well as results from the European parliamentary elections also kept investors on the edge. Locally, markets turned risk-off last week as sentiments were derailed by the recent trade developments. Investors broadly flocked towards safe haven assets for refuge, which saw the 10-year US treasury benchmark rallied to 2.32%. In Malaysia, Bank Negara Malaysia (BNM) cut policy rate by 25 basis points (bps) to 3% in an anticipated move as the global and domestic economy growth momentum showed signs of moderation. Inflation rose to +0.2% in March from -0.4% in February, largely caused by changes in petrol prices. In the primary sovereign market, there were the 30.5-year and 15.5-year new Government Investment Issue (GI) reopening and 10-year Malaysian Government Securities (MGS) amounting to RM8.5 billion open to the market for tender. All issuances were well supported with bid-to-ratio of 2.8, 2.3 and 1.5 times respectively. In the corporate bond issuances, the prominent issuers during the month were CIMB Group Holdings Berhad and RHB Islamic Berhad, both issuing RM1billion each.

The Malaysian economy grew at a more moderate pace of 4.70% in 2018. Looking ahead, with slowing global demand and prolonged trade tensions between US and China, Malaysian economic growth is expected to slow down as well. Headline inflation is expected to be broadly stable compared to 2018, supported by continued expansion in economic activity. We expect BNM to maintain the Overnight Policy Rate (OPR) at 3% for the rest of the year. On portfolio positioning, we look to reduce duration given the recent rally in the government bond market. We will maintain a higher corporate bond holding to minimise mark-to-market volatility.

Actual Annual Investment Returns for the Past Ten (10) Calendar Years

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	28.8%	12.7%	-6.5%	14.0%	8.3%	3.9%	-2.2%	6.2%	22.3%	-7.0%
HLAVGLF- Gross	30.6%	11.4%	-5.8%	6.8%	6.0%	1.9%	6.7%	4.2%	16.7%	-9.8%
HLAVGLF - Net	26.9%	9.2%	-7.1%	5.0%	4.2%	0.5%	4.9%	2.6%	14.1%	-10.3%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

HLA Venture Global Fund (HLAVGLF)

6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

7. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by us but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Target Fund Details

- Hong Leong Asia-Pacific Dividend Fund is an Equity fund managed by HLAM. The past performance of this fund is as follows:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Performance	52.6%	6.4%	-15.0%	15.2%	-4.8%	-1.0%	6.5%	1.8%	19.2%	-13.3%

- Hong Leong Strategic Fund is a Mixed Assets fund managed by HLAM. The past performance of this fund is as follows:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Performance	38.9%	18.5%	-0.7%	4.9%	14.5%	-0.7%	4.3%	4.8%	10.9%	-10.3%

Source: Hong Leong Asset Management Berhad (HLAM)

Note: Hong Leong Global Resources Income Fund has been liquidated on 17 April 2014.

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying target funds, past performance is calculated after adjusting for distribution and/or additional units, if any.

Others

HLA Venture Global Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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HLA Venture Managed Fund (HLAVMF)

May 2019

Fund Features

1. Investment Objective

The objective of the fund is aim to provide investors with prospects for long-term capital appreciation through diversification in various capital instruments including equity, government securities, private debt securities, money market instruments and foreign assets as well as derivatives. This fund aims to outperform the benchmark comprising of FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) and Maybank 12-month fixed deposit rate in a ratio of 50:50.

2. Investment Strategy & Approach

This fund will participate in both fixed income and equity markets as well as benchmarked against the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) and Maybank 12-month fixed deposit rate in equal proportion. This fund is suitable for investors who are willing to take moderate risk.

3. Asset Allocation

The fund will invest up to a maximum 50% of its NAV in equities.

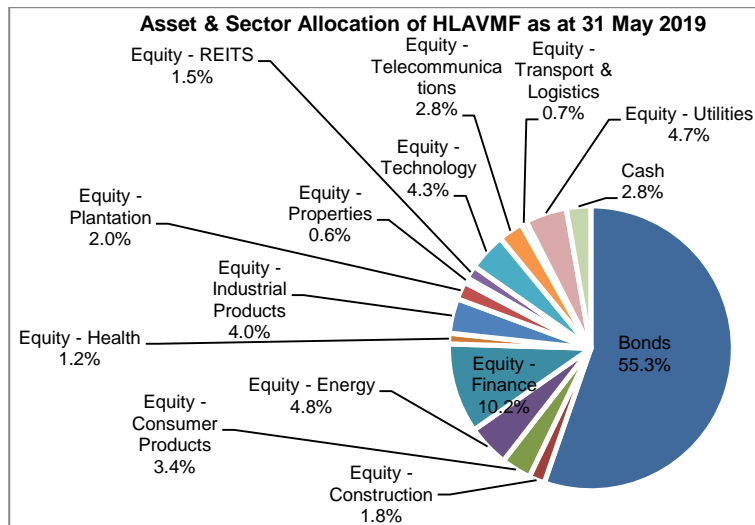
4. Target Market

This fund is suitable for investors who are willing to take moderate risk.

Fund Details

Unit Price (31/5/2019)	:RM2.1041
Fund Size (31/5/2019)	:RM244.6mil
Fund Management Fee (effective as at 01/03/2017)	: 1.23% p.a. (capped at 1.25%)
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Managed
Fund Inception	:07 April 2004
Benchmark	:50% FTSE Bursa Malaysia KLCI Index (FBM KLCI)&50% 12-month Fixed Deposit Interest Rates
Frequency of Unit Valuation	:Daily

The Company reserves the right to change the cap of Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice. The Fund Management Fee will be reviewed monthly and will be revised if the previous month end actual asset allocation deviates by more than ten percent (10%) of the initial asset allocation.

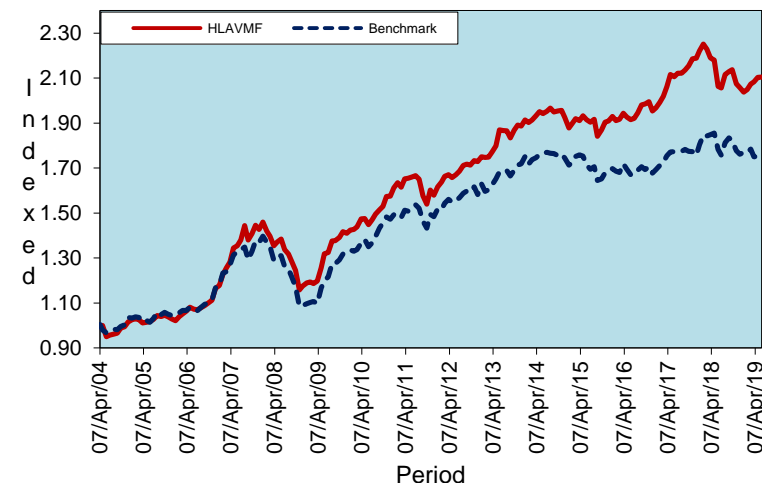


FI : Fixed Income
EQ : Equities

Top 5 Holdings for HLAVMF as at 31 May 2019

		%
1. TENAGA	EQ	4.7
2. MAYBANK	EQ	4.7
3. M'SIAN GOVERNMENT SECURITIES 0	FI	4.4
4. CIMB	EQ	4.3
5. MALAYSIA AIRPORTS HOLDINGS 1	FI	4.1
Total Top 5		22.1

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVMF	3.22%	0.02%	1.99%	9.86%	8.34%	59.52%	110.41%
Benchmark*	-0.65%	0.40%	-1.37%	5.31%	-0.26%	46.85%	75.07%
Relative	3.87%	-0.37%	3.35%	4.56%	8.60%	12.67%	35.34%

*Source: Bloomberg, Maybank

HLA Venture Managed Fund (HLAVMF)

Market Review, Outlook & Strategy - Equities Market

Regionally, investors were hopeful that a deal to end the trade war was imminent; but the positive mood was soon crushed when Mr Lighthizer and his team briefed the US President that China was apparently backtracking on their pledges. As a result the US President threatened to raise levies on US\$200b of Chinese imports from 10% to 25% and also to impose 25% levies on all remaining Chinese imports worth US\$325b. The listing of Huawei onto the 'Entity List' raised significant uncertainty on the technology supply chain and makes the process of a trade deal even more complex. China has also warned of striking back; potentially by limiting its supply of rare earth to the US since China accounted for 80% of US rare earths imports in 2014-17. Politics continued to dominate headlines in the Eurozone region and Brexit in the UK with Prime Minister Theresa May announcing her intention to step down in June. In the commodities space, President Donald Trump stepped up sanctions on Iran to ban trade in iron, steel, aluminium and copper in response to Iran's threat to resume uranium enrichment in 60 days. Despite supply concerns on potential disruption at the Straits of Hormuz, crude oil prices fell by 16% mom to US\$53 per barrel as a result of the trade war.

Domestically, both business and consumer sentiment remain lacklustre at this juncture. This was reflected in 1Q19 GDP growth which slowed to +4.5% yoy from 4Q18's +4.7% yoy. Bank Negara Malaysia (BNM) had earlier reacted with a 25bps cut to the Overnight Policy Rate (OPR) given the weak investment and credit trend outlook. The recent reporting season was also a weak one with lower earnings seen in the plantation, chemical, technology and financial sectors.

The FBM KLCI outperformed the broader market in May. The KLCI was up by 0.5% mom to close at 1,650.76 pts. FBM Emas was down by 0.6% to 11,588.37 pts, FBM Shariah declined by 0.4% to 11,795.77 pts and FBM Small Cap was the worst performing index recording a decline of 7.9% mom to close at 12,546.52 pts in May.

Going forward, market will continue to be volatile, predominately driven by news-flow from the US-China trade war. The outlook for the local bourse is also uninspiring due to external uncertainties and the subdued domestic environment as well as prolonged weakness in commodity prices. We will continue to stick to quality names with resilient earnings and dividend yield. Among the other themes that we also like are beneficiaries of government pump-priming and Ringgit weakness.

Market Review, Outlook & Strategy - Fixed Income Market

A slew of concerns which include the impact of escalating global trade war on global growth, tensions between Italy and the European Union, and the lack of clarity over how Britain will exit the European Union had collectively played their part in sending global yields lower. Investors around the world flocked to safe haven government bonds, dragging benchmark UST yields to 20-months low. The 10 year UST yield saw a significant plunge of approximately 37bps and is on its way to meet its next support level of 2.04%. The yield difference between the 3-month bills and 10-year notes also dived further into negative territory. The inversion – if it persists – is often viewed as a reliable indicator that a recession is likely to follow in the next 1-2 years. The corporate bond space, however, does not look as daunting as portrayed by the movement in Treasuries, despite a recent uptick in global volatility. Corporate bond yields have in contrast, fallen in May even as credit spreads widened.

At home, local govies or Malaysian government securities ("MGS") also benefited from the bullish run of the UST and traded lower by 4 to 10bps compared to last month. On a separate note, BNM announced several initiatives to improve the onshore foreign exchange and bond market liquidity, likely in response to FTSE Russell's sudden announcement last month. As widely expected, BNM is not lifting the ban on offshore ringgit non-deliverable forwards trading and effort is focused on its intention to develop and deepen the onshore financial market. These market-friendly measures sent yields lower by about 2-4 bps in certain tenors for the day when the announcement was made. It is also worth highlighting that Malaysia, alongside Singapore and Vietnam, was added to a watchlist for currency manipulation by the US Treasury which BNM has subsequently refuted and reiterated Malaysia's commitment to a floating exchange rate regime. Despite the allegation, local govies were largely unshaken.

Secondary trading activity in the corporate bond space was rather mixed for the month of May. Investors' interest seems to favour the government guaranteed papers as well as papers from the AA space. Some of the prominent issuances that have joined the unrated league include the RM607 million Damansara Uptown Retail Centre Sdn Bhd and Sunway Berhad's RM150 million unrated perpetual bonds with coupon of 5.8%. For the rated papers, we saw the likes of RHB Islamic Bank Berhad tapping the market with its RM500million of AA3-rated issuance with a coupon of 4.32% and Putrajaya Bina Sdn Bhd's RM380 million AAA-rated 10-12 year bonds with coupons ranging between 4.15%-4.25%.

Consistent with our outlook for the previous month, we still think that the fixed income market remains a relatively attractive option for the rest of the year. We continue to expect market players to maintain their overweight stance on bonds given the slew of market-moving events that has put the global growth outlook on a weaker path. While the policy announcements and geopolitical battles have reignited investors' view for a rate cut in 2019, we think that the Fed will continue to maintain its current policy stance unless the impact on growth and inflation is more detrimental than expected. As the escalating trade tension is certainly looking increasingly gloomy with more industries and countries being affected, pressure on global growth is on the cards and more emerging countries are calling for the US to reconsider its negotiation with China with regards to their trade policies.

On the local front, we think that the liberalisation measures taken by BNM should be viewed positively by foreign investors. That said, the presence of external risk factors and considering the extent to which MGS has rallied year-to-date; further strength may be capped by profit-taking. While the risk of exclusion of MGS from the World Government Bond Index is partially mitigated by the said liberalisation measures, it is however unlikely to threaten the macro-stability given the depth of domestic funds. Our strategy is to constantly deploy the available cash in primary corporate bond issuances that are fundamentally strong for yield pick-up and trade on govies as and when the opportunity arises. We would continue to be proactive in making adjustments to our trading and investment strategies to take advantage of the ever-changing market dynamics and developments.

HLA Venture Managed Fund (HLAVMF)

Actual Annual Investment Returns for the Past Ten (10) Calendar Years

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	22.5%	11.6%	2.9%	7.0%	7.3%	-2.6%	-1.3%	-0.8%	6.6%	-1.9%
HLAVMF- Gross	22.9%	15.7%	1.6%	10.3%	11.4%	-0.7%	4.3%	3.4%	15.4%	-7.6%
HLAVMF - Net	19.8%	13.2%	0.3%	8.3%	9.3%	-1.9%	2.7%	2.0%	12.9%	-8.3%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

Others

HLA Venture Managed Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.

Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

HLA Venture Income Fund (HLAVIF)

May 2019

Fund Features

1. Investment Objective

The objective of the fund is to achieve high principal security and steady income by investing in fixed-income instruments. Returns will be comparable to prevailing interest rates but correspondingly, the risks will be significantly lower than that for equities investment.

2. Investment Strategy & Approach

This fund focuses on fixed income securities and money market instruments as well as benchmarked against Maybank's 3 months fixed deposit rate. This fund is suitable for investors who have low to moderate risk profile.

3. Asset Allocation

The fund will invest up to 100% of its NAV in fixed income instruments.

4. Target Market

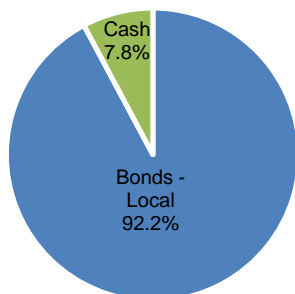
This fund is suitable for investors who have low to moderate risk profile

Fund Details

Unit Price (31/5/2019)	:RM2.4208
Fund Size (31/5/2019)	:RM174.4mil
Fund Management Fee	: 0.50% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Bond
Fund Inception	:19 Jan 2000
Benchmark	:3-month Fixed Deposit Interest Rates
Frequency of Unit Valuation	:Daily

The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

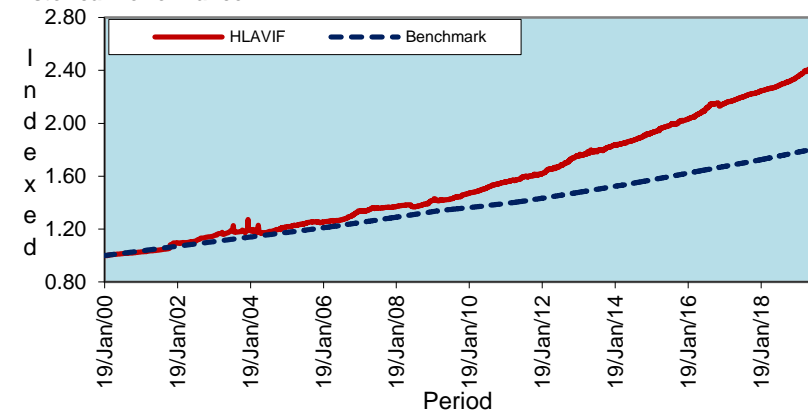
Asset Allocation of HLAVIF as at 31 May 2019



Top 5 Holdings for HLAVIF as at 31 May 2019

	%
1. M'SIAN GOVERNMENT SECURITIES 0	12.3
2. MALAYAN BANKING BERHAD 3	5.9
3. M'SIAN GOVERNMENT SECURITIES 1	5.9
4. M'SIAN GOVERNMENT SECURITIES 0	5.6
5. ALLIANCE BANK MALAYSIA BHD 1	5.0
Total Top 5	34.7

Historical Performance



	YTD	1 month	1 year	3 years	5 years	10 years	Since Inception
HLAVIF	3.36%	0.87%	6.60%	16.24%	30.11%	70.31%	142.08%
Benchmark*	1.28%	0.23%	3.19%	9.66%	16.91%	33.91%	80.07%
Relative	2.08%	0.64%	3.41%	6.58%	13.20%	36.40%	62.01%

*Source: Maybank

Market Review

A slew of concerns which include the impact of escalating global trade war on global growth, tensions between Italy and the European Union, and the lack of clarity over how Britain will exit the European Union had collectively played their part in sending global yields lower. Investors around the world flocked to safe haven government bonds, dragging benchmark UST yields to 20-months low. The 10 year UST yield saw a significant plunge of approximately 37bps and is on its way to meet its next support level of 2.04%. The yield difference between the 3-month bills and 10-year notes also dived further into negative territory. The inversion – if it persists – is often viewed as a reliable indicator that a recession is likely to follow in the next 1-2 years. The corporate bond space, however, does not look as daunting as portrayed by the movement in Treasuries, despite a recent uptick in global volatility. Corporate bond yields have in contrast, fallen in May even as credit spreads widened.

At home, local govies or Malaysian government securities ("MGS") also benefited from the bullish run of the UST and traded lower by 4 to 10bps compared to last month. On a separate note, BNM announced several initiatives to improve the onshore foreign exchange and bond market liquidity, likely in response to FTSE Russell's sudden announcement last month. As widely expected, BNM is not lifting the ban on offshore ringgit non-deliverable forwards trading and effort is focused on its intention to develop and deepen the onshore financial market. These market-friendly measures sent yields lower by about 2-4 bps in certain tenors for the day when the announcement was made. It is also worth highlighting that Malaysia, alongside Singapore and Vietnam, was added to a watchlist for currency manipulation by the US Treasury which BNM has subsequently refuted and reiterated Malaysia's commitment to a floating exchange rate regime. Despite the allegation, local govies were largely unshaken.

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Market Outlook & Strategy

Consistent with our outlook for the previous month, we still think that the fixed income market remains a relatively attractive option for the rest of the year. We continue to expect market players to maintain their overweight stance on bonds given the slew of market-moving events that has put the global growth outlook on a weaker path. While the policy announcements and geopolitical battles have reignited investors' view for a rate cut in 2019, we think that the Fed will continue to maintain its current policy stance unless the impact on growth and inflation is more detrimental than expected. As the escalating trade tension is certainly looking increasingly gloomy with more industries and countries being affected, pressure on global growth is on the cards and more emerging countries are calling for the US to reconsider its negotiation with China with regards to their trade policies.

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HLA Venture Income Fund (HLAVIF)

Actual Annual Investment Returns for the Past Ten (10) Calendar Years

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	2.3%	2.3%	2.8%	3.1%	3.1%	3.2%	3.2%	3.1%	3.0%	3.3%
HLAVIF- Gross	4.7%	7.0%	4.8%	10.0%	5.4%	5.8%	6.5%	6.9%	5.3%	5.6%
HLAVIF - Net	3.8%	5.9%	3.9%	8.7%	4.5%	4.8%	5.5%	5.8%	4.4%	4.6%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past ten (10) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

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- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

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Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

Others

HLA Venture Income Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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HLA Horizon Funds

May 2019

Fund Features

1. Investment Objective

The fund is designed to offer customers a Minimum Guaranteed Unit Price upon fund maturity and yet offer the opportunity to enhance returns via a leveraged exposure. The fund will periodically lock in part of the gains (10 years after launch of the fund) and thereby increasing the customers' Minimum Guaranteed Unit Price at fund maturity.

The fund is open ended with three maturity dates to match customer financial planning needs: Horizon28 to be matured in Year 2028, Horizon38 in Year 2038 and Horizon48 in Year 2048.

2. Investment Strategy & Approach

The fund will invest into Floating Rate Negotiable Instrument of Deposit (FRNID). FRNID allocate into two major components: Mean Variance Optimization (MVO) Strategy and Zero-coupon Negotiable Instrument of Deposit (ZNID).

To enhance investment return, MVO Strategy will be leveraged by 3 times. This MVO Strategy uses the Efficient Frontier to find the optimal portfolio returns for a defined risk, limiting to basket volatility to around 8%. The portfolio consists of 4 asset classes:

- (i) 4 equities indices (S&P500, Euro Stoxx 50, Hang Seng China Enterprises, MSCI Emerging Market),
- (ii) 2 bond indices (Franklin Templeton & PIMCO),
- (iii) Spot Gold index
- (iv) Cash index

These indices are published at Bloomberg to provide transparency to customer.

The ZNID provides the Minimum Guaranteed Unit Price upon each fund's maturity. The initial Minimum Guaranteed Unit Price as follow:

Fund	Initial Minimum Guaranteed Unit Price at fund maturity
HLA Horizon28	RM 1.00
HLA Horizon38	RM 1.50
HLA Horizon48	RM 2.00

Over time, Minimum Guaranteed Unit Price may go up via a profit taking mechanism. This mechanism will lock the gains provided the condition stated below is met, by transferring portion of gains from the MVO Strategy to the ZNID on a yearly basis as follow:

Fund Year	% of the MVO Strategy Gains
1 to 10	0%
11 to 20	50%
21 to 30	100%

The condition for profit taking:

$$\left(\frac{MVO_t}{MVO_{prevPT}} - 1 \right) > 0$$

Where,

MVO_t is the mark-to-market value of MVO per unit

MVO_{prevPT} is the mark-to-market value of MVO at the time of previous actual executed profit taking per unit

3. Target Market

The fund is suitable for investors who wish to engage in mid-term and long-term wealth-planning. The feature of this Minimum Guaranteed Unit Price upon fund maturity will help to safeguard the savings goal for their children's education, retirement planning or wealth-building for future generations.

Fund Details

Fund Management Fee	: 1.30% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Inception	: 9 Oct 2018
Benchmark	: 3-month Klibor *+ 2.65%
Frequency of Unit Valuation	: Weekly

The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

*Source: Bloomberg

Other Details

Fund Name	Fund Maturity Date	Unit Price @ 28/5/2019	Fund Size 28/5/2019	Guaranteed Unit Price upon Fund Maturity (updated @ 28/5/2019)
HLA Horizon28 Fund	:08/10/2028	RM1.0231	RM1,295,788.10	RM1.00
HLA Horizon38 Fund	:08/10/2038	RM1.0548	RM22,283,216.66	RM1.50
HLA Horizon48 Fund	:08/10/2048	RM1.0625	RM10,465,985.44	RM2.00

The Guaranteed Unit Price upon Fund Maturity stated above may be revised upwards from time to time via profit taking.

HLA Horizon Funds

Performance Snapshot

Fund	1 Month	1 Year
HLA Horizon28	-3.93%	-
HLA Horizon38	-4.31%	-
HLA Horizon48	-5.83%	-

Exposure to MVO Strategy

Fund	Exposure as at 28/5/2019
HLA Horizon28	92.97%
HLA Horizon38	107.09%
HLA Horizon48	143.36%

Market Review (by Hong Leong Bank Berhad)

Over the past month, downside risks to the outlook for the US economy and Fed have built. Three developments have been paramount. First, trade tensions appear to be heading towards more negative outcomes. Second, incoming inflation data have disappointed. Third, takeaways from the Fed's recent policy review conference support a more dovish reaction function. These developments, along with other recent softer data, have triggered a revision to our outlook. We now expect trade tensions to escalate and have lowered our 2019 growth forecast by 40bp from 2.3% to 1.9%.

China's activity indicators were weaker in May. Industrial production and investment growth slowed more than expected, and while retail sales rebounded, this was in part due to shifting holidays. Property sales also came down slightly in May, although land auctions have remained exceptionally strong in the past two months. We expect GDP growth to slow further, and are looking for growth of 6.2% in Q2, down from 6.4% in Q1.

Recent Brexit news is likely to see the MPC turn more cautious than hawkish. With the risk of a crash Brexit rising since PM May's announced departure, the MPC will likely refrain from moving the dial on the Bank's policy rate, at least until we have further clarity on Brexit.

While our outlook on EM Asia remains constructive, as easy macro policies limit the cut in the region's average growth forecast to about 20bps through end-2020, they would prove insufficient to save some export-oriented economies from recession in the event of an all-out trade war, which would also see auto tariff hikes, and a hard Brexit.

Gains of MVO Strategy (per unit)	HLA Horizon28	HLA Horizon38	HLA Horizon48
Previous actual executed profit taking at -	N/A	N/A	N/A
As at 28 May 2019	-1.15%	-1.62%	-2.17%
As at 30 Apr 2019	4.01%	4.32%	5.78%

The next observation date for profit taking is 8 Oct 2029. If this date is not a Business Day, then shall be the Business Day immediately following the date stated.

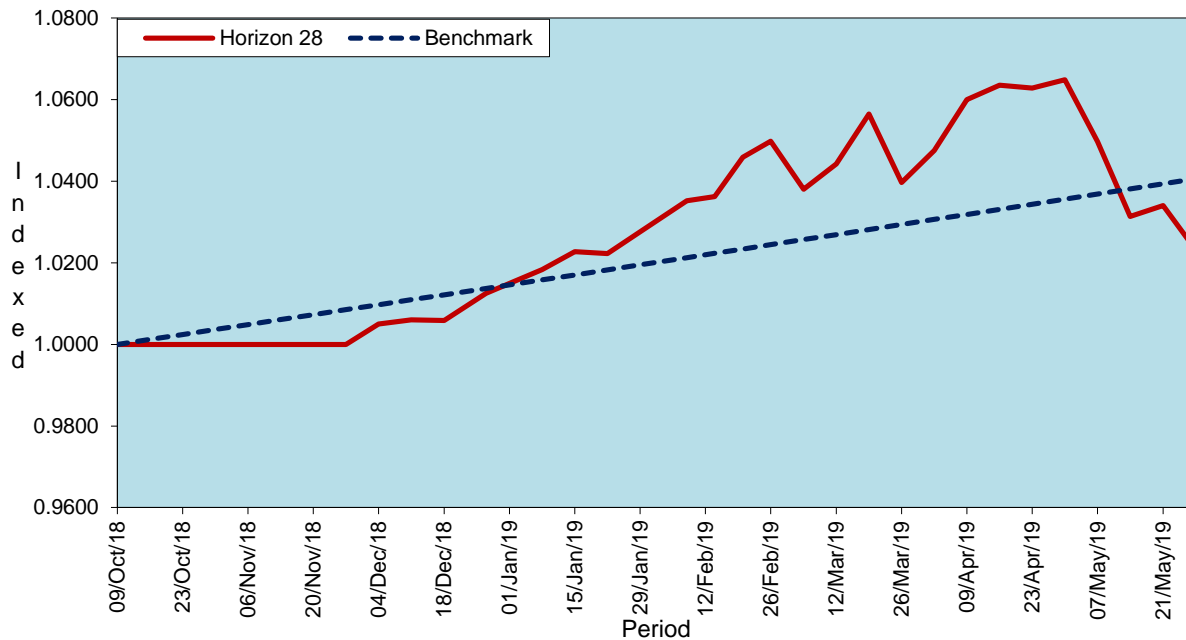
Underlying Asset in the MVO Strategy as at 28 May 2019

Indices	Bloomberg Ticker	Weightage (%)	Monthly Performance
iShares MSCI EM Index Fund	EEM US Equity	0.00%	-8.74%
S&P 500 Index	SPX Index	35.00%	-4.87%
Euro Stoxx 50 Index	SX5E Index	35.00%	-4.90%
Hang Seng China Enterprises Index	HSCEI Index	17.32%	-9.80%
Gold	GOLDLNAM Index	0.00%	-0.10%
Templeton Global Bond Fund	FTGBFAC LX Equity	0.00%	-1.27%
PIMCO Funds – Total Return Bond Fund	PTRBDFE ID Equity	12.68%	0.94%
DB Fed Funds Effective Rate TR Index	DBMMFED1 Index	0.00%	0.19%
Total		100.00%	

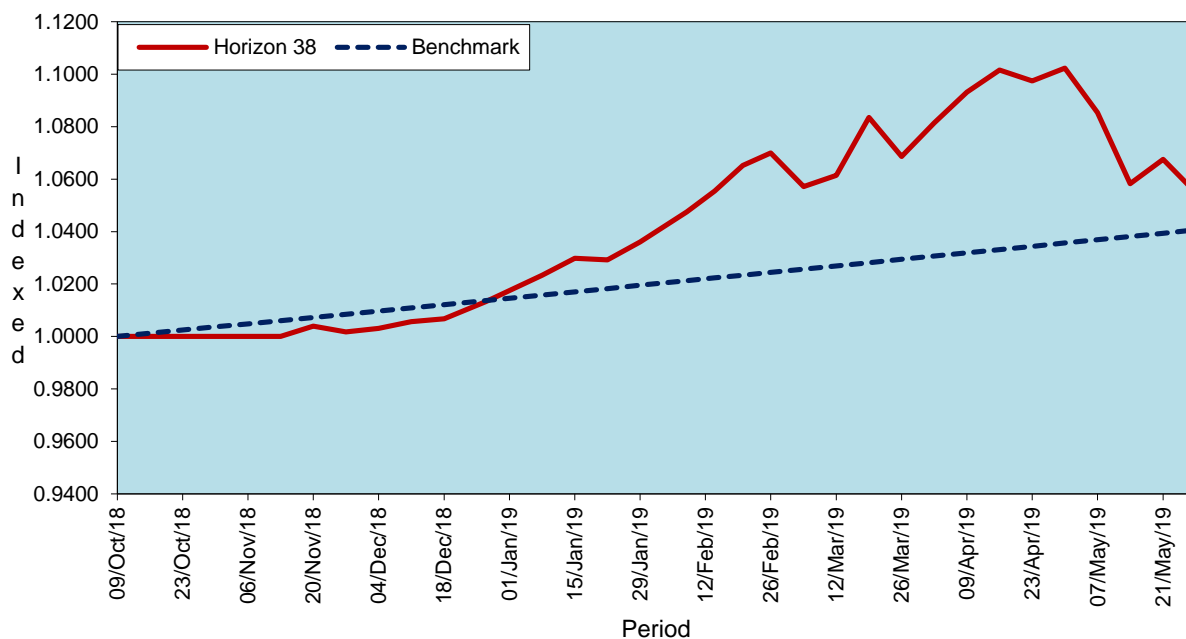
HLA Horizon Funds

Historical Performance

HLA Horizon28 Fund						
As of 28/5/19	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA Horizon28	1.05%	-3.93%	-	-	-	2.31%
KLIBOR+2.65% p.a.*	2.66%	0.48%	-	-	-	4.06%
Performance vs Benchmark	-1.61%	-4.41%	-	-	-	-1.75%

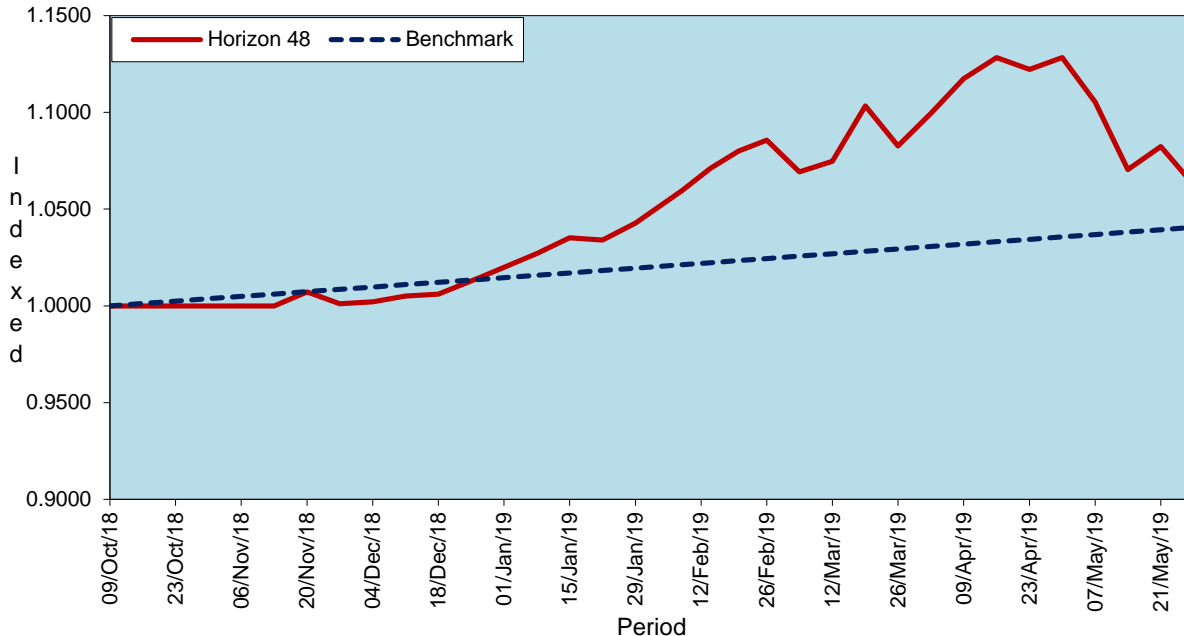


HLA Horizon38 Fund						
As of 28/5/19	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA Horizon38	4.09%	-4.31%	-	-	-	5.48%
KLIBOR+2.65% p.a.*	2.66%	0.48%	-	-	-	4.06%
Performance vs Benchmark	1.43%	-4.79%	-	-	-	1.42%



HLA Horizon Funds

HLA Horizon48 Fund						
As of 28/5/19	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA Horizon48	4.69%	-5.83%	-	-	-	6.25%
KLIBOR+2.65% p.a.*	2.66%	0.48%	-	-	-	4.06%
Performance vs Benchmark	2.03%	-6.32%	-	-	-	2.19%



*Source: Bloomberg

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the detailed explanation of the risk associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

5. Deleverage Risk

Deleveraging may occur if the bond floor rises due to falling interest rates or due to nearing maturity, or due to sustained underperformance of the underlying asset. When this occurs, the Funds will unwind all allocation to the underlying asset and will effectively become a zero-coupon bond fund.

6. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

7. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

HLA Horizon Funds

Basis of Unit Valuation

1. The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
2. The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
3. The maximum value of any asset of any fund shall not exceed the following price:
 - a) The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - b) In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
4. To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

Others

HLA Horizon Funds are managed by Hong Leong Assurance Berhad (HLA). Allocated premiums of the policy invested in the fund are invested by HLA on behalf of the Policy Owner in a FRNID issued by Hong Leong Bank Berhad. If the issuer of the FRNID defaults or becomes insolvent, the Policy Owner risks losing part or all of his/her allocated premium amounts that were invested into the FRNID on his/her behalf by HLA. Should the issuer/financial institutions default the above investment instrument, the Minimum Guaranteed Unit Price at Fund Maturity will not be applicable.

THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.

Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

HLA EverGreen Funds

May 2019

Fund Features

4. Investment Objective

The fund is designed to provide investors with principal and enhanced profit protection via a systematic investment in a globally diversified multi asset (equities, currency, rates, commodities, property, hedge fund strategies) long short strategy.

5. Investment Strategy & Approach

The main investment strategy is executed via portfolio optimization methodology. The fund is open ended with defined maturity date. The investment execution is accomplished via a Floating Rate Negotiable Instrument of Deposits ("FRNID") issued by CIMB Bank Berhad.

The FRNID is principal protected at maturity by CIMB Bank. The FRNID dynamically adjusts its exposure to the strategy, such as to reduce exposure when the strategy has negative performance and increase exposure when it has positive performance.

6. Asset Allocation

The fund will invest in a FRNID.

7. Target Market

The fund is suitable for investors who wish to engage in long-term wealth-planning, such as for children's education, retirement planning or wealth-building for future generations, whereby the investor's return on their lifetime of investments will be safely locked at fund maturity.

Fund Details

Fund Management Fee	: HLA EverGreen 2023 Fund HLA EverGreen 2025 Fund HLA EverGreen 2028 Fund HLA EverGreen 2030 Fund	: 0%*p.a.	HLA EverGreen 2035 Fund	: 1.30% p.a.
Fund Manager	: Hong Leong Assurance Berhad			
Fund Inception	: 28 Dec 2010			
Benchmark	: 3-month Klibor + 2.65%			
Frequency of Unit Valuation	: Weekly			

The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

**The Company shall cease to charge the Fund Management Fee for HLA EverGreen 2023, HLA EverGreen 2025, HLA EverGreen 2028 and HLA EverGreen 2030 with effective from 22 Jan 2016, 5 Jul 2016, 16 Jan 2019 and 7 May 2019 respectively.*

Other Details

Fund Name	Unit Price (28/5/2019)	Fund Size (28/5/2019)	Fund Maturity Date	Minimum Guaranteed Unit Price at Fund Maturity (before tax)
HLA EverGreen 2023 Fund	: RM1.0493	RM25.40 mil	26 Dec 2023	1.2358
HLA EverGreen 2025 Fund	: RM1.0084	RM9.34 mil	26 Dec 2025	1.2670
HLA EverGreen 2028 Fund	: RM0.9272	RM11.79 mil	26 Dec 2028	1.3136
HLA EverGreen 2030 Fund	: RM0.8772	RM37.85 mil	26 Dec 2030	1.3446
HLA EverGreen 2035 Fund	: RM0.8426	RM612.86 mil	26 Dec 2035	1.4221

The Minimum Guaranteed Unit Price at Fund Maturity before tax will attract a portion of tax which has yet to be provided for. The further tax adjustment is the difference of tax payable on the capital gains of the funds determined at funds maturity and tax which has been provided for the funds through weekly unit pricing. The unit prices published weekly are on after tax basis.

Market Review (by CIMB Bank Berhad)

Max InvestSave decreased by 3.00% in the reported period with eight out of eleven Underlying Assets moving against the Effective Max InvestSave Weightings. Losses were mainly due to the depreciation of Japanese and Chinese Equities where positive weightings were held by the Effective Max InvestSave Weightings.

May 2019 was a torrid month for financial markets, let alone American Equities. The S&P 500 index dropped by 6.6% during the month, registering its worst month of the year by far. Much of the drop came in lockstep with the actions of President Trump, who escalated the ongoing trade war with China by implementing tariffs of 25% on USD200 billion worth of goods. The President also signed an executive order to ban the telecommunications company Huawei from entering the US market. Those moves roiled the financial markets and heightened concerns about slowing global growth and subsequently led to falling equity benchmark indices and rallying bond markets. Market observers have also begun to expect not only the end of the interest rate hikes by the Federal Reserve but also the ensuing rate cuts. As such, ten year Treasury yields have significantly dropped. On a similar note, German bonds have also experienced a similar rally as yields reached the lowest level on record at -0.209%. Investors are rushing to acquire safe haven assets due to trade tensions as well as Italy's ballooning debt.

British Prime Minister Theresa May announced her resignation from her post effective 7 June 2019. Her resignation comes on the back of her lack of success in convincing her parliament to agree to the Brexit deal that she had negotiated with the European Union. Oil prices also took a tumble this month thanks to global growth concerns. This is in spite of OPEC's earlier decision of continuing production cuts to maintain the price of oil. (Source: Bloomberg)

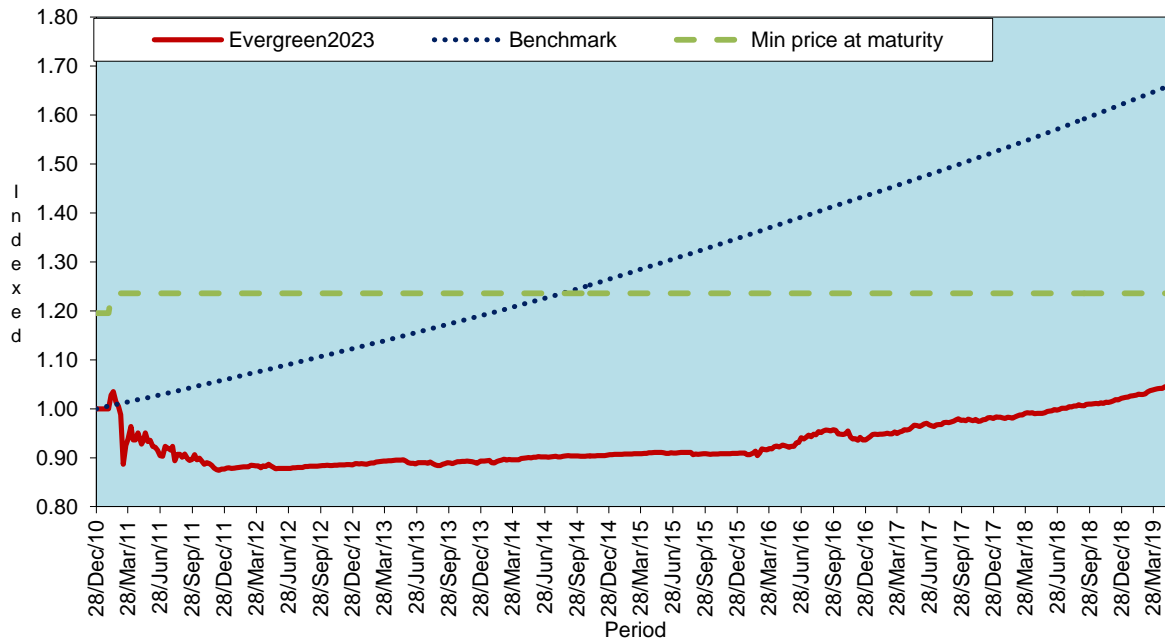
Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index

Fund	HLA EverGreen 2023	HLA EverGreen 2025	HLA EverGreen 2028	HLA EverGreen 2030	HLA EverGreen 2035
Avg Exposure of Maximum Assurance FRNID to Max InvestSave PSSIA-i 30Y	0.00%	0.00%	0.00%	0.00%	13.33%
Exposure of MaxInvestSave PSSIA-i 30Y to CIMB EverGreen Index	74.62%				
Net Exposure of HLA EverGreen Funds to CIMB EverGreen Index in May 2019	0.00%	0.00%	0.00%	0.00%	9.95%

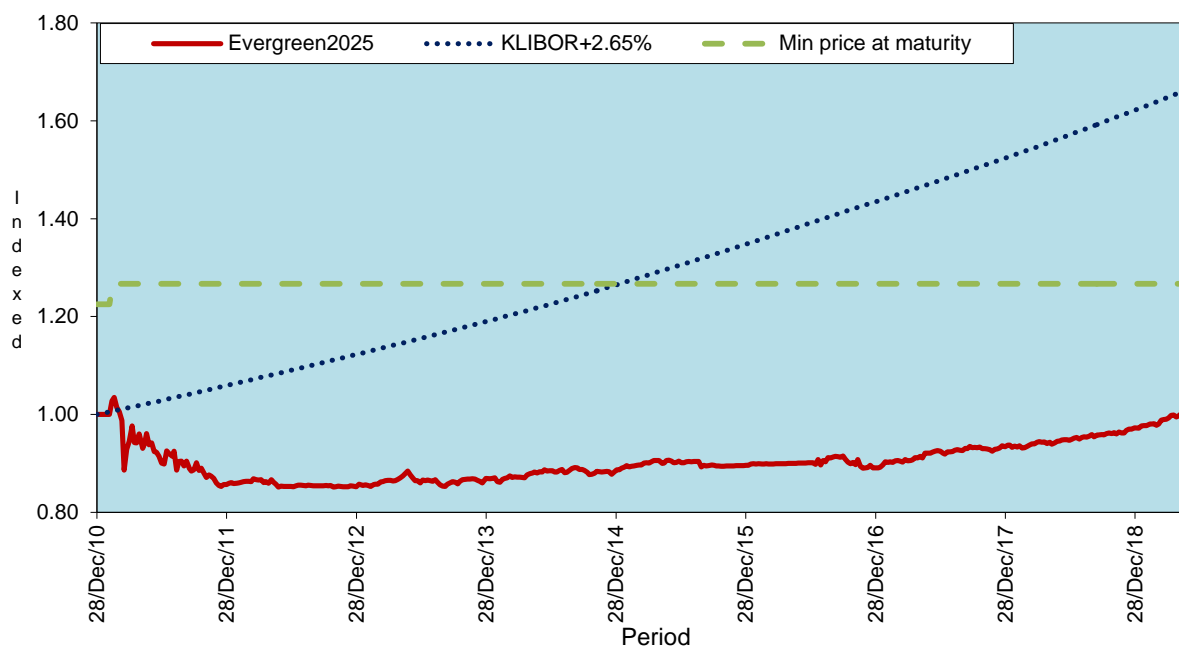
HLA EverGreen Funds

Historical Performance

HLA EverGreen 2023 Fund						
As of 28/5/19	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2023	2.73%	0.41%	5.53%	13.62%	16.49%	4.93%
KLIBOR+2.65% p.a.*	2.66%	0.48%	6.46%	20.22%	36.52%	66.46%
Performance vs Benchmark	0.07%	-0.07%	-0.92%	-6.60%	-20.04%	-61.53%

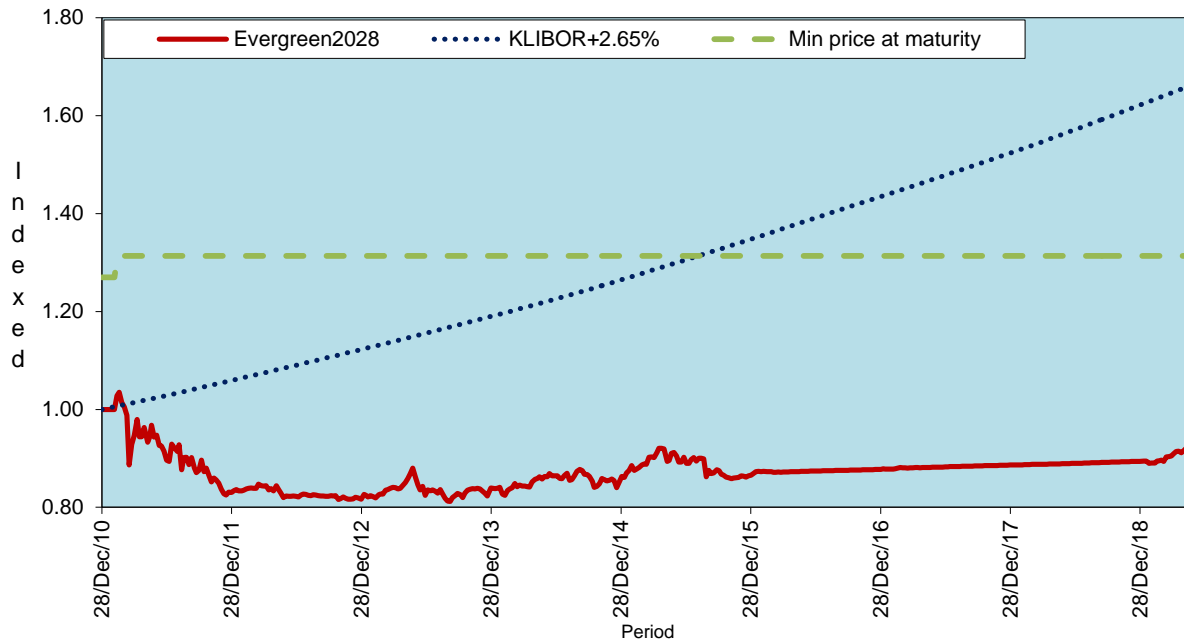


HLA EverGreen 2025 Fund						
As of 28/5/19	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2025	3.66%	1.06%	6.60%	11.94%	14.21%	0.84%
KLIBOR+2.65% p.a.*	2.66%	0.48%	6.46%	20.22%	36.52%	66.46%
Performance vs Benchmark	1.00%	0.58%	0.14%	-8.28%	-22.31%	-65.62%

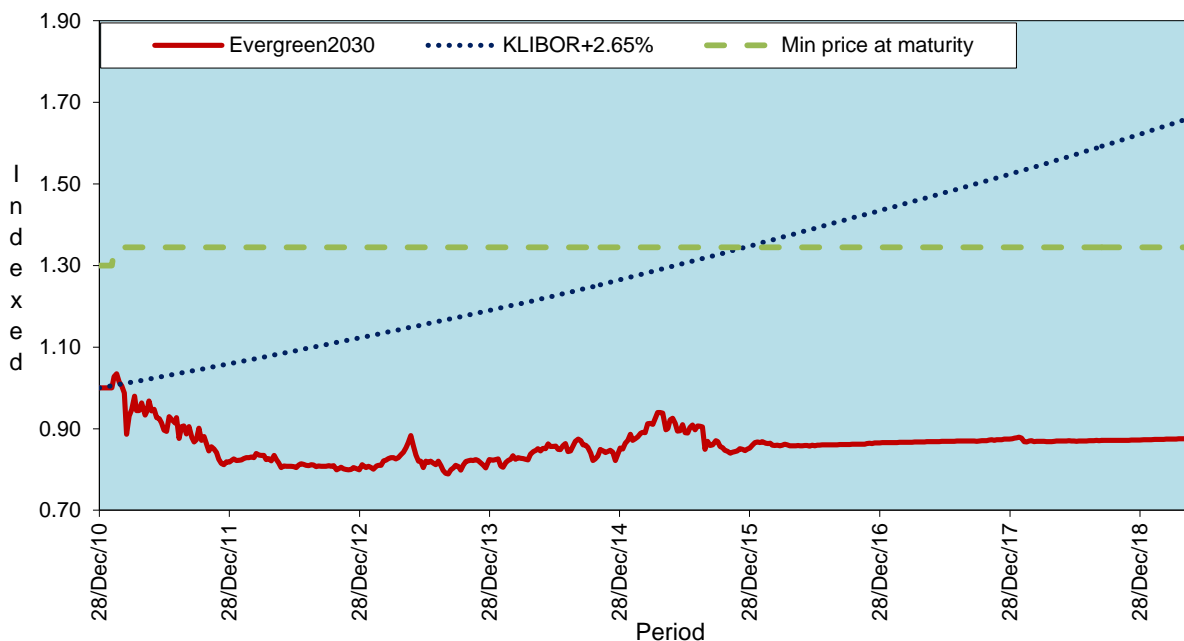


HLA EverGreen Funds

HLA EverGreen 2028 Fund						
As of 28/5/19	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2028	3.70%	1.22%	4.27%	6.15%	7.45%	-7.28%
KLIBOR+2.65% p.a.*	2.66%	0.48%	6.46%	20.22%	36.52%	66.46%
Performance vs Benchmark	1.05%	0.74%	-2.18%	-14.08%	-29.07%	-73.74%

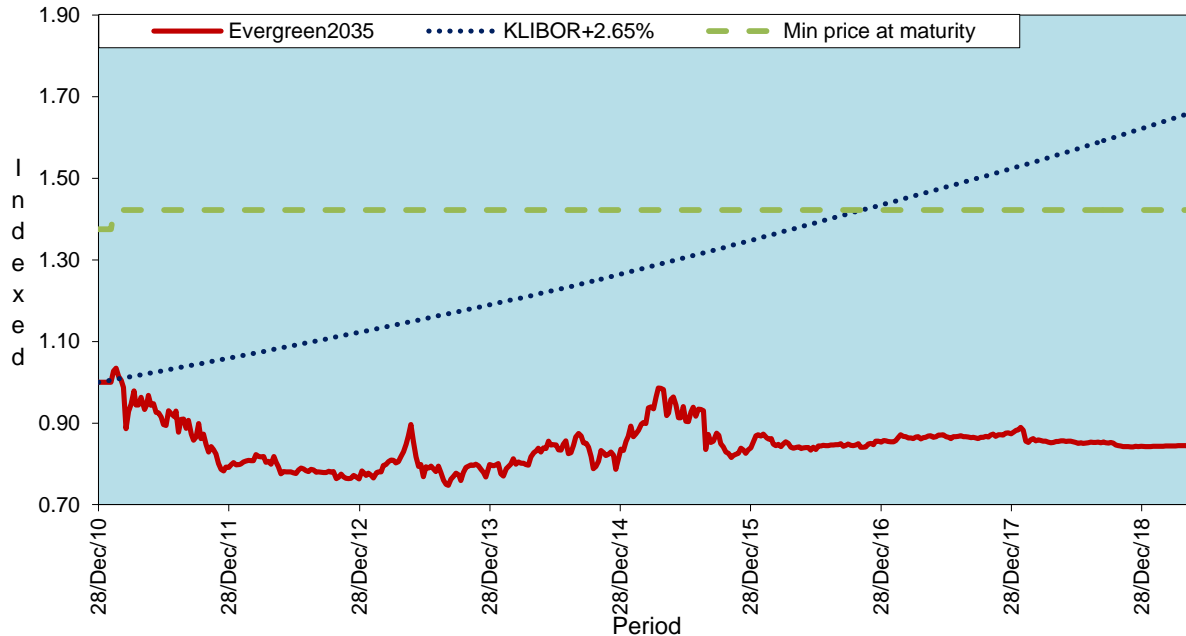


HLA EverGreen 2030 Fund						
As of 28/5/19	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2030	0.54%	0.22%	0.85%	2.17%	2.95%	-12.28%
KLIBOR+2.65% p.a.*	2.66%	0.48%	6.46%	20.22%	36.52%	66.46%
Performance vs Benchmark	-2.12%	-0.27%	-5.60%	-18.06%	-33.58%	-78.74%



HLA EverGreen Funds

HLA EverGreen 2035 Fund						
As of 28/5/19	Year to-date	1 month	1 Year	3 Years	5 Years	Since Inception
HLA EverGreen 2035	-0.02%	-0.27%	-1.40%	0.35%	0.38%	-15.74%
KLIBOR+2.65% p.a.*	2.66%	0.48%	6.46%	20.22%	36.52%	66.46%
Performance vs Benchmark	-2.68%	-0.76%	-7.86%	-19.88%	-36.14%	-82.20%



*Source: Bloomberg

Actual Annual Investment Returns for the Past Ten (8) Calendar Years

Year	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	5.9%	6.1%	6.0%	6.3%	6.5%	6.5%	6.2%	6.4%
HLA EVERGREEN 2023 – Gross	-11.0%	2.5%	2.4%	3.0%	1.7%	4.7%	6.5%	6.0%
HLA EVERGREEN 2023 – Net	-12.3%	1.0%	0.9%	1.4%	0.3%	3.0%	4.7%	4.2%
HLA EVERGREEN 2025 – Gross	-13.0%	0.9%	3.6%	3.6%	2.5%	0.8%	6.7%	5.9%
HLA EVERGREEN 2025 – Net	-14.3%	-0.5%	2.0%	2.0%	1.0%	-0.6%	4.9%	4.1%
HLA EVERGREEN 2028 – Gross	-15.7%	-0.3%	4.5%	4.5%	1.7%	2.9%	2.5%	2.4%
HLA EVERGREEN 2028 – Net	-17.0%	-1.6%	2.8%	2.8%	0.3%	1.4%	1.0%	0.9%
HLA EVERGREEN 2030 – Gross	-16.9%	-1.0%	4.8%	5.1%	1.4%	3.0%	2.6%	1.2%
HLA EVERGREEN 2030 – Net	-18.2%	-2.3%	3.1%	3.4%	0.0%	1.5%	1.1%	-0.2%
HLA EVERGREEN 2035 – Gross	-19.5%	-2.2%	6.4%	6.5%	1.9%	3.2%	4.1%	-2.5%
HLA EVERGREEN 2035 – Net	-20.8%	-3.5%	4.6%	4.7%	0.4%	1.6%	2.4%	-3.6%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past eight (8) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Credit Risk

This refers to the possibility that the issuer of a security will not be able to make timely payments of interest or principal repayment on the maturity date. The default may lead to a fall in the value of the funds.

4. Interest Rate Risk

The level of interest rates has an impact on the value of investments. Any increase in rates will lead to a fall in the value of securities, thus affecting the value of the funds.

5. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

6. Deleverage Risk

HLA EverGreen Funds

Deleveraging may occur if the bond floor rises due to falling interest rates or due to nearing maturity, or due to sustained underperformance of the underlying asset. When this occurs, the Funds will unwind all allocation to the underlying asset and will effectively become a zero-coupon bond fund.

7. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

8. Performance Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Performance of Max InvestSave PSSIA-I 30Y

Month on month historical performance*														
Year	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD^	RTD
2011	-	1.69%	-6.28%	2.21%	-1.23%	-4.08%	2.04%	-3.97%	-1.16%	-3.57%	3.57%	-1.34%	-18.00%	-
2012	2.41%	1.07%	1.07%	-0.41%	-4.17%	-1.18%	2.35%	-0.49%	-0.66%	-1.88%	0.66%	-0.58%	-1.98%	-
2013	0.85%	3.31%	3.47%	3.25%	0.11%	-4.18%	-2.19%	-4.28%	4.44%	3.75%	0.54%	0.55%	9.50%	-
2014	-3.65%	5.03%	-1.05%	4.21%	1.61%	-0.38%	0.72%	3.50%	-2.35%	-0.76%	0.42%	2.21%	9.51%	-
2015	4.74%	3.12%	3.50%	0.48%	1.51%	-4.21%	2.83%	-5.19%	0.63%	-5.27%	1.28%	1.54%	4.39%	-
2016	1.82%	0.60%	-1.24%	-1.96%	0.34%	0.93%	0.78%	0.66%	-0.16%	-1.10%	1.39%	0.81%	2.84%	-
2017	0.64%	3.87%	-0.52%	-0.22%	0.89%	-1.58%	0.67%	0.76%	-2.20%	3.91%	-0.01%	1.07%	7.32%	-
2018	4.22%	-5.86%	-2.06%	-0.96%	-0.29%	-1.63%	-0.14%	0.87%	-1.32%	-8.58%	-1.49%	-1.31%	-17.56%	-
2019	-0.39%	-0.57%	1.67%	1.22%	-3.00%								-1.14%	-9.47%

*Note that calculation for YTD starts from first day of the year to the last day of the same year

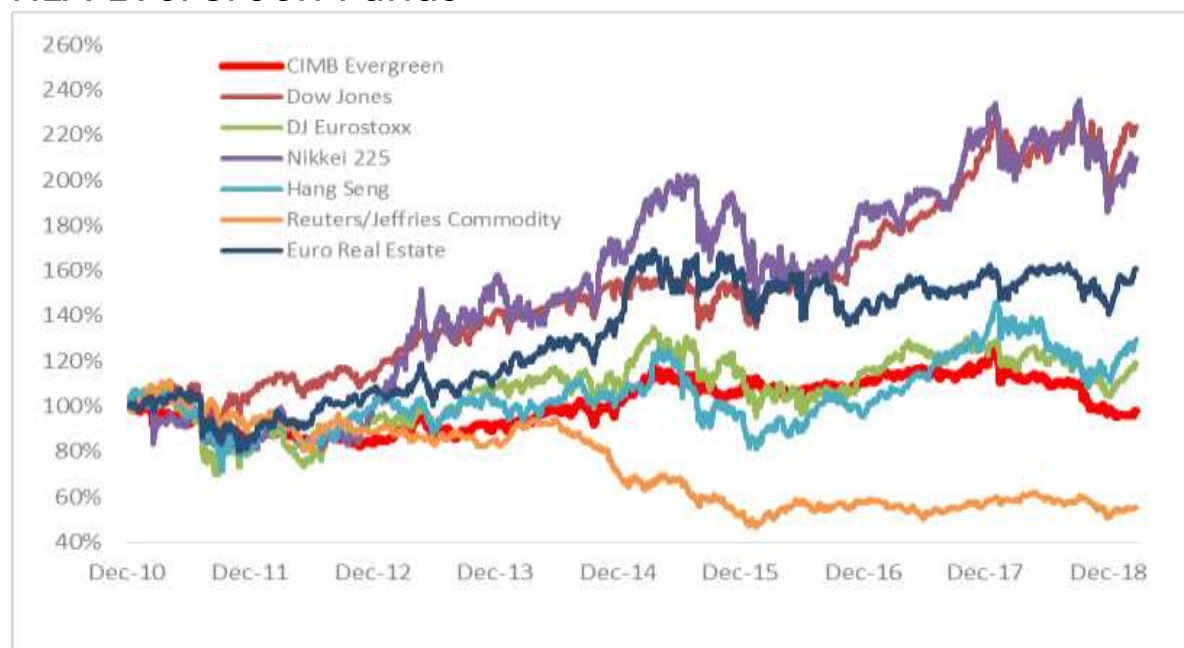
Underlying Performance				
Underlying Asset	30-Apr-19 Closing Px	31-May-19 Closing Px	Performance (30 Apr 19 - 31 May 19)*	Effective Max InvestSave Weights** (25 Apr 19)
American Equity	5,893.82	5,519.27	-6.35%	-16.42%
Japanese Equity	2,434.82	2,275.96	-6.52%	13.13%
European Equity	7,326.32	6,921.41	-5.53%	13.21%
UK Equity	6,666.82	6,475.51	-2.87%	20.66%
Emerging Market Equity	4,317.63	3,967.48	-8.11%	8.26%
China Equity	11,542.25	10,387.17	-10.01%	8.26%
Commodity Index	828.67	777.69	-6.15%	10.95%
European Real Estate	6,161.15	6,236.12	1.22%	20.66%
American Real Estate	87.00	86.87	-0.15%	8.26%
Hedge Fund Strategies	218.97	212.83	-2.80%	0.00%
Currency	0.89	0.90	0.41%	-4.34%

* Month on month historical performance is calculated from previous Month End Date to current Month End Date

** Effective Max InvestSave Weights are re-balanced monthly

Performance of CIMB EverGreen Index Against Other Indices

HLA EverGreen Funds



Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

Others

HLA EverGreen Funds are managed by Hong Leong Assurance Berhad (HLA). Allocated premiums of the policy invested in the fund are invested by HLA on behalf of the Policy Owner in a FRNID issued by CIMB Bank Berhad. The amount invested in the FRNID is guaranteed by the issuer if held to maturity. If the issuer of the FRNID defaults or becomes insolvent, the Policy Owner risks losing part or all of his/her allocated premium amounts that were invested into the FRNID on his/her behalf by HLA. Should the issuer/financial institutions default the above investment instrument, the Minimum Guaranteed Unit Price at Fund Maturity will not be applicable.

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Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

CIMB Evergreen Index Disclaimer:

The index sponsor or the calculation agent of the CIMB Evergreen Index (the "Index") does not guarantee the accuracy and/or completeness of the composition, calculation, publication and adjustment of the Index, any data included therein, or any data from which it is based, and the calculation agent and the index sponsor of the Index shall have no liability for any errors, omissions, or interruptions therein. The calculation agent and the index sponsor of the Index make no warranty, express or implied, as to results to be obtained from the use of the Index. The calculation agent and the index sponsor of the Index make no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index or any data included therein. Without limiting any of the foregoing, in no event shall the calculation agent or the index sponsor of the Index have any liability for any special, punitive, indirect, or consequential damages (including loss of profits), even if notified of the possibility of such damages.

HLA Dana Suria (HLADS)

May 2019

Fund Features

1. Investment Objective

This fund provides investors an affordable access into a diversified investment portfolio which offers steady and consistent return over a long-term investment horizon by investing into local and global equities and fixed income securities that comply with Shariah requirements.

2. Investment Strategy & Approach

At inception, this fund will invest by feeding into Hong Leong Dana Maa'rof and HLA Venture Dana Putra ("Target Funds") with the option to increase the number of funds or replace the Target Funds in future.

Generally, the Target Funds select undervalued companies that have the potential to offer good Medium-To-Long Term capital growth. In terms of fixed income instruments, selection depends largely on credit quality to assure relative certainty in profit income, principal payment, and overall total return stability.

3. Asset Allocation

Hong Leong Dana Maa'rof (HLDM) will invest a minimum 40% and maximum 60% of its NAV into Shariah-compliant equities while HLA Venture Dana Putra (HLAVDP) will invest up to maximum 90%, but not less than 40% of fund's NAV into Shariah approved equities. Generally, HLA Dana Suria may invest up to a maximum of 95% of its NAV into Shariah-compliant equities or a maximum of 100% of its NAV into Shariah-based deposits or Islamic money market instruments.

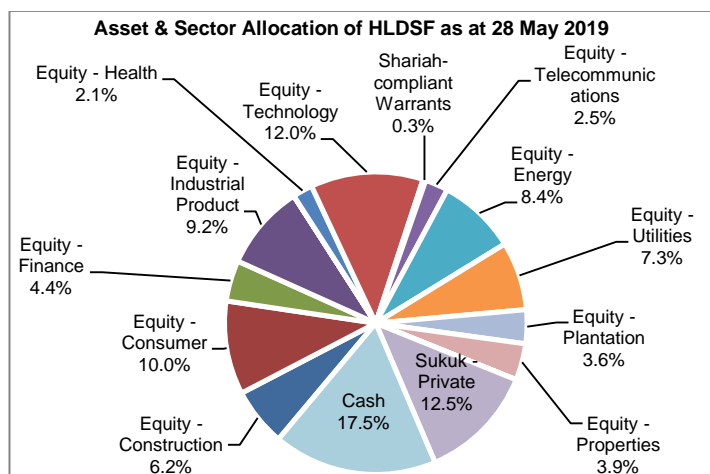
4. Target Market

This fund is suitable for investors who have moderate risk-reward temperament and are looking for returns from Shariah-compliant investments in a medium-to-long term investment horizon.

Fund Details

Unit Price (28/5/2019)	:RM1.0995
Fund Size (28/5/2019)	:RM6.5mil
Fund Management Fee	:1.30% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Managed
Fund Inception	:24 Sept 2013
Benchmark	:(70% x FTSE Bursa Malaysia EmasShariah Index) + (30% x 3-month Klibor)
Frequency of Unit Valuation	:Weekly

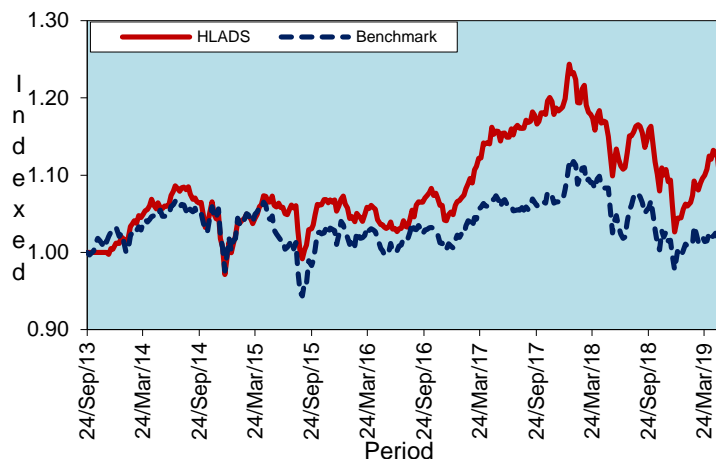
Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 5 Holdings for HLADS as at 28 May 2019

		%
1.	TENAGA	Equity 6.8
2.	Lembaga Pembiayaan Perumahan Sektor Awam (LPPSA)	Sukuk 5.0
3.	YINSON	Equity 3.0
4.	QL	Equity 3.0
5.	MYEG	Equity 2.8
Total Top 5		20.6

Historical Performance



	YTD	1 month	1 year	3 years	5 years	Since Inception
HLADS	5.30%	-2.59%	0.06%	6.46%	4.03%	9.95%
Benchmark*	0.29%	-2.01%	-2.05%	0.57%	-4.07%	0.40%
Relative	5.00%	-0.58%	2.12%	5.89%	8.10%	9.55%

*Source: Bloomberg

Hong Leong Assurance Berhad (94613-X)

Level 3, Tower B, PJ City Development, No. 15A, Jalan 219, Seksyen 51A, 46100 Petaling Jaya, Selangor.

Telephone 03-7650 1818 Facsimile 03-7650 1991

Customer Service Hotline 03-7650 1288 Customer Service Hotfax 03-7650 1299

HLA Dana Suria (HLADS)

Market Review, Outlook & Strategy

Regionally, investors were hopeful that a deal to end the trade war was imminent; but the positive mood was soon crushed when Mr Lighthizer and his team briefed the US President that China was apparently backtracking on their pledges. As a result the US President threatened to raise levies on US\$200b of Chinese imports from 10% to 25% and also to impose 25% levies on all remaining Chinese imports worth US\$325b. The listing of Huawei onto the 'Entity List' raised significant uncertainty on the technology supply chain and makes the process of a trade deal even more complex. China has also warned of striking back; potentially by limiting its supply of rare earth to the US since China accounted for 80% of US rare earths imports in 2014-17. Politics continued to dominate headlines in the Eurozone region and Brexit in the UK with Prime Minister Theresa May announcing her intention to step down in June. In the commodities space, President Donald Trump stepped up sanctions on Iran to ban trade in iron, steel, aluminium and copper in response to Iran's threat to resume uranium enrichment in 60 days. Despite supply concerns on potential disruption at the Straits of Hormuz, crude oil prices fell by 16% mom to US\$53 per barrel as a result of the trade war.

Domestically, both business and consumer sentiment remain lacklustre at this juncture. This was reflected in 1Q19 GDP growth which slowed to +4.5% yoy from 4Q18's +4.7% yoy. Bank Negara Malaysia (BNM) had earlier reacted with a 25bps cut to the Overnight Policy Rate (OPR) given the weak investment and credit trend outlook. The recent reporting season was also a weak one with lower earnings seen in the plantation, chemical, technology and financial sectors.

The FBM KLCI outperformed the broader market in May. The KLCI was up by 0.5% mom to close at 1,650.76 pts. FBM Emas was down by 0.6% to 11,588.37 pts, FBM Shariah declined by 0.4% to 11,795.77 pts and FBM Small Cap was the worst performing index recording a decline of 7.9% mom to close at 12,546.52 pts in May.

Market Review, Outlook & Strategy - Fixed Income Market

A slew of concerns which include the impact of escalating global trade war on global growth, tensions between Italy and the European Union, and the lack of clarity over how Britain will exit the European Union had collectively played their part in sending global yields lower. Investors around the world flocked to safe haven government bonds, dragging benchmark UST yields to 20-months low. The 10 year UST yield saw a significant plunge of approximately 37bps and is on its way to meet its next support level of 2.04%. The yield difference between the 3-month bills and 10-year notes also dived further into negative territory. The inversion – if it persists – is often viewed as a reliable indicator that a recession is likely to follow in the next 1-2 years. The corporate bond space, however, does not look as daunting as portrayed by the movement in Treasuries, despite a recent uptick in global volatility. Corporate bond yields have in contrast, fallen in May even as credit spreads widened.

At home, local govies or Malaysian government securities ("MGS") also benefited from the bullish run of the UST and traded lower by 4 to 10bps compared to last month. On a separate note, BNM announced several initiatives to improve the onshore foreign exchange and bond market liquidity, likely in response to FTSE Russell's sudden announcement last month. As widely expected, BNM is not lifting the ban on offshore ringgit non-deliverable forwards trading and effort is focused on its intention to develop and deepen the onshore financial market. These market-friendly measures sent yields lower by about 2-4 bps in certain tenors for the day when the announcement was made. It is also worth highlighting that Malaysia, alongside Singapore and Vietnam, was added to a watchlist for currency manipulation by the US Treasury which BNM has subsequently refuted and reiterated Malaysia's commitment to a floating exchange rate regime. Despite the allegation, local govies were largely unshaken.

Secondary trading activity in the corporate bond space was rather mixed for the month of May. Investors' interest seems to favour the government guaranteed papers as well as papers from the AA space. Some of the prominent issuances that have joined the unrated league include the RM607 million Damansara Uptown Retail Centre Sdn Bhd and Sunway Berhad's RM150 million unrated perpetual bonds with coupon of 5.8%. For the rated papers, we saw the likes of RHB Islamic Bank Berhad tapping the market with its RM500million of AA3-rated issuance with a coupon of 4.32% and Putrajaya Bina Sdn Bhd's RM380 million AAA-rated 10-12 year bonds with coupons ranging between 4.15%-4.25%.

Consistent with our outlook for the previous month, we still think that the fixed income market remains a relatively attractive option for the rest of the year. We continue to expect market players to maintain their overweight stance on bonds given the slew of market-moving events that has put the global growth outlook on a weaker path. While the policy announcements and geopolitical battles have reignited investors' view for a rate cut in 2019, we think that the Fed will continue to maintain its current policy stance unless the impact on growth and inflation is more detrimental than expected. As the escalating trade tension is certainly looking increasingly gloomy with more industries and countries being affected, pressure on global growth is on the cards and more emerging countries are calling for the US to reconsider its negotiation with China with regards to their trade policies.

On the local front, we think that the liberalisation measures taken by BNM should be viewed positively by foreign investors. That said, the presence of external risk factors and considering the extent to which MGS has rallied year-to-date; further strength may be capped by profit-taking. While the risk of exclusion of MGS from the World Government Bond Index is partially mitigated by the said liberalisation measures, it is however unlikely to threaten the macro-stability given the depth of domestic funds. Our strategy is to constantly deploy the available cash in primary corporate bond issuances that are fundamentally strong for yield pick-up and trade on govies as and when the opportunity arises. We would continue to be proactive in making adjustments to our trading and investment strategies to take advantage of the ever-changing market dynamics and developments.

Actual Annual Investment Returns for the Past Six (6) Calendar Years

Year	2013	2014	2015	2016	2017	2018
Benchmark	3.3%	-1.4%	2.2%	0.4%	7.5%	-7.5%
HLADS - Gross	2.7%	1.5%	7.4%	-0.6%	17.0%	-12.6%
HLADS - Net	1.2%	0.1%	5.5%	-1.9%	14.3%	-12.9%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past six (6) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 24 September 2013. The actual investment returns are calculated based on unit price from 24 September to 31 December 2013.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

HLA Dana Suria (HLADS)

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

4. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

5. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Target Fund Details

- Hong Leong Dana Maa'rof is a Balanced fund managed by Hong Leong Asset Management Berhad. The past performance of this fund is as follows:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Performance	31.1%	14.4%	2.8%	6.4%	7.0%	0.1%	9.1%	-1.2%	13.1%	-11.1%

Source: Hong Leong Asset Management Berhad

- HLA Venture Dana Putra is an Equity fund managed by Hong Leong Assurance Berhad. The past performance of this fund is as follows:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Performance	25.1%	14.4%	-3.1%	10.0%	32.6%	-1.1%	4.9%	-2.4%	20.8%	-17.8%

Source: Hong Leong Assurance Berhad

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

Others

HLA Dana Suria is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner into Islamic unit trust/investment-linked funds which will invest in Shariah-compliant fixed income securities, equities, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the funds default or become insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the fund on his/her behalf by HLA.

THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.

Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

HLA Secure Fund (HLASF)

May 2019

Fund Features

1. Investment Objective

To provide investors with steady and consistent return over a long-term investment horizon by investing into local and global fixed income securities and equities.

2. Investment Strategy & Approach

The strategy is to provide investors an affordable access into a diversified investment portfolio with a mixture of equities and fixed income instrument. The fund will invest primarily in fixed income instruments such as bonds, money market instruments, repo and deposits with financial institutions that provide regular income as well as in high dividend yield stocks to enhance the fund's returns. The asset allocation decision between fixed income instruments and equity is decided after considering the fixed income and equity market outlook over the medium to long-term horizon. Initially the fund will invest by feeding into Affin Hwang Select Income Fund ("Target Fund"), with the option to increase the number of funds or replace Affin Hwang Select Income Fund with other fund(s) in future.

3. Asset Allocation

The fund shall invest a minimum 70% of the NAV in Fixed Income Instruments and maximum 30% of NAV in equities.

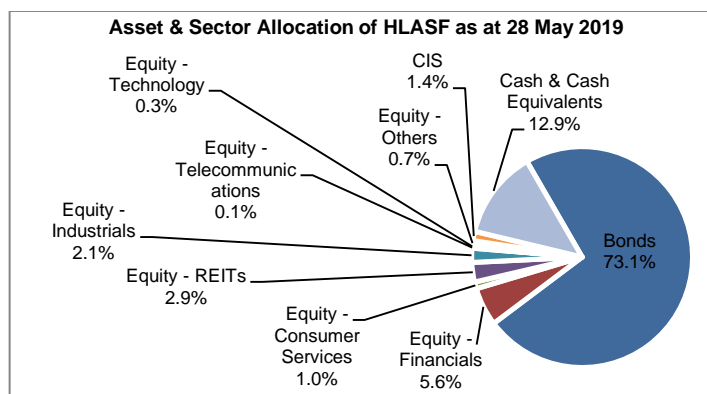
4. Target Market

The fund is suitable for investors who are relatively conservative and wish to have a steady and stable return that meets their retirement needs.

Fund Details

Unit Price (28/5/2019)	:RM1.3784
Fund Size (28/5/2019)	:RM18.1mil
Fund Management Fee	:1.00% p.a.
Fund Manager	:Hong Leong Assurance Berhad
Fund Category	:Managed
Fund Inception	:05 Feb 2013
Benchmark	: (70% x Maybank 12 Months Fixed Deposit Rate) + (30% x Dow Jones Asia Pacific Select Dividend 30 Index)
Frequency of Unit Valuation	:Weekly

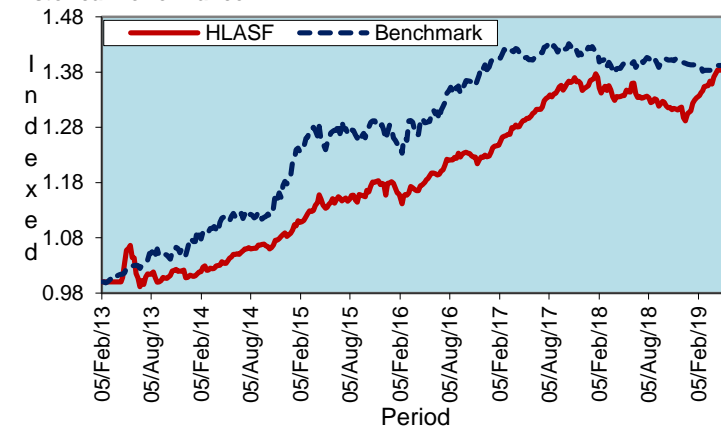
Fund management charge of underlying Collective Investment Scheme(s) is part of Fund Management Fee as stated in table above. There are no additional charges being charged to the Policy Owner. The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.



Top 5 Holdings for HLASF as at 28 May 2019

		%
1.	PTT Exploration & Production	FI 2.3
2.	Hong Kong Exchange & Clearing	Equity 1.9
3.	TF Varlik Kiralama	FI 1.7
4.	China Life Insurance Co. Ltd	FI 1.5
5.	Singapore Government Bond	FI 1.4
Total Top 5		8.8

Historical Performance



	YTD	1 month	1 Year	3 Years	5 Years	Since Inception
HLASF	5.07%	-0.92%	2.04%	14.51%	31.17%	37.11%
Benchmark*	-1.14%	-0.98%	-1.08%	5.70%	23.18%	37.84%
Relative	6.20%	0.05%	3.12%	8.80%	7.98%	-0.73%

*Source: AffinHwang

Market Review, Outlook & Strategy relevant to Target Fund

Due to deteriorating of US-China trade relation, US Treasury yields have moved to new low for the year. Fed reiterated that they will remain patient and data dependent. Nonetheless, market is expecting a 50% probability of rate cut in September. The broad risk-off tone will likely keep rates lower for longer. Within fixed income, the Manager will keep duration of the portfolio at around 3.5 years. Our focus on prudent credit selection and healthy liquidity profile remains. The Manager has reduced equity exposure due to the change in tone of US-China trade negotiation, only 14% invested of maximum 30% for equity portion. On equity portfolio positioning, the manager will continue to lock in profits for dividend distributions.

US 10-year Treasuries rallied to 2.12% as risk off sentiments amongst investors led fund flows to flock to safe heaven assets. This is also as the Federal Reserves has turned more dovish in its recent press conference statements. The Reserve Bank of Australia have also taken a dovish stance with benign inflation and slower growth pressured by deteriorating external developments while falling home prices continue to affect sentiments locally. USD strength during the month pressured EM and Asian assets, with the region seeing some credit spread widening. In a widely anticipated move, Bank Negara cut its overnight policy rate in May by 25bps bringing the rate to 3%, followed by a neutral accompanying statement which is widely interpreted as indicating that there may be no further moves in rates for the remainder of 2019. The local bond market which had seen yields coming down significantly over the past few months, continued to see strong support. The 10-year MGS however remained relatively flat, ending the month at 3.78% from 3.79%, while the 10-year GII closed the month at 3.82% from 3.87%.

HLA Secure Fund (HLASF)

Actual Annual Investment Returns for the Past Six (6) Calendar Years

Year	2013	2014	2015	2016	2017	2018
Benchmark	7.2%	10.4%	7.7%	8.2%	2.6%	-2.2%
HLASF - Gross	2.5%	9.2%	10.2%	5.6%	12.4%	-3.0%
HLASF - Net	1.3%	7.5%	8.4%	4.1%	10.4%	-3.7%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past six (6) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

The fund was only launched on 14 February 2013. The actual investment returns are calculated based on unit price from 14 February 2013 to 31 December 2013.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Market Risk

Market risk stems from the fact that there are other economy-wide perils, which threaten all businesses. It is mainly caused by uncertainties in the economy, political and social environment.

2. Liquidity Risk

Liquidity risk is the risk that the fund invested cannot be readily sold and converted into cash. This may arise when the trading volume is low and/or where there is a lack of demand for the security.

3. Country Risk

The foreign investment of a fund may be affected by the political & economic conditions of the country which the investments are made.

4. Currency Risk

This risk is associated with investments that are denominated in foreign currencies. Fluctuation in foreign exchange rates will have an impact on the value of the funds.

5. Concentration Risk

This risk is associated with a feeder fund whereby the investments of such fund are not diversified. A feeder fund invests mainly into another collective investment scheme.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Target Fund Details

Affin Hwang Select Income Fund is a Bond fund managed by Affin Hwang Investment Management. The past performance of this fund is as follows:

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Performance	19.4%	9.3%	5.6%	15.1%	2.9%	6.9%	8.6%	4.1%	10.5%	-4.2%

Source: Affin Hwang Investment Management

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

For the underlying Target Fund, past performance is calculated after adjusting for distribution and/or additional units, if any.

HLA Secure Fund (HLASF)

Others

HLA Secure Fund is managed by Hong Leong Assurance Berhad (HLA). Any amount invested in this fund is invested by HLA on behalf of Policy Owner in equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instrument/s. If the financial institutions and/or corporations issuing the equity, fixed income, collective investment scheme, foreign asset, derivatives and money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on his/her behalf by HLA.

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Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

HLA Cash Fund (HLACF)

May 2019

Fund Features

1. Investment Objective

This fund aims to provide high principal security and consistent return to the investors by investing in money market instrument. Returns will be comparable to prevailing overnight policy rates but correspondingly, the risks will be significantly lower than that for equities investment.

2. Investment Strategy & Approach

This fund may be placed with any licensed financial institution under the Islamic Financial Services Act 2013, determined by the fund manager.

3. Asset Allocation

This fund may be placed with any licensed financial institution under the Islamic Financial Services Act 2013, determined by the fund manager.

4. Target Market

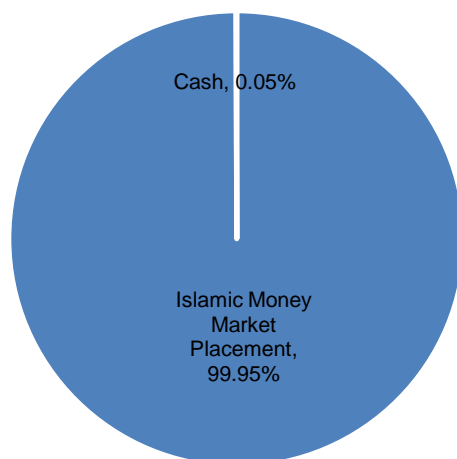
This fund is suitable for investors who are low risk profile.

Fund Details

Unit Price (28/5/2019)	: RM1.2272
Fund Size (28/5/2019)	: RM39.2mil
Fund Management Fee	: 0.25% p.a.
Fund Manager	: Hong Leong Assurance Berhad
Fund Category	: Money Market Fund
Fund Inception	: 28 Dec 2010
Benchmark	: Overnight Policy Rate
Frequency of Unit Valuation	: Weekly

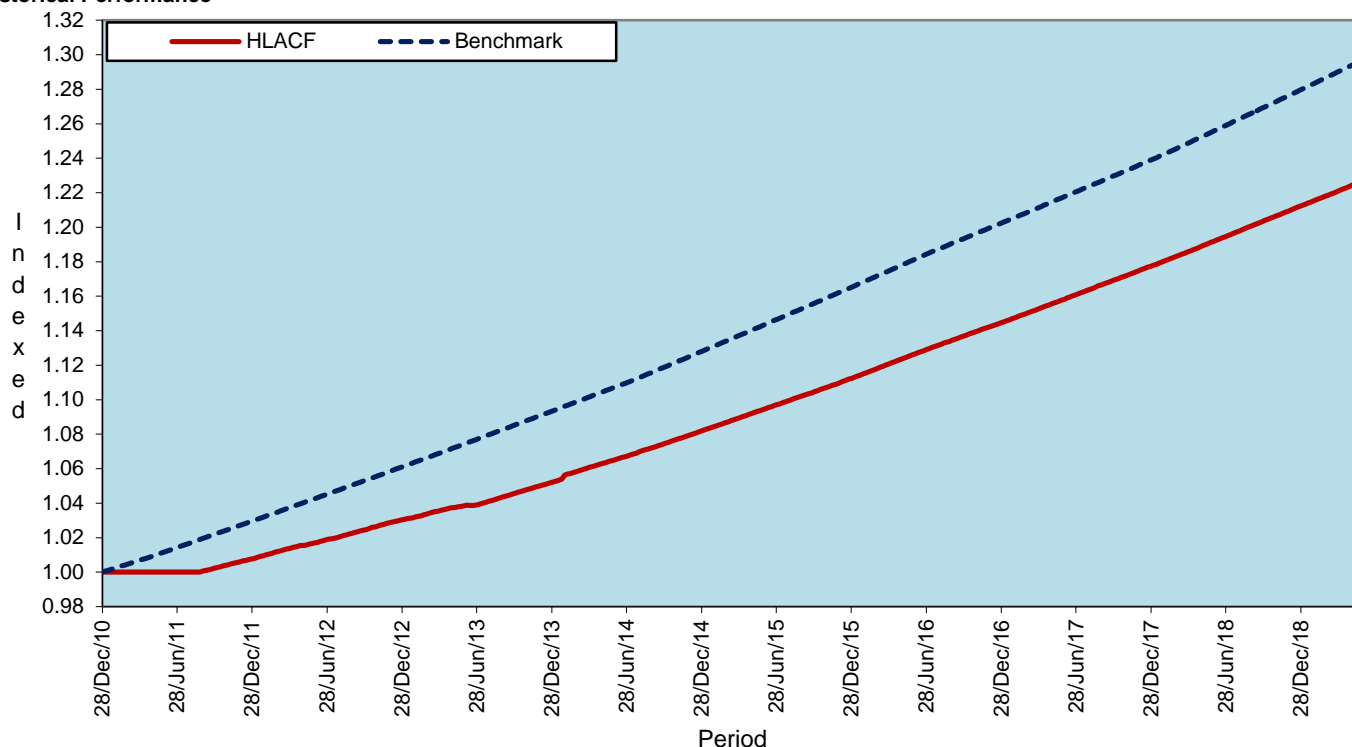
The Company reserves the right to change the Fund Management Fee (% p.a.) by giving the Policy Owner ninety (90) days prior written notice.

Asset & Sector Allocation of HLACF as at 28 May 2019



HLA Cash Fund (HLACF)

Historical Performance



	YTD	1 month	1 Year	3 Years	5 Years	Since Inception
HLACF	1.24%	0.25%	2.96%	8.94%	15.24%	22.72%
Benchmark*	1.34%	0.23%	3.26%	9.77%	17.15%	29.68%
Relative	-0.11%	0.01%	-0.30%	-0.83%	-1.91%	-6.96%

Actual Annual Investment Returns for the Past Eight (8) Calendar Years

Year	2011	2012	2013	2014	2015	2016	2017	2018
Benchmark	3.0%	3.0%	3.0%	3.1%	3.2%	3.1%	3.0%	3.3%
HLACF- Gross	1.1%	2.8%	2.6%	3.4%	3.3%	3.4%	3.4%	3.5%
HLACF - Net	0.8%	2.3%	2.1%	2.9%	2.8%	2.9%	2.9%	3.0%

Net returns are adjusted for tax and fund management fees.

Those are the actual returns in the past eight (8) years, or since inception if shorter, and are strictly the performance of the investment-linked fund. Thus, the returns are not earned on the actual premium paid of the investment-linked product.

Investment Risks

All investments carry risks. Policy Owners must be prepared to accept certain degree of risk associated with this Investment. The following are the non-exhaustive list of risks associated to this fund.

1. Counterparty risk

This refer to the possibility that the institution that the fund invested in may not be able to make the required interest payment and repayment of principal.

Risk Management

The Company has in place its Authorized Investment Framework which forms part of the Risk Management process. The authority framework will cover the nature and scope of the investment authority that is exercisable by various parties in managing the Company's investments. Besides this, sensitivity and stress testing is conducted to inform the Company's management the profit & loss profiles of their investments under different pre-defined risk scenarios and the necessary action to be taken if the potential losses exceed the Company's risk tolerance level.

Basis of Unit Valuation

- The assets of every fund are to be valued to determine the value at which units of a particular fund can be liquidated or purchased for investment purposes.
- The unit price of a unit of a fund shall be determined by the Company but in any event shall not be less than the value of fund of the relevant fund (as defined below), divided by the number of units of the given fund in issue on the business day before the valuation date, and the result adjusted to the nearest one hundredth of a cent.
- The maximum value of any asset of any fund shall not exceed the following price:
 - The last transacted market price at which those assets could be purchased or sold on the business day before the valuation date; or
 - In the case of securities for which market values are not readily available, the price at which, in our Investment Manager's opinion, the asset may have been purchased on the business day before the valuation date; plus any expenses which would have been incurred in its acquisition.
- To ensure fair treatment to all unit holders, the cost of acquiring and disposing of assets is recouped by making a transaction cost adjustment to the net asset value per unit.

Exceptional Circumstances

HLA Cash Fund (HLACF)

The Company reserves the right to defer the payment of benefits (other than death benefit) under this Policy for a period not exceeding six (6) months from the date the payment would have been normally effected if not for intervening events such as temporary closure of any Stock Exchange in which the fund is invested which the Company, in its discretion, may consider exceptional.

Basis of Calculation of Past Performance

The historical performance of the fund is calculated based on the price difference over the period in consideration compared to the older price of the period in consideration.

$$\frac{\text{Unit Price}_t - \text{Unit Price}_{t-1}}{\text{Unit Price}_{t-1}}$$

Others

HLA Cash Fund is managed by HLA. Any amount invested in this fund is invested by HLA on behalf of Policy Owner in money market instrument/s issued by licensed financial institution/s under the Islamic Financial Services Act 2013. The amount invested in this money market instrument/s is guaranteed by these financial institutions, before deducting any charge or tax. If the financial institutions issuing the money market instruments defaults or insolvent, the Policy Owner risks losing part or all of his/her amount that were invested into the instruments on their behalf by HLA.

THIS IS AN INSURANCE PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A PURE INVESTMENT PRODUCT SUCH AS UNIT TRUSTS.

Disclaimer:

Policy Owner must evaluate your options carefully and satisfy yourself that the investment-linked fund chosen meets your risk appetite. Past performance of the fund is not an indication of its future performance. The intention of this document is to enable Policy Owner to better understand the fund features and details in order to assist Policy Owner to making an informed decision. This document shall not be construed as professional advice on investment choices.

Fund Risk Type & Customer Risk Appetite

Fund Risk Type
High

Customer Risk Appetite
Aggressive

