

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	28.25 million units (30 April 2025)	Fund Size	RM89.07 million (30 April 2025)
Unit NAV	RM3.1531 (30 April 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: <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

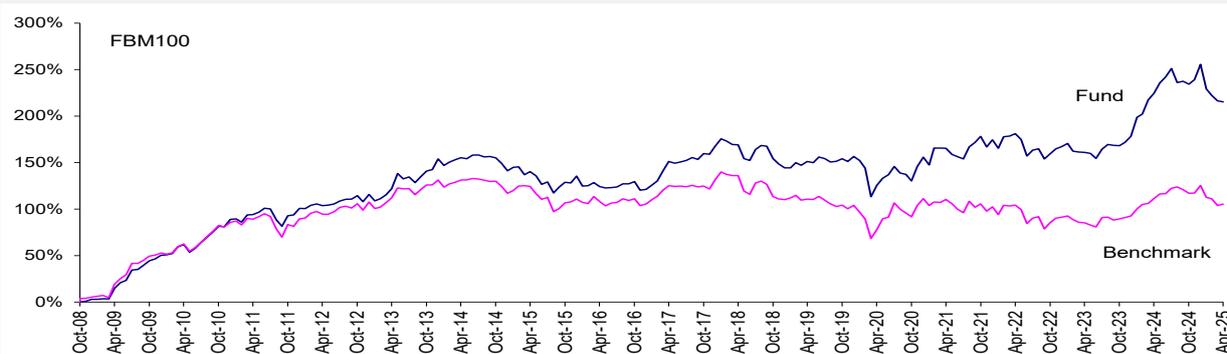
SECTOR ALLOCATION OF THE FUND

Financial Services	26.69%
Utilities	11.78%
Construction	9.85%
Industrial Products & Services	9.11%
Energy	8.43%
Property	5.96%
Health Care	5.73%
Consumer Products & Services	5.54%
Technology	2.84%
Telecommunications & Media	2.73%
Transportation & Logistics	2.06%
Plantation	1.94%
Cash	7.34%
Total	100.00%

TOP HOLDINGS OF THE FUND (EQUITIES)

Tenaga Nasional Bhd	7.53%
CIMB Group Holdings Bhd	7.04%
Public Bank Bhd - Local	6.96%
Malayan Banking Bhd	6.00%
Gamuda Bhd	4.77%
AMMB Holdings Bhd	3.85%
Sunway Bhd	3.07%
Telekom Malaysia Bhd	2.73%
IJM Corporation Bhd	2.52%
Press Metal Aluminium Holdings Bhd	2.43%
Total	46.90%

PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	-11.33	-0.34	-2.87	12.12	39.77	31.24	215.31
Benchmark	-8.82	0.73	-2.77	0.57	15.58	-8.48	105.44

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

Source: Lipper

FUND MANAGER'S COMMENTS

Market review

In April 2025, the Fund fell 0.34%, underperformed the Benchmark by 107 basis points (bps). The underperformance was mainly due to the Fund's overweight in Real Estate and Energy, the underweight in Communication Services and selection in Financials.

Portfolio Strategy

The KLCI rose 1.8% in April 2025 (+4.6% in USD terms). The index appeared to have fully recovered from the "Liberation Day" sell-off. Investors sentiment was mainly buoyed by hopes of the US dialing back on tariffs against major trading nations, therefore easing concerns on the derailment of global trade and prospects of a recession. Gainers were led by Telcos, Consumer and Healthcare, while main laggards were Energy and Transport. Within the broader market, Tech continues to languish.

Malaysia's manufacturing sector moderated further in April, with a softer PMI reading of 48.6pts vs 48.8pts in the previous month. S&P Global stated that demand conditions remain subdued while firms opted to work through backlogs in the absence of new orders while also scaling back employment, purchases and stock holdings. Inflation pressure trended downwards once again in April but only mildly. Business confidence slipped to the lowest level since July 2023, with firms expressing concerns about the potential adverse impacts of muted global economy and US tariffs. The latest PMI data still suggests modest growth in GDP for 1Q25 – advanced estimates show MY GDP grew 4.4% in 1Q25. To recap, Malaysia's GDP grew by 5% in 4Q24 and 5.1% for 2024. BNM maintained its GDP growth forecast of 4.5-5.5% in 2025 during the recent briefing but highlighted potential risk to growth due to the trade restrictions.

BNM maintained OPR at 3.00% during the last MPC meeting and we expect the central bank to hold rates steady given muted inflation and modest economic growth. Inflation slowed to 1.4% in March, lower than the 1.5% in the previous month. There appears to be sufficient headroom to central bank's latest 2.0-3.5% CPI forecast for 2025 with the impending subsidy rationalization plans.

The KLCI is now trading at a forward PE of 13.5x, which is approx. -1.5SD below the 10-year historical mean. Consensus projects earnings growth for FBM30 of c.7% for 2025 and 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 (current yield gap at ~370bps; pre-Covid average of 250bps) and consequently higher valuation multiples.

We expect volatility to persist in the near term. Until clearer catalyst emerges, we believe this could be an opportune time to rebalance portfolios. We advocate a barbell strategy by pairing high-dividend, big-cap, defensive stocks with selective exposure to undervalued laggards especially stocks with domestic focused demand. We remain invested in sectors such as Utilities, Construction and Property. 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	<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
Date : 30 April 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.