Sun Life Malaysia Growth Fund

September 2026

FUND OBJECTIVE

To maximize capital growth over the medium to long-term through the stock market.

INVESTMENT STRATEGY & APPROACH

Please refer to the Master Fund Fact Sheets at https://www.sunlifemalaysia.com/insurance-and-takaful/investment-linked-fund/yearly-fund-fact-sheet/ for more information on the Investment Strategy and Approach for the target fund.

FUND DETAILS

Launch Date	20 October 2008	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	24.62 million units	Fund Size	RM93.74 million
Unit NAV	RM3.8070	Performance Benchmark	FBM100
Fund Manager	Principal Asset Management Bhd	Frequency and Basis of Unit Valuation	The unit price is determined daily based on value of the holdings in the target fund, net of expenses, divided by the total number of units in that fund
Taxation	8% of annual investment income	Other Charges	Inclusive of auditor fee
Target Market	Suitable for investors: ▪ have a medium to long-term investment horizon ▪ target capital appreciation ▪ do not require regular income ▪ are comfortable with higher volatility ▪ are willing to take higher risk for potential higher gains	Fund Management Charge	Management Fee: 1.5% p.a

ASSET ALLOCATION OF THE FUND

Equities	Cash
Minimum 80% of NAV and up to 98%	The remaining balance of funds NAV

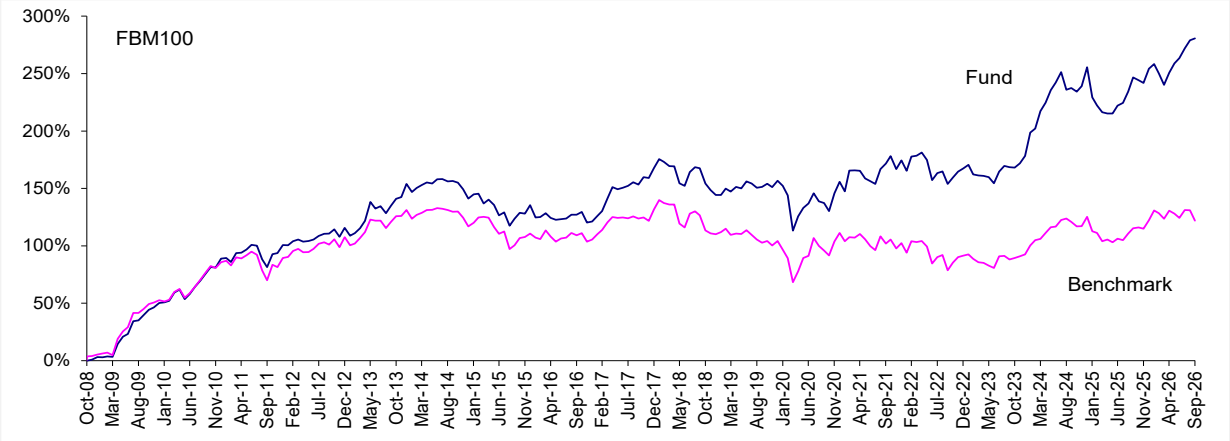
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SECTOR ALLOCATION OF THE FUND	
Financial Services	26.88%
Technology	25.18%
Industrial Products & Services	15.77%
Utilities	11.95%
Energy	6.22%
Construction	5.36%
Telecommunications & Media	2.45%
Plantation	2.35%
Consumer Products & Services	1.08%
Property	0.49%
Health Care	0.43%
Cash	1.84%
Total	100.00%

TOP HOLDINGS OF THE FUND (EQUITIES)	
CIMB Group Holdings Bhd	7.36%
Public Bank Bhd - Local	6.97%
Malayan Banking Bhd	6.56%
Kelington Group Bhd	6.31%
Solarvest Holdings Bhd	5.76%
Tenaga Nasional Bhd	5.52%
YTL Power International Bhd	5.24%
Vitrox Corporation Bhd	4.91%
Frontken Corporation Bhd	4.58%
UWC Bhd	4.34%
Total	57.55%

PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	7.44	0.45	9.82	41.76	40.13	67.61	280.70
Benchmark	-0.19	-3.90	3.09	17.96	9.88	6.12	121.97

** Calculation of past performance is based on NAV-to-NAV*

Source: Lipper

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FUND MANAGER'S COMMENTS

Market review

In September 2026, the Fund rose 0.45%, outperformed the Benchmark by 435 basis points (bps). The outperformance was mainly due to the Fund's overweight in Industrials and Information Technology, the underweight in Discretionary, Communication Services and Real Estate as well as the selection in Utilities.

Portfolio Strategy

The FBM KLCI fell 4.3% in September. Sentiment was significantly eroded by widening US Treasury yields - which rose to a 24-year high - and the unabated US-Iran conflict.

Malaysia's PMI reading eased from 50.2pts in August to 49.9pts in September, marking the first reading below 50pts in 4 months - the reading stayed above 50pts in 8 of the last 11 surveys. According to S&P Global, Malaysia's manufacturing sector still signaled broadly stable operating conditions albeit a renewed moderation in new orders and slowdown in production. Encouragingly, employment continued to rise modestly, firms accumulated stocks, and inflationary pressures continued to ease. Business confidence waned due to external uncertainties, but the expansion in employment and stock accumulation suggest that firms remain willing to expand capacity despite the headwinds. The latest PMI reading still suggests solid rise in GDP growth, alongside manufacturing growth, for 3Q26. Malaysia's GDP grew 6% in 2Q26, outperforming BNM's forecast was 4.0-5.0% for 2026. We expect BNM to stay pat on OPR for the rest of the year at 2.75%. Inflation rate was 1.9% in August, up slightly from 1.8% in July – still in line with the central bank forecast of 1.5-2.5% for the year assuming no change to the RON95 subsidies.

The KLCI is now trading at a forward PE of 13.8x, roughly -1SD below the 10-year historical mean straddling Covid-19, but still over -2SD below the mean of 16x for the 5-year period preceding 2020 – the period which coincided with the last direct investment boom. Consensus now projects earnings growth for FBM30 of c.9% for 2026 and 7% for 2027. Sustained strength in domestic investments, fiscal consolidation gathering pace and the strengthening of the Ringgit are factors we see supportive of the further narrowing of risk premiums and consequently higher valuation multiples.

Given the increasingly challenging backdrop of higher global bond yields, elevated geopolitical tensions in the Middle East, and uncertainty surrounding the timing of Malaysia's next general election, we expect market sentiment to remain cautious in the near term. We maintain a barbell investment strategy, combining core holdings in high-quality domestic leaders with resilient earnings profiles and strong fundamentals, alongside selective exposure to undervalued opportunities, earnings upgrade candidates, and structural growth beneficiaries. Our preferred sectors remain Financials, Utilities, Construction, and quality Technology. While we expect rotational interest towards laggard stocks and sectors to persist, risks from sticky inflation, slower global growth, and ongoing geopolitical uncertainties could weigh on Malaysia's economic and corporate earnings recovery.

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RISKS

All investment carries some form of risks. The potential key risks include but are not limited to the following:

Market risk	Market risk is the risk of negative movement that affects the price of all assets in a particular capital market. The factors influencing the performance of the markets include: • Economic and financial market conditions • Political change • Broad investor sentiment • Movements in interest rate and inflation • Currency risks Stock values fluctuate in response to the activities and performance of individual companies and general market or economic conditions. Such movements in the underlying values of the share of the investment portfolio will cause the NAV or prices of units to fall as well as rise. Market risk is mitigated through careful selection of securities and diversification through spreading of risk across a basket of assets and/or sectors.
Company or security specific risk	There are many specific risks, which apply to individual companies or securities. Examples include the possible effect on a company of losing a key executive or the unforeseen entry of a new competitor into the market. The risk is mitigated by conducting in-house periodic reviews and analysis. In-house analysis is then supplemented by periodic reviews from rating agencies and market analysts.
Credit risk	The risk of loss of principal or loss of a financial reward stemming from counterparty's failure to repay a loan or otherwise meet a contractual obligation. This risk is primarily applicable to the liquid assets of this fund. Credit risk is mitigated by conducting in-house periodic reviews and analysis. In-house analysis is then supplemented by periodic reviews from rating agencies and market analysts.

Source : Principal Asset Management Bhd

Disclaimer:
This is strictly the performance of the investment fund, and not the returns earned on the actual premiums paid of the investment-linked product. Past performance of the fund is not an indication of its future performance. The performance of the fund is not guaranteed. The value of the fund will fluctuate and may fall below the amount of premiums paid and the fund value depends on the actual performance of the underlying investment. This material is for information purposes only and is subject to change at any time without notice. Sun Life Malaysia does not guarantee its accuracy, completeness, correctness or timeliness for any purpose or reason. This information should not be considered as advice or recommendation in relation to your account or particular investment objectives, financial situation or needs. You may not revise, transform, or build upon this material without prior written consent of Sun Life Malaysia. Before acting on any information you should seek independent financial advice. Sun Life Malaysia may suspend the unit pricing and defer the payment of benefits, other than death and total and permanent disability benefits, subscription or redemption of units, switching of funds, under this contract for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange.