

FUND OBJECTIVE

Aims to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

FUND DETAILS

| | | | |
|----------------------|--|--------------|---|
| Launch Date | 13 February 2015 | Domicile | Malaysia |
| Currency | Ringgit Malaysia | Launch Price | RM1.0000 |
| Units in Circulation | 2.881 million units (30 April 2018) | Fund Size | RM3.579 million (30 April 2018) |
| Unit NAV | RM1.2420 (30 April 2018) | Dealing | Daily (as per Bursa Malaysia trading day) |
| Fund Manager | CIMB-Principal Asset Management Bhd | Target Fund | CIMB Islamic Asia Pacific Equity Fund |
| Benchmark | Dow Jones Islamic Market Asia Pacific ex Japan Index | Taxation | 8% of annual investment income |
| Risk Profile | Suitable for investors: <ul style="list-style-type: none"> ▪ Have a long-term investment horizon ▪ Want a portfolio of investments that adhere to Shariah principles ▪ Want a well-diversified portfolio of Asia Pacific ex Japan regional equities ▪ Seek capital appreciation over long-term | Fees | <ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Dynamic Income Fund. ▪ 1.8% of pa fund management charge is applied on the target fund's NAV by CIMB-Principal. |

ASSET ALLOCATION OF THE TARGET FUND

| Equities | Sukuk & Deposits | Liquid Assets |
|------------------|------------------|---------------|
| Min 70%; Max 98% | Max 30% | Min 2% |

SECTOR ALLOCATION OF THE TARGET FUND

| | |
|--------------------|---------|
| Consumer | 37.39% |
| Technology | 14.75% |
| Oil & Gas | 12.30% |
| Finance | 9.95% |
| Industrials | 7.89% |
| Basic Materials | 7.63% |
| Trading / Services | 0.93% |
| Mutual Fund | 0.26% |
| Cash | 8.90% |
| Total | 100.00% |

TOP HOLDINGS OF THE TARGET FUND

| | |
|--|-------|
| Samsung Electronics Co. Ltd (South Korea) | 9.96% |
| Alibaba Group Holding Ltd (Cayman Islands) | 8.20% |
| Taiwan Semiconductor Manuf (Taiwan) | 6.22% |
| Samsung Electronics – PFD (South Korea) | 4.49% |
| Reliance Industries Ltd (India) | 4.16% |
| Nvidia Corp (United States) | 3.06% |
| AirTac International Group (Taiwan) | 2.98% |
| LG Electronics Inc. (South Korea) | 2.83% |
| BHP Billiton Ltd (Australia) | 2.78% |
| Tencent Hldg Ltd (Hong Kong) | 2.78% |

PERFORMANCE RECORD

This fund feeds into CIMB Islamic Asia Pacific Equity Fund ("target fund") with the objective to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan region.

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Equity Fund versus its benchmark as at 30 April 2018:

| % | YTD | 1M | 3M | 6M | 1-Year | 3-Year | Since Inception |
|------------------|-------|------|-------|-------|--------|--------|-----------------|
| Fund* | -2.63 | 0.79 | -5.18 | -6.02 | 10.17 | 23.19 | 24.20 |
| Benchmark | -2.00 | 1.42 | -4.20 | -5.12 | 12.80 | 35.57 | 42.04 |

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

Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.

FUND MANAGER'S COMMENTS

In April, the Fund rose 0.79% in Malaysian Ringgit terms, underperforming the Benchmark by 63 basis points (bps). Technology and Consumer Services contributed positively to the outperformance while Industrials and Consumer Goods were detractors. Year-to-date, the Fund declined by -2.63%, underperforming the Benchmark by 63 bps.

Islamic Asian ex-Japan equities was flat (US\$) in April. Dominating headlines was the US 10 year bond yield rising briefly above 3%, rise/rebound in selected commodity prices (Crude oil, Chinese domestic steel prices, iron ore) and a correction in tech stocks. Taiwan (Apple supply chain companies), Indonesia (concerns on Rupiah, falling foreign exchange reserves) underperformed while Singapore, India and H-share outperformed. We expect market volatility to be high as investors adjust to central banks' balance sheet reduction, rising interest rates and ever-shifting political flux. While we do not expect the trade row between US and China to escalate into a trade war that would disrupt the economy, we expect important realignment of industrial interests and relationships. Already we have seen strategically important (5G) Chinese companies - ZTE and potentially Huawei being penalized by the US.

The Islamic regional portfolios are 94% invested with a portfolio Beta of 1 and Overweight in Australia, Singapore, Thailand, and Underweight Taiwan, Korea and India. We have a preference for Consumer Discretionary, Energy and Materials against Utilities, Real Estate and Telecommunications. We have recently reduced cyclicals (steel, chemical) and Chinese Internet in favor of an Indian conglomerate (Energy, Telco), tech and Chinese consumer staples.

Source : CIMB-Principal Asset Management Bhd

Date : 21 May 2018

Disclaimer:

The benchmark performance is not a guide to future performances which may differ. 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.