

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	26.43 million units	Fund Size	RM89.89 million
Unit NAV	RM3.4015	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: <ul style="list-style-type: none"> ▪ 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

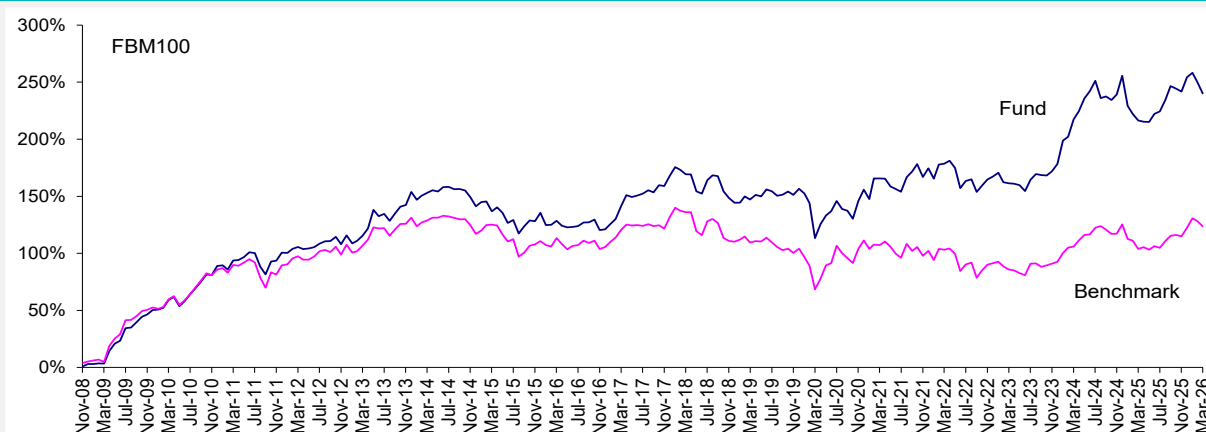
SECTOR ALLOCATION OF THE FUND

Financial Services	37.46%
Industrial Products & Services	12.44%
Utilities	7.22%
Construction	6.38%
Healthcare	5.92%
Plantation	5.47%
Consumer Products & Services	5.07%
Technology	3.62%
Energy	3.48%
Telecommunications & Media	2.82%
Property	2.32%
REIT	1.73%
Transportation & Logistics	1.30%
Cash	4.78%
Total	100.00%

TOP HOLDINGS OF THE FUND (EQUITIES)

Malayan Banking Bhd	8.56%
Public Bank Bhd - Local	8.28%
CIMB Group Holdings Bhd	7.93%
AMMB Holdings Bhd	6.19%
Tenaga Nasional Bhd	6.17%
Press Metal Aluminium Holdings Bhd	5.34%
IHH Healthcare Bhd	4.73%
SD Guthrie Bhd	4.20%
RHB Bank Bhd	3.71%
Kelington Group Bhd	2.95%
Total	58.05%

PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	-4.00	-2.86	7.51	30.16	28.03	48.89	240.15
Benchmark	0.56	-2.08	9.65	20.38	7.92	4.79	123.63

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

Source: Lipper

FUND MANAGER'S COMMENTS

Market review

In March 2026, the Fund was down 2.86%, underperformed the Benchmark by 78 basis points (bps). The underperformance was mainly due to the Fund's overweight in Industrials, underweight in Consumer Staples and selection in Energy, Healthcare, Materials and Real Estate.

Portfolio Strategy

The FBM KLCI fell 1.5% in March but a larger 5.3% in USD terms, due to the Ringgit weakness. Malaysia still outperformed MSCI ASEAN's 8.5% decline during the month. Sentiment continues to be affected by the war in the Middle East, and to some extent waning hopes of Fed cuts.

Malaysia's manufacturing sector saw fresh improvements in March with a PMI reading of 50.7pts vs 49.3pts in February, on the back of renewed growth in output and employment. Purchasing activity eased, driven by limited shipment container availability and higher prices of raw materials and transportation resulting from the war in the Middle East, which in turn led to input cost inflation rising at the fastest pace since October 2024. Employment rose following two consecutive months of decline, with firms adding full-time staff to their payroll. Business sentiment eased further to a 7-month low. The latest PMI reading suggests GDP growth of 5.5% based on historical relationship. To recap, Malaysia's GDP grew 5.2% in 2025. BNM latest forecast is now 4.0-5.0% for 2026 vs 4.0-4.5% previously, the higher ceiling due to better-than-expected domestic demand and trade. We expect BNM to stay pat on OPR for the rest of the year at 2.75%. Inflation slowed to 1.4% in February from 1.6% in January; the central bank forecast inflation of 1.5-2.5% (vs 1.3-2.0% previously) for the year assuming to change to the RON95 subsidies.

The KLCI is now trading at a forward PE of c.14.5x, which is 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.7% for 2026 and 2027. Sustained strength in domestic investments (both DDI and FDI), 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.

We advocate a barbell strategy given the still uncertain global environment. Our positioning anchors the portfolio in companies with strong domestic earnings visibility, providing resilience against any external volatility, while selectively adding undervalued names supported by strong catalysts for recovery. In addition, we also maintain tactical exposure to beneficiaries of elevated oil prices and industry leaders poised to capitalize on favorable sector trends. We stay focused in names in the Financials, Utilities and Industrials space while being selective in the technology and O&G sector. Key risks include the potential derailment of Malaysia's macroeconomic recovery and corporate earnings growth due to the higher-than-expected inflation, slower global economic growth, and heightened geopolitical tensions.

RISKS

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

Market risk	<p>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:</p> <ul style="list-style-type: none">• Economic and financial market conditions• Political change• Broad investor sentiment• Movements in interest rate and inflation• Currency risks <p>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.</p>
Company or security specific risk	<p>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.</p>
Credit risk	<p>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.</p>

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.