

FUND OBJECTIVE

To provide a balanced exposure into equities and bonds.

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	14.38 million units (30 September 2025)	Fund Size	RM32.74 million (30 September 2025)
Unit NAV	RM2.2767 (30 September 2025)	Performance Benchmark	50% FBM100 + 50% 12 month FD
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: - Want a balanced portfolio between equities and bonds - Are risk neutral between bonds and equities	Fund Management Charge	The fund will feed into Sun Life Malaysia Growth Fund and Sun Life Malaysia Conservative Fund which applies the following fund management charges: - Sun Life Malaysia Growth Fund: 1.5% p.a - Sun Life Malaysia Conservative Fund: 1.0% p.a - There are no other fund management charges on this fund

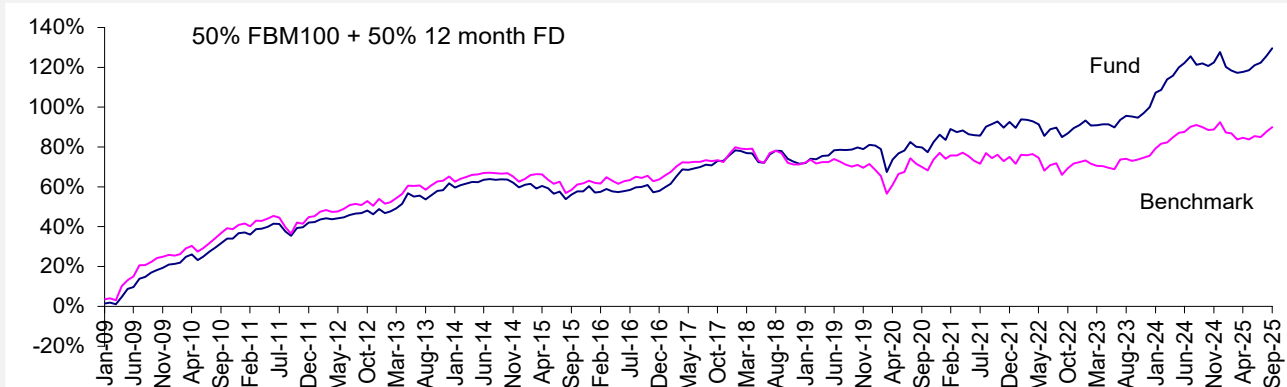
ASSET ALLOCATION

Sun Life Malaysia Conservative Fund	Sun Life Malaysia Growth Fund
50.00%	50.00%

WHERE THE FUND INVESTS

Sun Life Malaysia Conservative Fund	Sun Life Malaysia Growth Fund	Cash	Total
49.68%	50.24%	0.08%	100.00%

PERFORMANCE RECORD



%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
Fund*	0.82	1.67	3.39	24.10	27.73	47.15	129.55
Benchmark	-1.33	1.16	-0.02	14.39	11.77	19.87	89.95

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

Source: Lipper

FUND MANAGER'S COMMENTS

In September 2025, the Fund's performance increased by 1.67%, outperforming the benchmark by 0.51%.

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 MGS yield curve bear flattened as yields climbed in September, led by 14bps increase at the front end of the curve while the 10-year and 30-year adjusted higher by 7bps and 4bps respectively, on profit taking activity as we approach the final quarter of the year. Weak auction for government bonds with strong supply of corporate issuances also pushed yields higher. Meanwhile QoQ, yields were generally higher save for 3-year which was marginally lower, as well as 10-year and 30-year which moved down -1bps and -15bps respectively. The 3-, 5-, 7-, 10-, 15-, 20- and 30-year benchmarks closed at 3.15% (+14bps), 3.25% (+14bps), 3.43% (+12bps), 3.47% (+7bps), 3.70% (+8bps), 3.82% (+7bps) and 3.92% (+4bps), respectively in September. Meanwhile, credit spreads generally narrowed, with the short end experiencing the most significant compression as 3-year to 5-year tenures narrowed -7bps to -14bps across all rating bands. Meanwhile, there was slight widening of spreads for 10-year AAAs (+3bps) and AA2 (+2bps), as well as 15-year GGs (+3bps).

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 and/or securities 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.
Interest rate risk	Interest rates are inclined to fluctuate over time. A rise in the general level of interest rates will result in a decline of the value of all bonds and fixed interest securities. Hence a bond fund's NAV will most probably decrease with the rise of interest rates. Maintaining an appropriate diverse mix of assets with different yield and maturity profiles will lessen the impact of interest rate risk.
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 volumes traded on the market. Liquidity risk is mitigated through the selection of stocks with an active trading volume in the open market. This ensures that exit strategies can be executed with little/minimal impacts to price fluctuations.
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	Credit risk refers to an issuer's ability to make timely payments of profit and principal. In the event that the issuer of the instrument is faced with financial difficulties, leading to a decrease in their credit worthiness (i.e Bond prices will change/drop in the event of rating downgrade) and default in the payment of profit and principal, the value of the fund may be adversely affected. 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.