



FUND OBJECTIVE

To provide a balanced exposure into equities and 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	13.97 million units	Fund Size	RM32.69 million
Unit NAV	RM2.3404	Performance Benchmark	50% FBM100 + 50% 12 month FD
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: ▪ Want a balanced portfolio between equities and bonds ▪ Are risk neutral between bonds and equities	Fund Management Charge	The fund will feed into Sun Life Malaysia Growth Fund and Sun Life Malaysia Conservative Fund which applies the following fund management charges: ▪ Sun Life Malaysia Growth Fund: 1.5% p.a ▪ Sun Life Malaysia Conservative Fund: 1.0% p.a ▪ There are no other fund management charges on this fund.

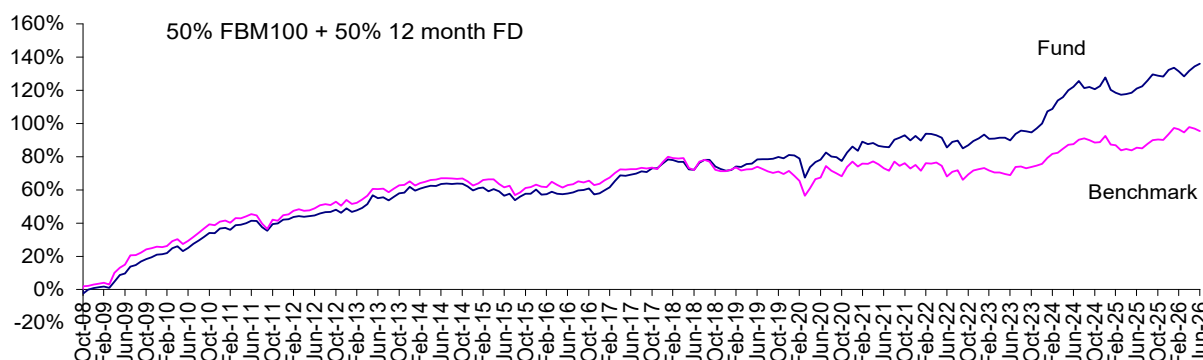
ASSET ALLOCATION

Sun Life Malaysia Conservative Fund	Sun Life Malaysia Growth Fund
50.00%	50.00%

WHERE THE FUND INVESTS

Sun Life Malaysia Conservative Fund	Sun Life Malaysia Growth Fund	Cash	Total
50.28%	49.77%	-0.05%	100.00%

PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	1.60	0.68	6.79	24.30	26.89	49.54	135.97
Benchmark	0.96	-0.74	5.38	15.72	12.96	20.00	95.39

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

Source: Lipper

FUND MANAGER'S COMMENTS

In June 2026, the Fund's performance increased by 0.68%, outperforming the benchmark by 1.42%.

The FBM KLCI fell further 1.1% in June, but a wider 4% in USD terms due to the Ringgit weakness. YTD, the KLCI is down 1% in LCY and 1.6% in USD terms. Despite the de-escalation of the war in the Middle East, overall sentiment was dented by renewed hawkishness by the Fed through the new Fed Chair Kevin Warsh's maiden public address, with the market now expecting up to 2 hikes by end-2026. Consequently, the Dollar strengthened notably, which resulted in diminishing appeal of EM.

Malaysia's PMI reading improved from 49.9pts in May to 50.7pts in June. According to S&P Global, Malaysia's manufacturing sector saw fresh expansion in production amid renewed rise of new factory orders. That said, purchasing and hiring activities remained relatively muted as firms remain cautious and focuses on rebuilding margins following the war in the Middle East. Producers remain generally optimistic that output will expand over the next year. The latest PMI reading suggests growth rates for both GDP and official manufacturing production should trend higher in 2Q26. Malaysia's GDP grew 5.4% in 1Q26, marginally ahead of advance estimates. BNM 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 edged up further to 2.0% in May from 1.9% in the previous month driven by the increase in ICT, F&B and housing costs. The central bank forecast inflation of 1.5-2.5% for the year assuming no change to the RON95 subsidies.

The MGS yield curve moved modestly higher in the month of June, with the increase slightly more pronounced at the long end, resulting in a mild bear steepening bias. The 3Y and 10Y benchmarks rose by 3bps each, while the 30Y benchmark increased by 4bps. Meanwhile, the 5Y and 15Y tenors were largely unchanged. MGS term spreads remained tight relative to historical averages, particular in the 10Y-30Y segment, suggesting limited term premium and relatively rich long-end valuations.

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 and/or 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 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.
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.