

Sun Life Malaysia

Asia Pacific Dynamic Income Fund

February 2026



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	194.54 million units	Fund Size	RM393.15 million
Unit NAV	RM2.0209	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: <ul style="list-style-type: none"> ▪ 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.

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

Information Technology	33.81%
Financials	15.08%
Industrials	13.61%
Consumer Discretionary	10.51%
Mutual Fund	6.65%
Materials	5.31%
Communication Services	4.46%
Others	3.99%
Real Estate	2.67%
Cash	3.91%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Taiwan Semiconductor Manufacturing (Taiwan)	10.59%
Samsung Electronics Co Ltd (South Korea)	9.12%
Tencent Holdings Ltd (Hong Kong)	4.46%
SK Hynix Inc (South Korea)	3.99%
Alibaba Group Holding Ltd (China)	3.77%
VanEck Gold Miners ETF (United States)	3.21%
AIA Group Ltd (Hong Kong)	2.45%
Keppel Ltd (Singapore)	2.06%
HD Hyundai Electric Co Ltd (South Korea)	2.06%
Galaxy Entertainment Grp Ltd (Hong Kong)	2.05%
Total	43.76%

PERFORMANCE RECORD

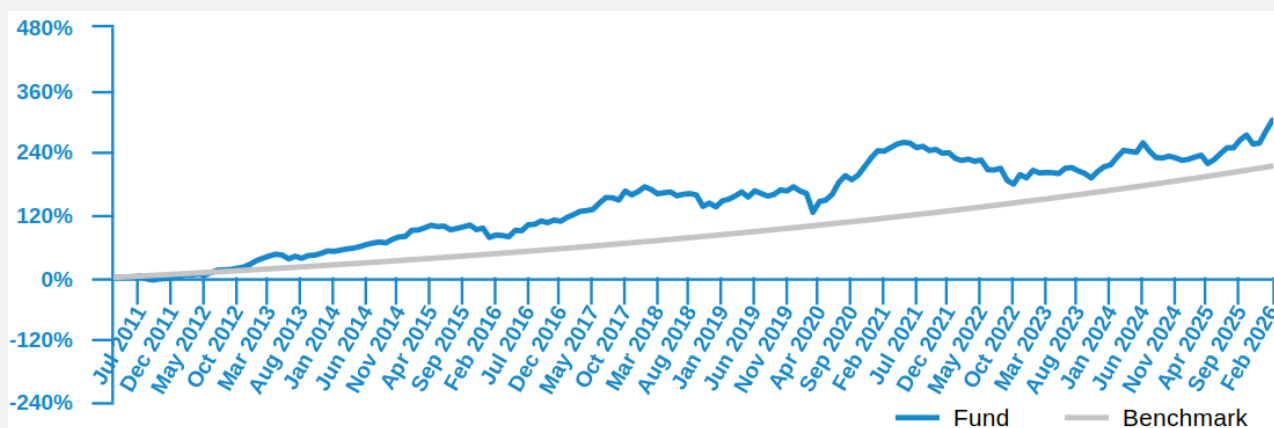
This fund feeds into Principal Asia Pacific Dynamic Income Fund - Class MYR ("target fund") with the objective to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long-term.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Dynamic Income Fund versus its benchmark:

%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	11.31	5.09	20.03	31.64	17.06	113.27	102.09
Benchmark	1.25	0.59	8.00	25.97	46.93	115.75	134.51

* 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 rose 5.09% in MYR terms in February, outperforming the benchmark by 450 bps, and bringing the YTD outperformance against the benchmark by 1006 bps.

The MSCI AC Asia Pacific ex Japan Index kicked off the year to a great start, advancing 6% in February in USD terms. Korea and Thailand were the outperformers, while China and Indonesia lagged.

The USD appreciated by 0.64% MoM and the US 10-year bond yields fell 30bps to end the month at 3.94%. Commodities prices continued to surge and gold jumped 7.9% on concerns over geopolitics.

US CPI in February was at 2.4%YoY which was in line with expectations.

China's manufacturing PMI fell below 50 in January but is making some progress to move out of the deflationary environment, with CPI at 0.2% in January and PPI is -1.4%YoY versus 1.9%YoY in December. Shanghai relaxed home purchase restrictions for non-local residents and raised the maximum loan quotas, attempting to stabilize its housing market. More cities may follow.

Earnings growth for 2026 is strong at 35% for Asia. Earnings upward revisions have been significant in Korea and Taiwan due to upgrades seen in Information Technology sector.

The key risks in the near term are an extended conflict in Iran, significant damage to infrastructure, escalation of the conflict beyond countries in the Middle East.

Given the geopolitical tensions in the Middle East, volatility should ensue in the Asian markets. As we expect the broadening of markets beyond technology, we have added to our exposure in industrials, materials, and financials. We will continue to focus on companies with quality growth and/or high free cashflow and/or improving capital management, e.g., selected consumer discretionary, staples, gaming, property. We prefer technology, financials and industrials with exposure to defence, nuclear, power equipment.

Risks would be (1) reduction in AI Capex, (2) sticky inflation, and (3) a prolonged war in Middle East causing oil prices to be higher for longer.

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.

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

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.