

FUND OBJECTIVE

To achieve higher returns than the benchmark over the medium to long term while preserving capital and providing opportunity for income.

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	01 December 2009	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	19.44 million units (31 October 2025)	Fund Size	RM33.78 million (31 October 2025)
Unit NAV	RM1.7382 (31 October 2025)	Target Fund	Opus Shariah Income Fund
Fund Manager	Opus Islamic Asset Management Sdn Bhd	Taxation	8% of annual investment income
Performance Benchmark	Maybank 12-Month Islamic Fixed Deposit Rate	Frequency and Basis of Unit Valuation	The unit price determined daily based on the value of our 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 time frame ▪ Are seeking stability in income through investment in Malaysian Shariah-compliant bonds (sukuk) ▪ Are looking for a less volatile investment but can accept lower returns which may fluctuate over the short term 	Fund Management Charge	Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Bond Fund

ASSET ALLOCATION OF THE TARGET FUND

Sukuk, Islamic Money Market Instruments & Islamic Placement of Deposits	Other Permitted Investment
Minimum of 70% Net Asset Value (NAV)	Maximum 30% of NAV

SECTOR ALLOCATION OF THE TARGET FUND

Toll Road	21.40%
Water	14.53%
Finance	11.46%
Property	9.64%
Bank	8.54%
Power	7.48%
Plantation	6.61%
Investment Holding	3.18%
Diversified	1.91%
Industrial	1.90%
Auto	1.86%
Transport/Port	0.95%
Cash	10.54%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Sukuk Issuer	Coupon	Maturity Date	Rating	%
Air Selangor	5.28%	24.07.37	AAA	7.10
KESTURI	4.75%	02.12.27	AA-	5.50
YTL Pwr	4.99%	24.03.33	AA1	5.10
KESTURI	4.75%	02.12.26	AA-	4.90
LBS Bina	4.81%	23.01.32	AA-	4.90
Credit Profile				%
AA3				34.76
AAA				27.59
AA1				15.01
AA2				12.11
Cash				10.54

PERFORMANCE RECORD

This fund feeds into Opus Shariah Income Fund ("Target Fund") with the objective to achieve higher returns than the benchmark over the medium to long term while preserving capital and providing opportunity for income.

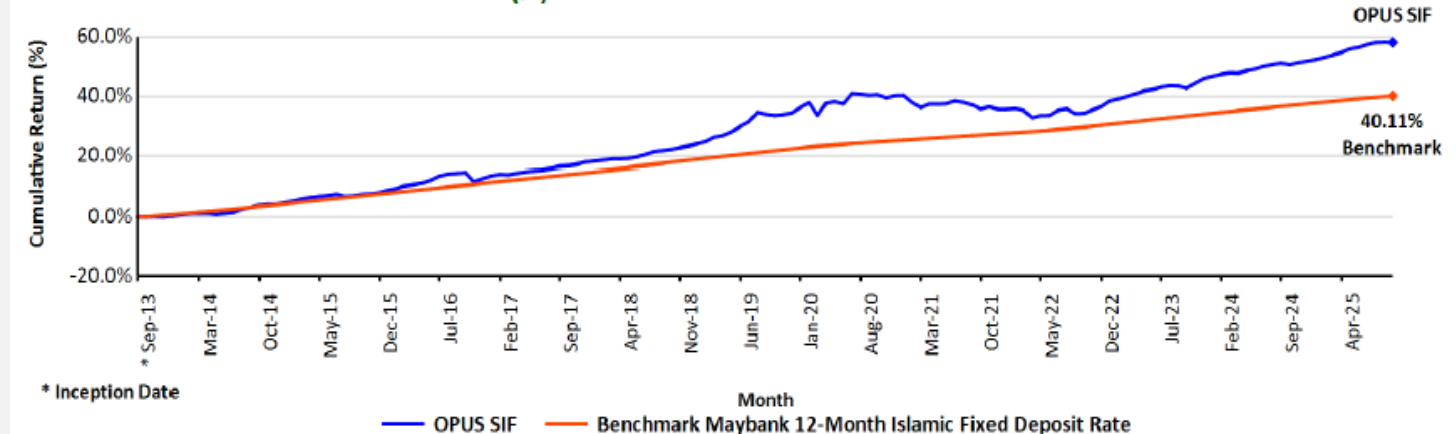
Table below shows the investment returns of Sun Life Malaysia Islamic Bond Fund versus its benchmark as at 31 October 2025:

%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	4.26	0.01	5.08	17.35	12.56	42.34	73.82
Benchmark	1.95	0.18	2.38	8.12	12.41	30.85	56.12

* 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:

PERFORMANCE CHART SINCE INCEPTION (%)



Source: Opus Asset Management Sdn Bhd

FUND MANAGER'S COMMENTS

In near term, market movement will be influenced by a confluence of factors, including evolving trade disputes and resolutions between US and China, repricing of US rate cut expectations, potential surprises in US key economic data releases, and broad geopolitical uncertainties. On monetary policy, we are of the view that US Fed to continue easing into 1H26 of up to 75 bps although the timing and quantum of the rate cut remained uncertain amid economic data blackout and cautious position to review incoming hard data to support further easing. We also expect limited upside to Fed Fund rate in 2H26 after Fed Powell's term ending in May 2026 as the White House are more inclined to nominate the incoming Fed President that are monetarily aligned with the President's policy.

For Malaysia, we are of the view that Bank Negara Malaysia likely to hold Overnight Policy Rate (OPR) steady given solid GDP growth in 3Q25. We opine, however, there is probability of 25 bps rate cut in 2026 should growth falls below 4% as we expect the full impact of US tariff on exports to be materialized next year. Although the fixed income market may find support from narrowing interest rate differentials and institutional support especially on the long-end of the yield curve, year-end profit-taking activities and lighter trading positioning by dealers may weigh on yields.

Despite near term yield correction, we continue to see support for the Malaysia fixed income market on underpinned by narrowing interest rate differentials, strengthening MYR and continued trend of lower fiscal deficit. We expect corporate issuance continue to increase at a slower pace in the year-end, gradually easing the pressure to unwind government sukuk for liquidity and to pursue higher yielding assets.

We maintain duration strategy to a target range of 4.5–7 years to allow room for profit-taking and reposition to enter at higher yield level given the recent sell-down, with an overweight position in high-grade corporate sukuk, trading at a reasonable yield, as part of strategy to balance risks and returns.

RISKS

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

Market risk	The usual risks of investing and participating in listed and unlisted securities apply to an investment in the units. Prices of securities may go up or down in response to changes in economic conditions, profit rates, and the market's perception of securities. These may cause the price of units to go up or down as the price of units is based on the current market value of the investments of the target fund.
Fund management risk	<p>The performance of the target fund depends on, amongst other things, the experience and expertise of Opus AM. Poor management of the target fund will jeopardise the investment of the target fund and subsequently, may lead to losses to unit holders.</p> <p>The risk is reduced through the following:</p> <ul style="list-style-type: none">• Implementation of a consistent structured investment process; and• Establishment and implementation of stringent internal policies and procedures.
Non-compliance risk	<p>This involves the risk of fraudulent acts or the risk that rules set out in the governing deed or law that govern the target fund's operations or internal policies and procedures are not being complied with (e.g. human and system errors), which may result in loss to the target fund.</p> <p>The risk is reduced through the establishment and implementation of appropriate compliance guidelines and stringent internal control policies.</p>

RISKS (CONTINUED)

Interest rate risk

Investments in debt securities are subject to the risk of profit rate fluctuations. Prices of debt securities will normally move in the opposite direction of interest rates. A rise or fall in interest rates will cause a fall or rise respectively in prices of debt securities. The target fund may experience a capital loss or gain respectively should the debt securities be sold before maturity.

Opus AM adopts a top-down investment approach to ensure a thorough evaluation of macro-economic factors is undertaken in order to form an interest rate view. Opus AM will develop the portfolio maturity structure based on their interest rate view to capitalise on expected movements in interest rates. In addition, it is also intended to have maturity diversification to ensure limited impact on the portfolio value in case of adverse changes in interest rate direction.

Note: The interest rate is a general indicator that will have an impact on the management of funds regardless if the target fund is a Shariah fund or otherwise. All the investments carried out for the target fund are Shariah-compliant.

Equity risk

The target fund is allowed to hold redeemable Sukuk that are convertible into equity. In the event Opus AM chooses to convert the redeemable Sukuk into equity, the target fund will be exposed to equity risk. Equity risk refers to the performance of the equity securities that is much more volatile and difficult to predict as compared to Sukuk. The effect of such volatility and unpredictable performance of the equity securities may have an adverse impact on the target fund's NAV per unit.

However, this risk is limited as Opus AM will sell the said equity within 3 months from the date of conversion.

Concentration risk

The target fund is susceptible to the concentration risk. As the target fund has no limit restriction for money placements or deposits with any single financial institution, there is a possibility that the target fund may be exposed to a single financial institution. The target fund may also be exposed to a single or group issuer limits if the NAV is RM30 million and below.

The concentration risk is managed through the monitoring of credit analysis conducted on financial institutions and issuers.

Liquidity risk

Liquidity risk is defined as the ease with which a security can be sold at or near its fair value depending on the volume traded on the market. This risk is more pertinent to Sukuk and Islamic money market instrument of the target fund in view that such investments are generally not as easily liquidated as compared to equities. In the event some of the Sukuks and Islamic money market instruments of the target fund are not actively traded, there is a risk Opus AM may not be able to easily liquidate such investments and as a result, investors may face difficulties in redeeming their units.

RISK (CONTINUED)

Credit and Default risk

This risk can be referred to:

1. Issuer's creditworthiness
This risk is intrinsic with the target fund's investments in Sukuk and refers to the issuer of the Sukuk's creditworthiness and its expected ability to repay debt. Default happens when the issuer is not able to make timely payments of profit on the coupon payment date or principal repayment on the maturity date. If default happens, this will cause a decline in the value of the defaulted Sukuk and subsequently affect the target fund's NAV per unit.

Opus AM minimises the target fund's credit risk by adopting the following:
 - Conducting thorough credit analysis before any investment to ascertain the creditworthiness of different issuers; and
 - Diversifying the portfolio by investing in different issuers, if possible.
2. Financial institutions' creditworthiness
This risk refers to a financial institution that is a party to the trade or placement contract of the target fund, may default in its payment.

Opus AM minimises the target fund's credit and default risk by conducting a thorough credit analysis on the financial institutions' creditworthiness. With regards to the trading of the target fund's Sukuk, the risk is minimised by dealing only with any financial institution via Real Time Electronic Transfer of Funds and Securities ("RENTAS") system.

Inflation/Purchasing Power Risk

Inflation can be described as increases of price level of goods and services and is commonly represented using the consumer price index. High inflation reduces the purchasing power of a fixed sum of money. In an inflationary environment, fixed rate securities are exposed to higher inflation risk than inflation-linked securities.

The investor's investment in the target fund may not grow proportionately to the inflation rate. This will then decrease the investor's purchasing power even though the investment in monetary terms may have increased.

Source : Opus Asset Management Sdn Bhd

Date : 31 October 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.