

FUND OBJECTIVE

Aims to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

INVESTMENT STRATEGY & APPROACH

Please refer to the Yearly 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 of the target fund.

FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	229.78 million units (30 September 2025)	Fund Size	RM337.26 million (30 September 2025)
Unit NAV	RM1.4678 (30 September 2025)	Target Fund	Principal Islamic Asia Pacific Dynamic Equity Fund – Class MYR
Fund Manager	Principal Asset Management Bhd	Taxation	8% of annual investment income
Performance Benchmark	MSCI AC Asia ex Japan Islamic Index	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 long-term investment horizon ▪ Want a portfolio of investments that adhere to Shariah principles ▪ Want a well-diversified portfolio of Asia Pacific ex Japan regional equities ▪ Seek capital appreciation over long-term	Fund Management Charge	Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Asia Pacific Equity Fund

ASSET ALLOCATION OF THE TARGET FUND

Shariah-compliant equities	Sukuk and Islamic deposit	Islamic liquid assets
Minimum 70% and up to 98% of Net Asset Value (NAV)	Up to 30% of NAV	Minimum 2% of NAV

Sector Allocation of the Target Fund	
Information Technology	45.17%
Industrials	12.36%
Consumer Discretionary	10.36%
Health Care	9.21%
Materials	5.42%
Energy	3.96%
Others	3.51%
Real Estate	3.33%
Mutual Fund	1.24%
Cash	5.44%
Total	100.00%

Top Holdings of the Target Fund	
Samsung Electronics Co Ltd (South Korea)	9.91%
SK Hynix Inc (South Korea)	8.48%
Hon Hai Precision Industry Co (Taiwan)	6.97%
Samsung Electronics (South Korea)	4.81%
Taiwan Semiconductor Manufacturing (Taiwan)	4.13%
Contemporary Amperex Technology (China)	3.74%
XiaoMi Corporation (Hong Kong)	3.37%
Reliance Industries Ltd (India)	2.97%
Apollo Hospitals Ent Ltd (India)	2.71%
WuXi AppTec Co Ltd (China)	2.52%
Total	49.61%

Performance Record

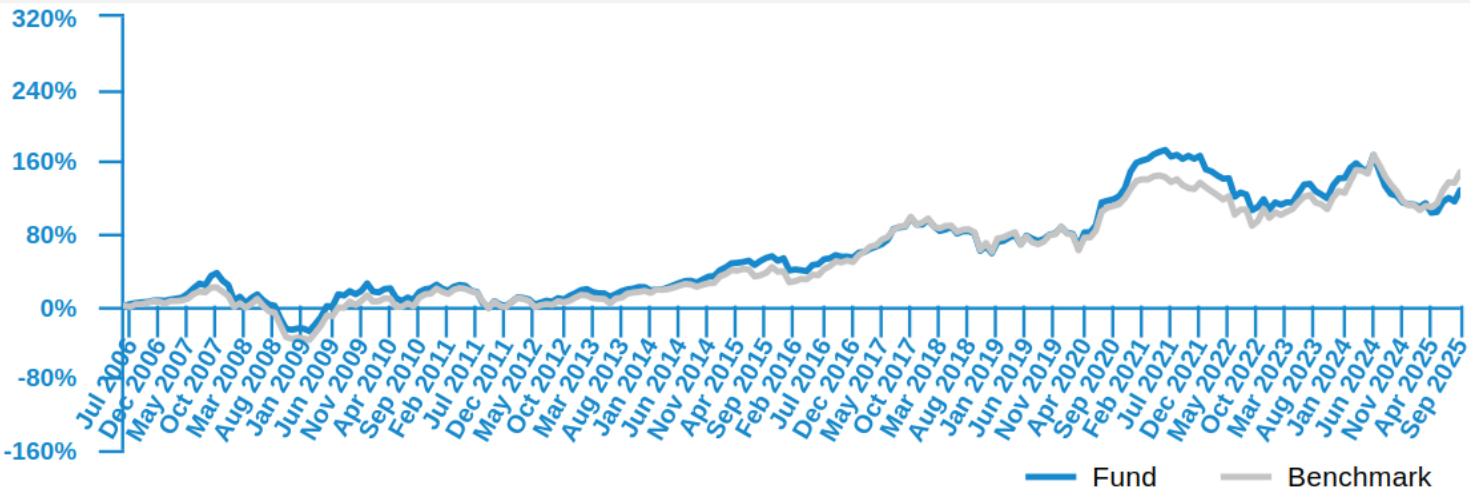
This fund feeds into Principal Islamic Asia Pacific Dynamic Equity Fund – Class MYR ("target fund") with the objective to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

Table below shows the investment returns of Sun Life Malaysia Islamic Asia Pacific Equity Fund versus its benchmark as at 30 September 2025:

%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	6.68	5.30	1.66	9.75	4.50	46.60	46.78
Benchmark	17.25	4.99	5.86	31.45	17.75	81.79	87.06

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

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



Source: Morningstar

FUND MANAGER'S COMMENTS

During September, our Fund delivered 5.30% in MYR terms, outperforming the benchmark by 31 basis points (bps). Year-to-date, our Fund has underperformed the Benchmark by 1057bps.

September saw large gains in the Korean market, which was the biggest gainer globally with a return of 10.3%. This was driven by positive news flow on legislative changes as well as upward revisions in earnings for the IT sector. AI related names saw the largest gains, with heavy hitters like SK Hynix and Samsung Electronics pushing the index higher. Markets are expecting investments by Cloud Service Providers to accelerate in 2026, providing a lift to the entire supply chain.

The Fed cut rates by 25bps in September, a move that was well within the expectations of the market. This signals the easing cycle to come over the next year, with market participants pricing in more rate cuts to come. The move came despite mixed data on jobs in the US, with unemployment rate ticking upwards but non-farm payrolls exceeding expectations. Economic growth in the US has proven to be resilient but at the same time more reliant on investments compared to the past.

MSCI AC Asia ex Japan Islamic Index is trading at 18.7x FY25E, more expensive compared to its 5-year range of 16.5x.

In September we added to our weights in technology and healthcare. Results season showed positive momentum in the tech space and in September the upward revisions continued. We also saw positive news in the AI space that further increased investor expectations of earnings growth. The portfolio remains modestly overweight in tech, industrials and consumer discretionary while the biggest underweights are in energy and consumer staples.

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.
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 in the base currency 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.
Risks associated with investment in warrants and/or options	There are inherent risks associated with investment in warrants and/or options. The value of warrants and/or options are influenced by the current market price of the underlying security, the exercise price of the contract, the time to expiration of the contract and the estimate of the future volatility of the underlying security's price over the life of the contract. Generally, the erosion in value of Shariah-compliant warrants accelerates as it approaches its expiry date. Like securities, Principal will undertake fundamental research and analysis on these instruments with an aim to mitigate its risks.
Credit/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 Sukuk and/or place Islamic deposits. Credit risk relates to the creditworthiness of the securities issuers or counterparties and their expected ability to make timely payment of profit 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 Sukuk, 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 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.

RISKS (CONTINUED)

Interest rate risk

Interest rate risk refers to the impact of interest rate changes on the valuation of Sukuk and Islamic money market instruments. When interest rates rise, Sukuk and Islamic money market instruments' prices generally decline and this may lower the market and Islamic money market instruments. In managing the Sukuk, Principal takes into account the coupon rate and time to maturity of the Sukuk with an aim to mitigate the interest rate risk. As for Islamic money market instruments, the typical tenor of these instruments are less than 12-month maturity and unlike Sukuk, any change to interest rate will only have a minor impact to the prices of these instruments.

Note: Please note that although Sukuk is a non-interest bearing instrument, its price movement is correlated to the movement in the interest rates. As such, investment in Sukuk will have an exposure to the movement of the interest rates. Even though the target fund does not invest in interest bearing instruments, the interest rate referred herein is to the general interest rate of the country, which may affect the value of the investment of the target fund.

Risk associated with investing in CIS

Since the target fund may invest into Islamic CIS, there is a risk of concentration into Islamic CIS, in which the Islamic CIS's management company has absolute discretion over the Islamic CIS's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Islamic CIS and/or the management company, the NAV of the target fund, which invests into those Islamic CIS would be affected negatively. Should the situation arise, Principal will seek for another Islamic CIS that is consistent with the objective of the target fund.

Source : Principal Asset Management Bhd
Date : 30 September 2025

Disclaimer:
This is strictly the performance of the investment fund, and not the returns earned on the actual takaful contributions 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 contributions 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.