

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	28.40 million units (30 September 2025)	Fund Size	RM98.44 million (30 September 2025)
Unit NAV	RM3.4666 (30 September 2025)	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: ▪ 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

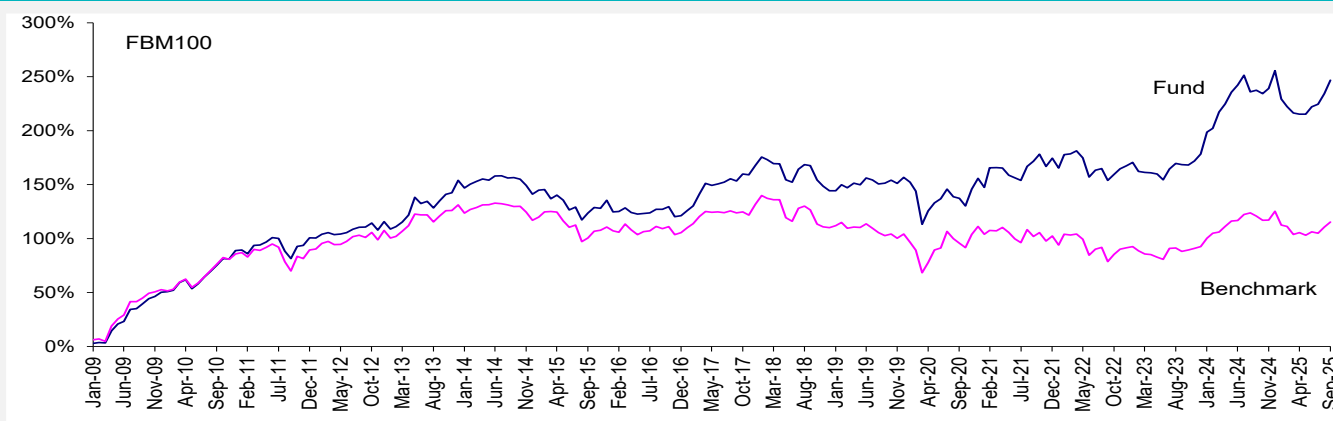
SECTOR ALLOCATION OF THE FUND

Financial Services	27.65%
Utilities	12.70%
Construction	12.47%
Industrial Products & Services	11.97%
Energy	7.97%
Property	6.70%
Technology	3.98%
Consumer Products & Services	3.76%
Telecommunications & Media	2.57%
REIT	2.05%
Plantation	1.93%
Transportation & Logistics	1.86%
Healthcare	1.82%
Cash	2.57%
Total	100.00%

TOP HOLDINGS OF THE FUND (EQUITIES)

CIMB Group Holdings Bhd	8.36%
Tenaga Nasional Bhd	6.74%
Public Bank Bhd - Local	6.32%
Malayan Banking Bhd	5.39%
Gamuda Bhd	5.22%
AMMB Holdings Bhd	4.10%
Press Metal Aluminium Holdings Bhd	3.55%
YTL Power International Bhd	3.29%
IJM Corporation Bhd	3.01%
Dialog Group Bhd	2.80%
Total	48.78%

PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	-2.51	3.70	2.71	36.53	46.04	54.97	246.66
Benchmark	-4.43	2.16	-2.49	20.50	9.96	7.34	115.33

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

FUND MANAGER'S COMMENTS

Market review

In September 2025, the Fund rose 3.7%, outperformed the Benchmark by 154 basis points (bps). The outperformance was mainly due to the Fund's overweight in Industrials, as well as the selection in Consumer Staples and Utilities.

Portfolio Strategy

Following a strong August where sentiment improved dramatically following the passing of the US tariff deadline, the KLCI rallied a further 2.3% in September 2025. YTD, Malaysia has almost squared off losses in the local currency term, but up 6% in USD. Investors appear to cheer the Government's cash handouts and lower petrol prices, which should help sustain domestic consumption, with Consumer-related names benefiting.

Malaysia's manufacturing sector remained close to stabilization in September with a relatively unchanged reading of 49.8pts vs 49.9pts in the previous month. According to S&P Global, new orders rose in consecutive months for the first time in 15 months but output scaled back fractionally. Where new order rose, firms mentioned new project launches and higher client confidence, notably in the domestic economy. Firms were also buoyed by a milder rise in input price inflation, which was at a 5-month low, amid softer raw material price pressure. Business sentiment strengthened from August, with the degree of confidence the highest since February - manufacturers remain upbeat on output growth in the coming year. The latest PMI reading suggests that GDP growth in 3Q25 could see an uptick from the previous quarter. To recap, Malaysia's GDP grew 4.4% in 2Q25 similar to 1Q25. BNM now expects Malaysia's GDP to grow 4.0-4.8% in 2025 vs 4.5-5.5% previously, largely reflecting the impact of US tariffs on global trade. On OPR, we do not expect any more revisions following the 25bps cut by BNM in July. Inflation marginally higher at 1.3% in August vs 1.2% in July.

The KLCI is now trading at a forward PE of c.14.5x, which is around -0.5SD 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. Consensus now projects earnings growth for FBM30 of c.3% for 2025 and 7% for 2026. Sustained strength in domestic investments (both DDI and FDI), fiscal consolidation gathering pace (in particular, subsidy rationalisation initiatives) and the strengthening of the Ringgit are factors we see supportive of the further narrowing of risk premiums and consequently higher valuation multiples.

We continue to advocate a barbell strategy, given the current uncertain global environment. Concerns over a tariff-induced global slowdown and constantly changing Trump's trade policies could weigh on market confidence and pressure Malaysia's growth and earnings outlook. That said, downside risks may be partially cushioned by continued supportive domestic driven initiatives by the government. The barbell strategy is pairing high-dividend, big-cap, defensive stocks with exposure to growth companies, either with domestic focused demand or exposed to structural growth of technology. Thus, we believe there are pockets of opportunities to invest in sectors such as Technology, Consumer, Reits and Banks. Key risks include a further escalation of global trade tensions affecting business and investment conditions.

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 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.
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	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.

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 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.