

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 | 1.2257 million units (31 December 2015) |
| Fund Size | RM1.2224 million (31 December 2015) |
| Unit NAV | RM0.9973 (31 December 2015) |
| 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 |

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|--------------|--|
| 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 Syariah 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. |
| | <ul style="list-style-type: none"> 8% of annual investment income |
| Taxation | <ul style="list-style-type: none"> 8% of annual investment income |

ASSET ALLOCATION

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

WHERE THE FUND INVESTS

| | | | |
|-------------------|--------|-----------------|--------|
| Consumer | 25.63% | Basic Materials | 4.11% |
| Telecommunication | 23.80% | Health Care | 3.39% |
| Financials | 12.54% | Cash | 12.85% |
| Industrials | 7.65% | - | - |
| Oil & Gas | 5.97% | - | - |
| Utilities | 4.06% | Total | 100.0% |

TOP HOLDINGS OF THE TARGET FUND

| | |
|---------------------------------------|-------|
| Chunghwa Telecom Co. Ltd (Taiwan) | 7.67% |
| Techtronic Industries Co (Hong Kong) | 5.38% |
| MTR Corp Ltd (Hong Kong) | 4.54% |
| Link REIT (Hong Kong) | 4.32% |
| Singapore Telecommunications (S'pore) | 4.15% |
| LG Chem Ltd (South Korea) | 4.11% |
| Telekomunikasi TBK PT (Indonesia) | 4.10% |
| Cheung Kong Infra Hldg (Hong Kong) | 4.05% |
| ComfortDelGro Corp Ltd (Singapore) | 3.65% |
| Reliance Industries Ltd (India) | 3.25% |

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 historical actual investment returns of the target fund versus its benchmark as at 31 December 2015:

| % | YTD | 1M | 3M | 6M | 1-Year | 3-year | Since Inception |
|------------------|------|-----|------|------|--------|--------|-----------------|
| Fund* | -0.3 | 1.4 | -0.4 | -0.1 | N/A | N/A | -0.3 |
| Benchmark | 2.9 | 0.4 | 1.3 | -0.9 | N/A | N/A | 2.9 |

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 December 2015, the Fund was up 1.4%, outperforming the benchmark by 1.0%. We are overweight in Hong Kong, Indonesia and Philippines, and underweight in Korea, Thailand and Malaysia. Sector-wise, we are overweight in telecommunications and consumer services and underweight in oil & gas, technology, basic materials and utilities.

Asian equities fell 1% in December 2015 and are down 10% for 2015 in US Dollar terms. Topical issues were: how far can key commodities like oil prices decline, what level would the People's Bank of China be looking at for the Renminbi/US Dollar rate after publishing a new exchange rate index which measures the Renminbi against a trade-weighted basket of currencies, how quickly will the Federal Reserve raise rates in 2016? We expect 2016 to be a year of low return amidst high volatility for equities. While global monetary policies are expected to remain accommodative due to slow economic growth and low inflation, there remains much uncertainty over the trajectory of the Federal Reserve's interest rate increase. Current market expectation for just 2 rate hikes in 2016 is incongruent to the Fed's own forecast for 4 rate hikes. Hence, upcoming US economic data will be closely scrutinized for clues on the Fed's decisions, with stock markets and foreign currencies likely to react abruptly on either upside or downside surprises.

We are Neutral on Asian Equities as we judge that the overall outlook is finely balanced between weak prospects for earnings against abundant liquidity. Also supportive for Asian Equities is the fact that global funds are generally underweighted emerging market equities. Meanwhile, valuations are reasonable. We have sold out of Thailand during the month and have overweight positions primarily in China/Hong Kong and Singapore. Meanwhile, we remain focused on stocks with good earnings growth and strong cash flow generation.

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 on the underlying investment.

Any income distribution from the underlying assets of the investment-linked fund will be automatically reinvested into the respective investment-linked fund. The policy owner's total number of units will not change as a result of the reinvestment.