

FUND OBJECTIVE

To provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

FUND DETAILS

| | |
|----------------------|---|
| Launch Date | 20 May 2014 |
| Domicile | Malaysia |
| Currency | Ringgit Malaysia |
| Launch Price | RM1.0000 |
| Units in Circulation | 3.6773 units (31 December 2014) |
| Fund Size | RM 3.7010 million (31 December 2014) |
| Unit NAV | RM 1.0065 (31 December 2014) |
| Dealing | Daily (as per Bursa Malaysia trading day) |
| Fund Manager | CIMB-Principal Asset Management Bhd |
| Benchmark | 50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index |
| Risk Profile | 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 |
| Fees | <ul style="list-style-type: none"> ▪ Management Fee: 1.500% p.a. |
| Taxation | <ul style="list-style-type: none"> ▪ 8% of annual investment income |

ASSET ALLOCATION

| | | | |
|--------|-------------------|------|------------|
| Equity | Minimum 70% - 98% | Cash | Minimum 2% |
|--------|-------------------|------|------------|

WHERE THE FUND INVESTS

| | | | |
|--------------------|--------|-----------------|--------|
| Trading/Services | 18.35% | IPC | 3.04% |
| Financials | 16.29% | Properties | 2.09% |
| Consumer | 12.64% | Construction | 1.93% |
| Finance | 10.72% | Plantations | 1.73% |
| Industrials | 7.01% | Basic Materials | 0.99% |
| Technology | 6.01% | Oils & Gas | - |
| Telecommunications | 4.78% | Cash | 14.42% |

TOP 10 HOLDINGS

| | |
|---------------------------------------|-------|
| Tenaga Nasional Bhd | 4.75% |
| Public Bank Bhd | 3.01% |
| Malayan Banking Bhd | 2.74% |
| Concepcion Ind. Corporation (Foreign) | 2.35% |
| Digi.com Bhd | 2.32% |
| TaiwanSemiconductor Manuf (Foreign) | 2.29% |
| Sime Darby Bhd | 2.13% |
| Westports Holdings Bhd | 1.94% |
| Axis Bank Ltd (Foreign) | 1.62% |
| AIA Group Ltd (Foreign) | 1.62% |

PERFORMANCE RECORD

This fund feeds into CIMB Principal Equity Income Fund ("target fund") with the objective to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

Table below shows the historical actual investment returns of the target fund versus its benchmark as at 31 December 2014:

| % | 1 month | 3 months | YTD | 1-Year | 3-Year | Since Inception |
|------------------|---------|----------|------|--------|--------|-----------------|
| Fund** | -0.64 | 1.48 | 6.36 | 6.36 | 43.76 | 131.23 |
| Benchmark | -1.12 | 0.39 | 1.37 | 1.37 | 25.23 | 131.23 |

** Calculations 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

The Fund was down 0.64% in December 2014 outperforming the benchmark by 48 basis points ("bps"). At the country level, India and Philippines outperformed together with Cash. Malaysia performed in line with the benchmark as Cash offset the underperformance of the Oil & Gas and Telecommunications sectors. At the stock level, overweight in UMW Oil & Gas and underweight in Axiata were negative. For the year, the Fund was up 6.36% outperforming the benchmark by 4.99%.

Emerging Asia will see divergent monetary policies and growth reflecting trends led by the United States and divergent G3 policy paths. Emerging markets will undergo adjustments as the Federal Reserve moves towards policy normalization. Malaysia faces a challenging year in 2015. Merrill Lynch has downgraded Malaysian Gross Domestic Product ("GDP") growth to 4.6%. Lower crude oil and Crude Palm Oil ("CPO") prices have negative implications on our trade balance, government budget deficit and therefore the Ringgit. The implementation of Goods and Service Tax ("GST") in April 2015 and the relatively high household debt/GDP could crimp domestic consumption. At FTSE Bursa Malaysia Kuala Lumpur Composite Index ("KLCI") of 1,739, the market is at 15 price earnings ratio ("PER") of 14.8 times and 16 PER of 13.5 times, with corresponding earnings per share ("EPS") growth of 8.5% and 9.2%. However, earnings are at risk of being downgraded.

The regional portfolio remains fully invested but defensively positioned. We continue to be selective, focusing on new growth opportunities in a narrow market. In Malaysia, we have lowered equity allocation to just above 80%. In spite of the slowing environment, we continue to look for growth stocks with sustainable earnings. We are overweight Utilities, Telecommunications and Construction sectors and selected stock in Technology and Basic Materials and underweight the Oil and Gas sector.

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.