Sun Life Malaysia
Asia Pacific Dynamic Income Fund
April 2025

FUND OBJECTIVE

The fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

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	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	193.76 million units (30 April 2025)	Fund Size	RM315.27 million (30 April 2025)
Unit NAV	RM1.6271 (30 April 2025)	Target Fund	Principal Asia Pacific Dynamic Income Fund - Class MYR
Fund Manager	Principal Asset Management Bhd	Taxation	8% of annual investment income
Performance Benchmark	8% p.a	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
Target Market	Suitable for investors: ▪ Have a medium to long-term investment horizon ▪ Want a well-diversified portfolio of Asia Pacific ex Japan region ▪ Seek regular income ▪ Can accept that returns may fluctuate over the investment period	Fund Management Charge	▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund ▪ Up to 1.8% pa of fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd

ASSET ALLOCATION OF THE TARGET FUND

Equities	Collective Investment Schemes (CIS)	Liquid assets
Minimum 60% and up to 98% of Net Asset Value (NAV)	Maximum 20% of NAV	Minimum 2% of NAV

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SECTOR ALLOCATION OF THE TARGET FUND

Industrials	17.46%
Information Technology	15.16%
Communication Services	13.10%
Others	11.90%
Financials	11.24%
Consumer Discretionary	10.92%
Mutual Fund	5.90%
Materials	4.86%
Real Estate	4.42%
Cash	5.04%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Tencent Holdings Ltd (Hong Kong)	6.63%
Taiwan Semiconductor Manufacturing (Taiwan)	5.18%
Alibaba Group Holdings Ltd (Hong Kong SAR)	4.27%
Singapore Technologies Engineering Ltd (Singapore)	3.91%
NEXT FUNDS TOPIX Banks Exchange Traded Fund (Japan)	3.60%
Hong Kong Exchanges And Clearing Ltd (Hong Kong)	3.37%
Xiaomi Corporation (Hong Kong)	2.99%
KT Corporation (United States)	2.63%
SGH Ltd (Australia)	2.52%
HDFC Bank Ltd ADR (United States)	2.41%
Total	37.51%

PERFORMANCE RECORD

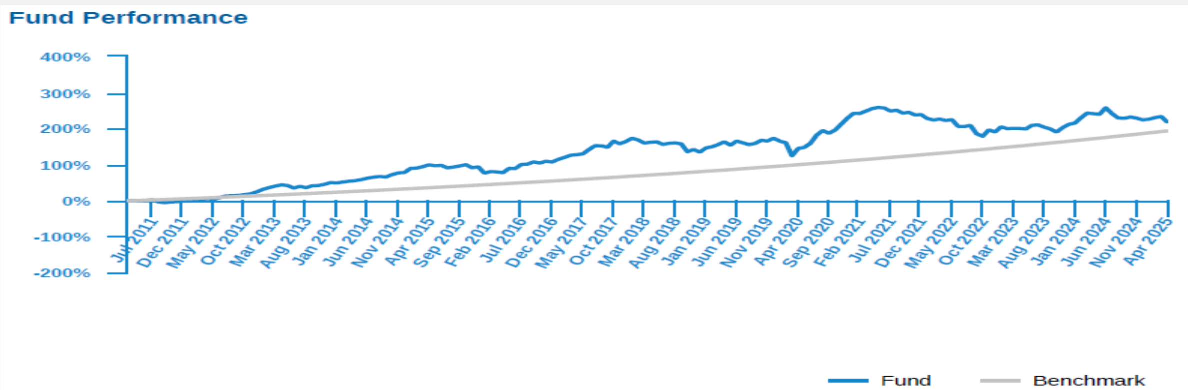
This fund feeds into Principal Asia Pacific Dynamic Income Fund - Class MYR ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark as at 30 April 2025:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
Fund*	-1.69	-4.37	-4.38	-6.05	-0.66	28.50	62.71
Benchmark	2.56	0.63	1.89	7.98	25.97	46.91	119.89

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

Graph below shows the historical performance of the underlying collective investment schemes (CIS) for calendar year returns:



Source: Lipper

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FUND MANAGER'S COMMENTS

The Fund was down 4.37% in MYR terms in April, underperforming the benchmark by 374 bps. YTD, the Fund is down 1.69%, underperforming the benchmark by 87 bps.

The MSCI AC Asia Pacific ex Japan Index advanced by 1.4% in April in USD terms. The markets recovered some lost ground after Trump announced a 90 days pause on the reciprocal tariffs (except China). Policy uncertainty with implications for inflation and global growth outlook, remain the key drivers of equity markets. With tariff rates between US and China at>125% and signs of talks resuming, we are probably passing peak tensions. We think that the incentive to de-escalate would rise as domestic economic conditions worsen. Beijing is open to trade negotiations, but we assume that tariffs remain high at around 30-40% by end-2025. China's macro data in April (PMI, new home sales) started to deteriorate, after stronger than expected 1Q GDP growth of 5.4% YoY which was boosted by front-loading of exports. China's macro data will probably decelerate from 2Q as the export sector slows. The Politburo meeting at end of April signaled that the Chinese government is adopting a wait-and-see stance while reiterating loose monetary and fiscal policies ahead. We anticipate a supplementary fiscal package amounting to 1-1.5% of GDP in 2H25 coupled with monetary easing in the form of a 50bp RRR cut and 20bp policy rate reduction. Any decisive move to elevate domestic consumption as a growth driver will be viewed positively. We have a cautious view on Asian equities. With the potential de-escalation, offset against growth pressures from tariffs and soft business confidence, risk appetite will swing between caution and conviction. Hence we are judicious in our stock selection to help differentiate performance in this changing environment. Our preference is for domestic-oriented companies and quality cyclicals with visible growth and high free cash flow generation. Our ideas include beneficiaries of Emerging Technologies, selective Chinese domestic consumption and deeply discounted cyclical names, industrial names with exposure to infrastructure and defense capex, high dividend yielders across sectors in communications, financials and consumer. Risks would be (1) full blown trade war globally, (2) global recession, and (3) rising geopolitical risks.

RISKS

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

Stock specific risk	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the target fund's NAV.
Country risk	Investments of the target fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the target fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the target fund in those affected countries. This in turn may cause the NAV of the target fund or price of units to fall.
Liquidity risk	Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the target fund holds assets that are illiquid, or are difficult to dispose of, the value of the target fund will be negatively affected when it has to sell such assets at unfavourable prices.
Currency risk	As the investments of the target fund may be denominated in currencies other than the base currency of the target fund, any fluctuation in the exchange rate between the base currency of the target fund and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency of the target fund, this will have an adverse effect on the NAV of the target fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
Credit and default risk	The target fund will be exposed to a certain degree of credit and default risk of issuers or counterparties when the target fund invests in debt securities, money market instruments and/or place deposits. Credit risk relates to the creditworthiness of the securities issuers or counterparties and their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuers or counterparties may impact the value as well as liquidity of the investments. In the case of rated debt securities, this may lead to a credit downgrade. Default risk relates to the risk that a securities issuer or counterparty either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investments. This could adversely affect the value of the target fund. Principal (S) aims to mitigate this risk by performing bottom-up and top-down credit research and analysis to determine the creditworthiness of its issuers or counterparties, and impose investment limits on exposures for issuers or counterparties with different credit profiles as a precautionary step to limit any loss that may arise directly or indirectly as a result of a defaulted transaction.

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April 2025

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RISKS (CONTINUED)

Interest rate risk	Interest rate risk refers to the impact of interest rate changes on the valuation of debt securities. When interest rates rise, debt securities prices generally decline and this may lower the market value of the target fund's investment in debt securities. In managing the debt portfolio, Principal (S) takes into account the coupon rate and time to maturity of the debt securities with an aim to mitigate the interest rate risk.
Risk associated with investing in CIS	Since the target fund may invest entirely into CIS, there is a risk of concentration into CIS, in which the CIS's management company has absolute discretion over the CIS's investment technique and knowledge, operational controls and management. In the event of mismanagement of the CIS and/or the management company, the NAV of the target fund, which invests into those CIS would be affected negatively. Should the situation arise, Principal (S) will seek for another CIS that is consistent with the objective of the target fund.
Risk of investing in emerging markets	In comparison with investments in the developed markets, investment in emerging markets may involve a higher degree of risk due to the greater possibility of political or economic instability and societal tensions. Emerging markets are markets that are, by definition, "in a state of transition" and are therefore exposed to rapid political change and economic declines. The securities in the emerging markets may face a higher risk of price drop while the exchange rates in these emerging markets are generally more volatile than those of developed markets. As such, you should be aware that investments in emerging markets may be subject to higher price volatility and therefore will tend to have a higher investment risk that will affect the target fund's growth. Principal (S) will attempt to mitigate these risks through active asset allocation management and diversification, in addition to their continuous bottom-up and top-down research and analysis.

Source : Principal Asset Management Bhd
Date : 30 April 2025