Sun Life Malaysia Conservative Fund

September 2026

FUND OBJECTIVE

To achieve medium to long term capital appreciation through investments primarily in Malaysian bonds.

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	22.91 million units	Fund Size	RM39.24 million
Unit NAV	RM1.7125	Performance Benchmark	12 month FD
Fund Manager	Principal Asset Management Bhd	Frequency and Basis of Unit Valuation	The unit price determined daily based on the value of our 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 & transaction charge
Target Market	Suitable for investors: ▪ Have a medium to long term investment horizon ▪ Want a diversified portfolio of fixed interest securities ▪ Are looking for a less volatile investment but can accept lower returns	Fund Management Charges	Management Fee: 1.0% p.a

ASSET ALLOCATION OF THE FUND

Bonds/Debentures	Cash
Minimum 80% of Net Asset Value (NAV)	Balance of fund

SECTOR ALLOCATION OF THE FUND

Corporate Bond	Government Bond	Short Term Paper	Cash	Total
86.43%	4.45%	1.04%	8.08%	100.00%

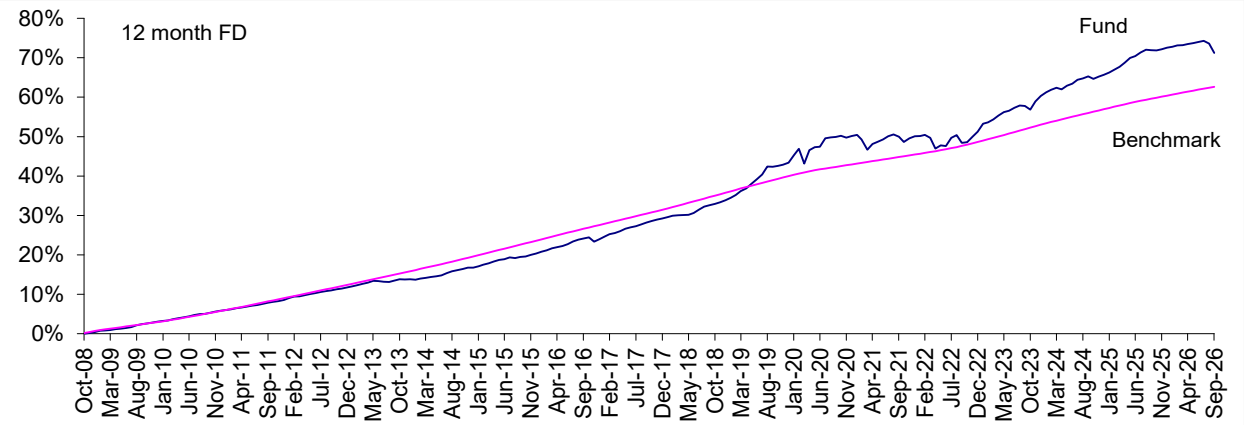
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TOP HOLDINGS OF THE FUND

Bond Issuer	Coupon	Maturity Date	%	Bond Issuer	Coupon	Maturity Date	%
7-Eleven Malaysia Holdings Bhd	4.56%	13/02/2031	3.23	Toyota Capital (M) Sdn Bhd	4.05%	24/06/2033	2.50
Pengurusan Air SPV Bhd	4.00%	03/06/2036	3.11	Malayan Banking Bhd	4.05%	11/08/2036	2.36
Perbadanan Kemajuan Pertanian Negeri Pahang	4.36%	29/10/2027	2.59	OSK Rated Bond Sdn Bhd	4.12%	02/03/2035	2.08
Malaysian Government	3.844%	15/04/2033	2.57	Dialog Group Bhd	4.53%	28/01/2032	1.81
STM Lottery Sdn Bhd	4.46%	30/06/2031	2.55	YTL Power International Bhd	4.165%	22/07/2033	1.79

PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	-0.76	-1.35	-0.41	8.53	14.17	37.94	71.25
Benchmark	1.40	0.15	1.90	7.08	12.31	28.47	62.65

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

Source: Lipper

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FUND MANAGER'S COMMENTS

Market Review

Malaysia's economic outlook remains resilient, supported by domestic demand, E&E exports, private investment, and tourism activity. However, geopolitical tensions, tighter global financial conditions, and evolving political developments ahead of GE16 remain key risks to growth and market sentiment.

From a bond market perspective, October's heavier government bond supply and increased Q4 corporate issuance could create near-term technical headwinds. Nevertheless, recent yield sell-offs have improved valuations, particularly in the front-to-intermediate segment of the MGS curve, while credit demand remains concentrated in shorter and intermediate tenors.

Outlook & Strategy

We expect BNM to keep the OPR unchanged at 2.75% as inflation remains manageable and domestic growth stays resilient. Following the recent bond market correction, valuations across both government and corporate bonds have become more attractive, particularly in the belly of the curve, although volatility in USTs remains a key risk to local yields and foreign flows.

We continue to favour high-quality corporate bonds, particularly primary issuances, where weaker market sentiment may provide more attractive entry opportunities.

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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 Securities 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 securities 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.
Interest rate risk	Interest rates are inclined to fluctuate over time. A rise in the general level of interest rates will result in a decline of the value of all bonds and fixed interest securities. Hence a bond fund's NAV will most probably decrease with the rise of interest rates. Maintaining an appropriate diverse mix of assets with different yield and maturity profiles will lessen the impact of interest rate risk.
Liquidity risk	Liquidity risk is defined as the ease with which a security can be sold at or near its fair value depending on the volumes traded on the market. Liquidity risk is mitigated through the selection of stocks with an active trading volume in the open market. This ensures that exit strategies can be executed with little/minimal impacts to price fluctuations.
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	Credit risk refers to an issuer's ability to make timely payments of profit and principal. In the event that the issuer of the instrument is faced with financial difficulties, leading to a decrease in their credit worthiness (i.e Bond prices will change/drop in the event of rating downgrade) and default in the payment of profit and principal, the value of the fund may be adversely affected. 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.