

# Sun Life Malaysia Asia Pacific Equity Fund

April 2026



## 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.

## INVESTMENT STRATEGY & APPROACH

Please refer to the Yearly 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 of the target fund.

## FUND DETAILS

Launch Date	13 February 2015	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	20.69 million units	Fund Size	RM42.68 million
Unit NAV	RM2.0629	Target Fund	Principal Islamic Asia Pacific Dynamic Equity Fund – Class MYR
Fund Manager	Principal Asset Management Bhd	Taxation	8% of annual investment income
Performance Benchmark	MSCI AC Asia ex Japan Islamic Index	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"> <li>▪ Have a long-term investment horizon</li> <li>▪ Want a portfolio of investments that adhere to Shariah principles</li> <li>▪ Want a well-diversified portfolio of Asia Pacific ex Japan regional equities</li> <li>▪ Seek capital appreciation over long-term</li> </ul>	Fund Management Charge	Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Asia Pacific Equity Fund.

## ASSET ALLOCATION OF THE TARGET FUND

Shariah-compliant equities	Sukuk and Islamic deposit	Islamic liquid assets
Minimum 70% and up to 98% of Net Asset Value (NAV)	Up to 30% of NAV	Minimum 2% of NAV

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SECTOR ALLOCATION OF THE TARGET FUND	
Information Technology	58.48%
Industrials	11.02%
Consumer Discretionary	8.24%
Materials	5.91%
Health Care	5.37%
Energy	3.22%
Mutual Fund	0.08%
Cash	7.68%
<b>Total</b>	<b>100.00%</b>

TOP HOLDINGS OF THE TARGET FUND	
SK Hynix Inc (South Korea)	10.64%
Samsung Electronics Co Ltd (South Korea)	9.65%
Delta Electronics Inc. (Taiwan)	6.15%
Samsung Electronics (South Korea)	5.44%
SK Square Co Ltd (South Korea)	4.70%
WuXi AppTec Co Ltd (China)	4.02%
Contemporary Amperex Tech Co Ltd (Hong Kong)	3.33%
BYD Co Ltd (China)	3.21%
MediaTek Inc (Taiwan)	2.89%
Unimicron Technology Corporation (Taiwan)	2.86%
<b>Total</b>	<b>52.89%</b>

## PERFORMANCE RECORD

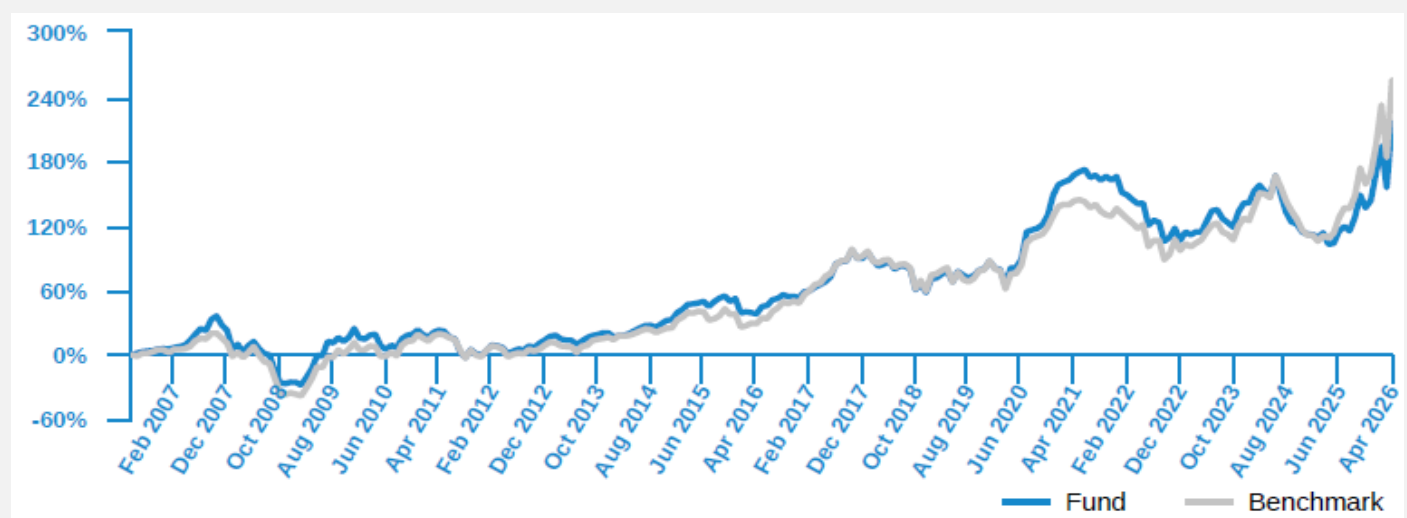
This fund feeds into Principal Islamic Asia Pacific Dynamic Equity Fund – Class MYR ("target fund") with the objective to achieve long-term capital appreciation and income while complying with Shariah investment criteria, through investments in the emerging and developed markets of Asia Pacific ex Japan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

Table below shows the investment returns of Sun Life Malaysia Asia Pacific Equity Fund versus its benchmark:

%	YTD	1M	1-Year	3-Years	5-Years	10-Years	Since Inception
<b>Fund*</b>	27.46	21.66	50.53	43.25	17.04	118.27	106.29
<b>Benchmark</b>	32.40	25.30	70.22	71.83	46.18	175.34	168.43

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

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



Source: Morningstar

## FUND MANAGER'S COMMENTS

The Fund rose 21.66% in the month of April, underperforming the MSCI Islamic Asia ex-Japan Index by 364bps. YTD the fund has returned 27.46%, underperforming the index by 494bps.

**Review:** The MSCI AC Asia ex Japan Islamic Index rose 19.9% in US\$ terms in April, rebounding strongly after a weak March performance. South Korea was the biggest gainer during the month, with the KOSPI rising 22% as tech stocks shook off concerns over the US-Iran war. The USD fell by 1.9%, while the US 10-year bond yield rose slightly to 4.37%. With the war still ongoing, oil prices have been volatile. Brent reached a low of \$84 per barrel in the middle of the month but settled at \$114 per barrel at the end of April.

### Fundamentals (Positive):

Geopolitics were once again in focus, with the conflict between the US and Iran still ongoing. Oil prices surged to \$114 per barrel as the Straits of Hormuz remain largely closed. There was a brief reopening of the key waterway when a ceasefire was announced but disagreements between Iran and the US brought a swift end to this.

Equity market rebounded from March lows as optimism in AI spending shook off worries on energy markets. In Asia, Korea and Taiwan made new highs. Between the start of March and the end of April the expected spending on AI capex by the large US Hyper scalers in 2027 rose by over \$200bn.

**Technical (Positive):** Asia ex-Japan saw outflows in April in the magnitude of \$6.7bn in April, however, EMs as a whole saw inflows of \$3.9bn. Korea saw some small inflows after the large outflows in March.

**Valuation (Slightly Positive):** Valuations remain undemanding for MSCI Asia Islamic ex-Japan, with 12-month forward earnings at 11.5x. The largest component of the Index, Korea, has forward valuations of 6.6x PER.

### Strategy:

March and April showed wide swings in performance and geopolitics took control of market narratives. We made changes to the portfolio in our tech exposures, where we raised tech at the beginning of April. We also increased our energy exposure to be close to Neutral, as a hedge to rising oil prices. In terms of countries, we decreased some of our Korea exposure and increased India when oil prices corrected from the announcement of a ceasefire between US and Iran.

## RISKS

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

<b>Stock specific risk</b>	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.
<b>Country risk</b>	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 price of units to fall.
<b>Currency risk</b>	As the investments of the target fund may be denominated in currencies other than the base currency of the target fund, any fluctuation in the exchange rate between the base currency of the target fund 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 of the target fund, this will have an adverse effect on the NAV of the target fund in the base currency 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.
<b>Risks associated with investment in warrants and/or options</b>	There are inherent risks associated with investment in warrants and/or options. The value of warrants and/or options are influenced by the current market price of the underlying security, the exercise price of the contract, the time to expiration of the contract and the estimate of the future volatility of the underlying security's price over the life of the contract. Generally, the erosion in value of Shariah-compliant warrants accelerates as it approaches its expiry date. Like securities, Principal will undertake fundamental research and analysis on these instruments with an aim to mitigate its risks.
<b>Credit/Default risk</b>	The target fund will be exposed to a certain degree of credit and default risk of issuers or counterparties when the target fund invests in Sukuk and/or place Islamic deposits. Credit risk relates to the creditworthiness of the securities issuers or counterparties and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuers or counterparties may impact the value as well as liquidity of the investments. In the case of rated Sukuk, this may lead to a credit downgrade. Default risk relates to the risk that a securities issuer or counterparty either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investments. This could adversely affect the value of the target fund. Principal aims to mitigate this risk by performing bottom-up and top-down credit research and analysis to determine the creditworthiness of its issuers or counterparties, and impose investment limits on exposures for issuers or counterparties with different credit profiles as a precautionary step to limit any loss that may arise directly or indirectly as a result of a defaulted transaction.

**RISKS (CONTINUED)**

**Interest rate risk**

Interest rate risk refers to the impact of interest rate changes on the valuation of Sukuk and Islamic money market instruments. When interest rates rise, Sukuk and Islamic money market instruments' prices generally decline and this may lower the market and Islamic money market instruments. In managing the Sukuk, Principal takes into account the coupon rate and time to maturity of the Sukuk with an aim to mitigate the interest rate risk. As for Islamic money market instruments, the typical tenor of these instruments are less than 12-month maturity and unlike Sukuk, any change to interest rate will only have a minor impact to the prices of these instruments.

Note: Please note that although Sukuk is a non-interest bearing instrument, its price movement is correlated to the movement in the interest rates. As such, investment in Sukuk will have an exposure to the movement of the interest rates. Even though the target fund does not invest in interest bearing instruments, the interest rate referred herein is to the general interest rate of the country, which may affect the value of the investment of the target fund.

**Risk associated with investing in CIS**

Since the target fund may invest into Islamic CIS, there is a risk of concentration into Islamic CIS, in which the Islamic CIS's management company has absolute discretion over the Islamic CIS's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Islamic CIS and/or the management company, the NAV of the target fund, which invests into those Islamic CIS would be affected negatively. Should the situation arise, Principal will seek for another Islamic CIS that is consistent with the objective of the target fund.

Source : *Principal Asset Management Bhd*

**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.

Although Sun Life Malaysia Asia Pacific Equity Fund invests in Shariah-approved securities, the investment-linked insurance plan itself is not classified as a Shariah-compliant product.