

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	28.36 million units (31 October 2025)	Fund Size	RM97.65 million (31 October 2025)
Unit NAV	RM3.4433 (31 October 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

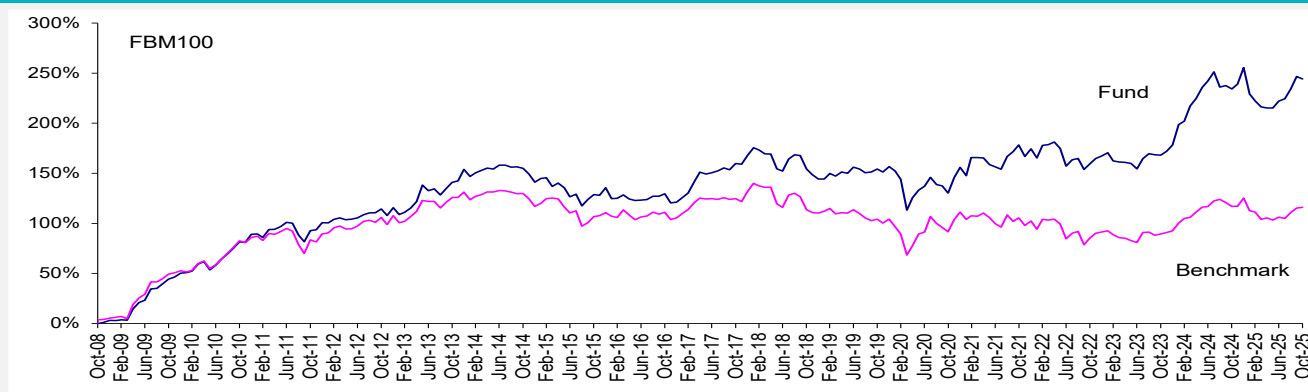
SECTOR ALLOCATION OF THE FUND

Financial Services	27.35%
Industrial Products & Services	12.42%
Construction	11.28%
Energy	8.75%
Technology	8.47%
Utilities	7.73%
Property	4.73%
Consumer Products & Services	4.69%
Healthcare	3.86%
Telecommunications & Media	2.67%
REIT	2.05%
Plantation	1.96%
Transportation & Logistics	1.60%
Cash	2.44%
Total	100.00%

TOP HOLDINGS OF THE FUND (EQUITIES)

CIMB Group Holdings Bhd	7.77%
Public Bank Bhd - Local	6.21%
Malayan Banking Bhd	5.41%
Press Metal Aluminium Holdings Bhd	5.31%
Gamuda Bhd	4.80%
Solarvest Holdings Bhd	4.51%
AMMB Holdings Bhd	4.17%
Frontken Corporation Bhd	3.71%
YTL Power International Bhd	3.14%
Tenaga Nasional Bhd	3.06%
Total	48.09%

PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	-3.17	-0.67	3.00	32.69	49.53	50.46	244.33
Benchmark	-4.12	0.33	-0.45	16.56	12.73	4.49	116.03

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

Source: Lipper

FUND MANAGER'S COMMENTS

Market review

In October 2025, the Fund down 0.67%, underperformed the Benchmark by 100 basis points (bps). The underperformance in October was mainly due to the Fund's overweight in Industrials and Real Estate, the underweight in Consumer Discretionary as well as the selection in Healthcare and Utilities.

Portfolio Strategy

The strong rally over the past two months cooled with the FBM KLCI staying flat in October, both the local currency (LCY) and USD terms. On a YTD basis, Malaysia is down 2% in LCY but up 5% in USD terms, against the region's 10% gain. There were jitters leading up to the 47th ASEAN Summit and Related Summits, while investors also appear to have shrugged off the strong Malaysia 3Q25 GDP print of 5.2%.

Malaysia's manufacturing sector remained close to stabilization in October albeit a marginal decline in the reading of 49.5pts vs 49.8pts in the previous month. According to S&P Global, new orders moderated after posting consecutive gains in the last two months, which led to softer employment and investor levels, albeit buying increased fractionally. Inflation crept up slightly, but firms opted to lower charges to stimulate sales. Encouragingly, business sentiment improved sharply during the month, with the degree of confidence the highest in 2 ½ years (since April 2023). The latest PMI reading suggests that GDP growth in 4Q25 should sustain at a commendable rate. To recap, Malaysia's GDP grew 5.2% in 3Q25 which was a notable acceleration from the preceding quarter's 4.4%, and well above the 4.2% anticipated by economists polled. Official forecast is 4.0-4.8% for 2025. We do not expect any more revisions in OPR following the 25bps cut by BNM in July. Inflation ticked up to 1.5% in September vs 1.3% in August, driven by personal care and food.

The KLCI is now trading at a forward PE of c.14x, which is close to -1SD 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, as we deem global environment is still uncertain. Concerns over a tariff-induced global slowdown may have eased but we are constantly vigilant to changing Trump's trade policies which could weigh on market confidence and pressure Malaysia's growth and earnings outlook. That said, continued supportive domestic driven initiatives by the government will underpin the market. 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, Industrials 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 : 31 October 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.