

FUND OBJECTIVE

The objective of the Fund is to grow the value of Unit Holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short-term volatilities.

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 May 2014 | Domicile | Malaysia |
| Currency | Ringgit Malaysia | Launch Price | RM1.0000 |
| Units in Circulation | 33.68 million units (30 October 2024) | Fund Size | RM87.80 million (30 October 2024) |
| Unit NAV | RM2.6065 (30 October 2024) | Target Fund | Principal Global Titans Fund- Class MYR |
| Fund Manager | Principal Asset Management Bhd | Taxation | 8% of annual investment income |
| Performance Benchmark | 42% S&P500 + 36% MSCI Europe + 12% MSCI Japan + 10% CIMB Bank 1-Month Fixed Deposit Rate | 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 |
| 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 Comfortable with higher volatility Willing to take higher risk for potential higher gains | Fund Management Charge | <ul style="list-style-type: none"> Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Titans Fund Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd |

ASSET ALLOCATION OF THE TARGET FUND

| Collective Investment Schemes | Equities | Cash |
|--|------------------|------------------------------------|
| Minimum 50% and up to 98% of Net Asset Value (NAV) | Up to 50% of NAV | The remaining balance of funds NAV |

Sun Life Malaysia Global Titans Fund

October 2024



SECTOR ALLOCATION OF THE TARGET FUND

| | |
|------------------------|----------------|
| Mutual Fund | 87.27% |
| Information Technology | 6.71% |
| Industrials | 1.45% |
| Consumer Discretionary | 0.98% |
| Cash | 3.57% |
| Total | 100.00% |

TOP HOLDINGS OF THE TARGET FUND

| | |
|---|----------------|
| SPDR S&P 500 ETF (United States) | 33.35% |
| iShares Core MSCI Europe ETF (Europe) | 28.48% |
| JP Morgan Europe REI ESG UCITS (Europe) | 6.66% |
| Principal GLB - EUR EQ-INS ACC (Europe) | 6.51% |
| iShares US Equity Factor RotationActive ETF (United States) | 5.14% |
| FTGF ClearBridge - US Large Cap (United States) | 4.88% |
| JP Morgan US REI Equity ESG (United States) | 4.70% |
| JPMorgan US Growth Fund (Europe) | 4.05% |
| JPMorgan Funds - US Growth Fund (United States) | 3.34% |
| NEXT FUNDS TOPIX Banks ETF (Japan) | 2.89% |
| Total | 100.00% |

PERFORMANCE RECORD

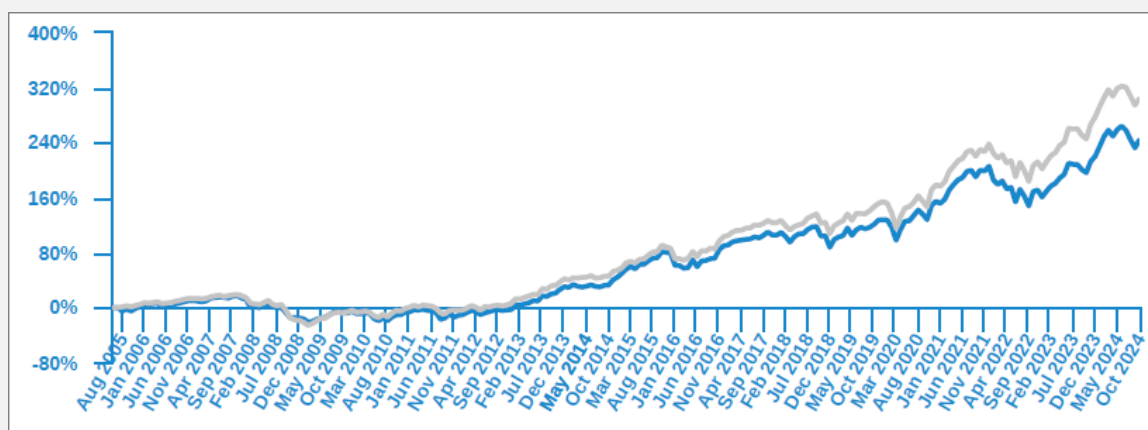
This fund feeds into Principal Global Titans Fund - Class MYR ("target fund") with the objective to achieve medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to Malaysian equities market to balance any short term volatilities.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 30 October 2024:

| % | YTD | 1M | 6M | 1-Year | 3-Years | 5-Years | Since Inception |
|------------------|------|------|-------|--------|---------|---------|-----------------|
| Fund* | 9.04 | 5.08 | 0.44 | 17.21 | 17.07 | 56.77 | 160.65 |
| Benchmark | 7.09 | 2.43 | -0.89 | 17.02 | 22.41 | 63.83 | 180.71 |

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

Graph Below shows the historical performance of the underlying collective investment schemes (CIS) for calendar year returns:



Source: Lipper

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FUND MANAGER'S COMMENTS

The Fund increased by 3.49% in October, outperforming the benchmark by 106bps. YTD, the Fund is up 7.48%, outperforming the benchmark by 30bps.

October was a volatile month for developed market equities. The S&P 500 and MSCI Europe Index declined by 0.92% and 3.24%, respectively, in local currency terms, while the MSCI Japan Index rose by 2.34% in Japanese Yen. The U.S. Dollar strengthened by 3.2% as the U.S. economy demonstrated resilience, prompting markets to price in less aggressive future rate cuts by the Federal Reserve. The Euro depreciated by 2.3% and the Japanese Yen by 5.8%. Political uncertainty in Japan increased after the ruling coalition lost its simple majority in the lower house election, raising concerns that the Bank of Japan might delay rate hikes. Meanwhile, in the U.S., the 2024 presidential race between Trump and Harris appeared tightly contested. Market anticipation of a potential Trump presidency has pushed the 10-year Treasury yield up to 4.328% at the time of writing.

US headline inflation in September moderated less than market anticipated, while core inflation accelerated to 3.3%. Retail sales rose by 0.4%, higher than consensus expectations. The ISM Manufacturing PMI continued to decline to 46.5, while the Services PMI is projected to soften slightly to 53.8. Non-Farm Payrolls were significantly lower than consensus estimates, although this was influenced by the impact of hurricanes and industrial strikes. The unemployment rate remained steady at 4.1% in October. The average hourly earnings remained robust (+4% YoY in October). The Euro Area economic growth expanded by 0.4% QoQ in Q3 (initial estimate), indicating a recovery from the previous quarter. Euro Area inflation ticked up slightly to 2% in October (1.7% YoY in September), above consensus estimate. Europe's manufacturing PMI remains in contraction, while the services PMI continues to show expansion. Japan's Manufacturing PMI held steady in contraction, while the services PMI also dipped into contraction. Inflation came in at 2.5% in September, above BOJ's 2% target, with core inflation (excluding food and energy) accelerating to 2.1%. Wage growth remained robust, with the Japanese Trade Union Confederation (RENGO) targeting at least 5% wage hikes for the 2025 spring wage negotiation. The resilient economic situation and strong wage growth support BOJ's plan to continue increase interest rates. Forward 12-month corporate earnings have been revised up for US and Japan, while remained flat for Europe.

Strategy: Overweight US & Japan, Underweight Europe. US growth is softening but resilient middle/high-income households and robust large business confidence are helping to offset weakness from lower-income households and small business. Overall strong household and corporate balance sheets should help prevent the economic slowdown from turning into a hard landing. The resilience of the US economy is expected to support the broadening out of risk appetite and earnings expansion across companies and sectors with more reasonable valuations. Combined with rate cuts later this year, this creates a constructive backdrop for risk assets. Despite incremental positive economic surprises in Europe, both economic and earnings growth expectations fall short of those in the US. The US economic dominance remains intact, as Europe's recovery faces limited upside due to weak credit demand and fading economic momentum. Europe is vulnerable to risks from increased trade tariffs and geopolitical tensions with the upcoming US election. In Japan, the fundamental themes of deflation and ongoing corporate governance reforms remain intact. We maintain the view that policy normalization in Japan will be gradual, with monetary policy remaining accommodative as real interest rates stay negative, barring a hard landing in the US economy.

RISKS

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

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|----------------------------|---|
| Market risk | Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the target fund's NAV. |
| Stock specific risk | Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the target fund's NAV. |
| Country risk | Investments of the target fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the target fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the target fund in those affected countries. This in turn may cause the NAV of the target fund or prices of units to fall. |
| Currency risk | As the investments of the target fund may be denominated in currencies other than base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the target fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment. |
| Fund manager's risk | Since the target fund invests into collective investment scheme managed by another manager, the fund manager has absolute discretion over the fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the fund and/or the management company, the NAV of the target fund, which invests into the fund would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, Principal (S) will seek for an alternative collective investment scheme that is consistent with the objective of the target fund. |

RISKS (CONTINUED)

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

Credit and default risk

Investments of the target fund may involve a certain degree of credit and default risk. Generally, credit and default risk is the risk of loss due to the counterparty's and/or issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. Principal (S) aims to mitigate this risk by performing fundamental credit research and analysis to determine the creditworthiness of its counterparty and/or issuer.

Source : *Principal Asset Management Bhd*

Date : *30 October 2024*

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.