TRADEVIEW CAPITAL
Building Wealth, Preserving Legacy

A Tale of Two Markets

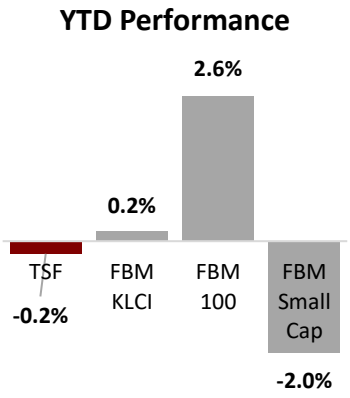
Commentaries: May 2026

Return (%)	May-26	Year-To-Date	Since Inception (TSF: Dec 22)
Tradeview Sustainability Fund (TSF)	4.9%	-0.2%	32.7%
FBM KLCI Index	-2.3%	0.2%	13.9%
FBM 100 Index	-1.1%	2.6%	20.5%
FBM Small Cap Index	-1.0%	-2.0%	1.5%

Performance vs Benchmark

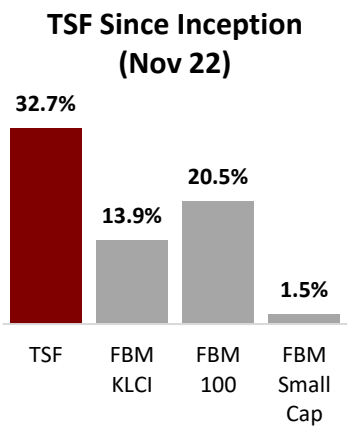
While most of the equity markets rose in May, especially those with high weightage on technology sector, Malaysia equities recorded a negative month after FBMKLCI slid 2.3%. Also, FBM100 and FBMSC both dropped 1.1% and 1.0% as well, respectively. Net outflow from foreigners in May was RM3.7 bln, turning into a net-selling position of RM748 mln year to date (YTD).

This was largely due to muted and somewhat disappointing results from the local companies, and the market is raising concerns about the sustainability of corporate earnings in the coming quarters given that there's no clear resolution on the Straits of Hormuz situation, which could result in a tighter supply of raw materials.



Sector-wise, the top three outperformers for this month were tech (+19.0%), utilities (+2.8%), and healthcare (+2.2%) while the worst performance came from energy (-7.4%), consumer (-5.9%), and plantation (-4.9%).

Tradeview Sustainability Fund (TSF) gained 4.9% in May, outperforming the FBMKLCI (-2.3%) by over 700 basis points. The outperformance was driven primarily by our foreign technology exposure in Hong Kong, validating the barbell structure we have maintained since the beginning of the year. On a YTD basis, TSF has largely recovered the drawdown from February and March, though we are not yet back to the starting line.



Portfolio Deep Dive

May was a month of active rebalancing. We closed smaller, less liquid positions and redeployed into two categories:

On the growth side, we added SkyeChip and the SK Hynix 2X ETF to increase exposure to the structural build-out in AI infrastructure. On the value/defensive side, we added Allianz on

its growing market share and consistent execution, and increased positions in Riverstone and Hartalega on improving ASP trends and steady demand recovery.

We exited Horizon Robotics entirely. The thesis has changed after the Chinese regulators suspended new autonomous driving permits in late March, they later clarified that policy remains broadly supportive but the practical effect is a delayed commercialisation timeline, which removes the near-term re-rating catalyst we were expecting. We may revisit if permit issuance resumes, but for now the risk-reward has shifted.

Key holdings now include Ambank, Ranhill, CBH Engineering, and Riverstone — balancing income generation, defensive characteristics, and recovery optionality.

Global Markets Commentary

Global equity markets remained buoyant, particularly in technology, where chipmakers delivered strong earnings and several now carry market capitalisations exceeding the GDP of mid-sized economies. Malaysia sits at the lower end of the semiconductor value chain, but the spillover — in both earnings and sentiment — has been meaningful for our tech-adjacent holdings.

The key risk we are monitoring is the Middle East situation, specifically the Straits of Hormuz. A sustained disruption would tighten energy and petrochemical supply, feeding inflation into net energy importers across Asia. We think that the probability of a full blockade remains low and the more likely path is periodic escalation followed by de-escalation. If that assessment changes, we would look to reduce exposure to cost-sensitive industrials and increase cash.

Another thing we are watching is the upcoming FOMC's decision on the Fed Fund Rate (in mid-June) and it will affect whether the current market bull run can continue.

Closing Remarks

Global markets are in a dual-narrative phase where both camps are debating whether AI and technology growth can continue, and for how long. While we are trying to be as cautious as possible, we realise that AI development has changed rapidly and transformed from an entertainment-like chatbot into a powerful productivity tool for enterprises and individuals within a few years. This may change the nature of the semiconductor industry from highly cyclical to more stable and predictable over the long term (and a potential valuation re-rating). Perhaps a closer comparison is our data plan subscription on our handsets — everyone has one, just whether you're using 4G or 5G (weaker or stronger AI).

Of course, there is no guarantee of profit in this world, especially in the financial market. We think the technology sector could hit some potholes along the way, and the possibility of a market correction is not entirely ruled out. Thus, we continue to add some defensive names whenever valuations are attractive.

Our barbell strategy has remained effective, balancing exposure to growth-oriented themes with defensive and real-asset segments to cushion volatility. As mentioned earlier, this helped us recover some lost ground at the beginning of this year, though our mission is not complete.

We will continuously take profit on certain positions to keep our cash level at no less than 10% (could be higher if necessary), so we can have more options when opportunities arise. We will always put capital preservation as our top priority and continue to focus on fundamentally strong companies, stay flexible, and take calculated risks. We believe performance will continue to recover following our portfolio optimisation endeavour.

We appreciate the continued trust and patience of our clients and will continue to work towards delivering returns.

Sincerely,

Ng Tzyy Loon,
Portfolio Manager of Tradeview Capital