

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 | 7.01 million units (30 April 2020) | Fund Size | RM8.61 million (30 April 2020) |
| Unit NAV | RM1.2274 (30 April 2020) | Dealing | Daily (as per Bursa Malaysia trading day) |
| Fund Manager | Principal Asset Management Bhd | Target Fund | Principal Titans Income Plus Fund |
| Benchmark | 50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index | Taxation | 8% of annual investment income |
| 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"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Equity Income Fund. ▪ Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Berhad. |

ASSET ALLOCATION OF THE TARGET FUND

| Equities (Foreign) | Equities (Local) | Cash |
|--------------------|------------------|--------|
| 46.07% | 43.76% | 10.16% |

SECTOR ALLOCATION OF THE TARGET FUND

| | |
|------------------------|---------|
| Information Technology | 20.30% |
| Financials | 11.97% |
| Consumer Discretionary | 11.35% |
| Communication Services | 10.09% |
| Industrials | 8.86% |
| Real Estate | 6.70% |
| Consumer Staples | 6.62% |
| Utilities | 5.11% |
| Materials | 3.93% |
| Energy | 3.40% |
| Health Care | 1.50% |
| Cash | 10.16% |
| Total | 100.00% |

TOP HOLDINGS OF THE TARGET FUND

| | |
|---|--------|
| Tenaga Nasional Bhd (Malaysia) | 4.71% |
| Public Bank Bhd (Malaysia) | 4.40% |
| Malayan Banking Bhd (Malaysia) | 3.89% |
| Tencent Hldg Ltd (Hong Kong) | 3.82% |
| Alibaba Group Holding Ltd (Cayman Island) | 3.44% |
| Taiwan Semiconductor Manuf (Taiwan) | 3.01% |
| Samsung Electronics Co. Ltd (South Korea) | 2.94% |
| Reliance Industries Ltd (India) | 2.59% |
| Genting Malaysia Bhd (Malaysia) | 2.05% |
| Largan Precision Co. Ltd (Taiwan) | 1.85% |
| Total | 32.70% |

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 investment returns of Sun Life Malaysia Equity Income Fund versus its benchmark as at 30 April 2020:

| % | YTD | 1M | 6M | 1-Year | 3-Year | 5-Year | Since Inception |
|------------------|--------|-------|-------|--------|--------|--------|-----------------|
| Fund* | -11.51 | -7.70 | -9.08 | -8.53 | 1.17 | 10.71 | 22.74 |
| Benchmark | -9.91 | 6.98 | -7.95 | -10.86 | -9.97 | -3.07 | 7.26 |

* 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

Asia: We have a positive view on Asian equities over the next 12 months as economic activities are likely to recover from the third quarter. With several major countries around the globe planning to re-open their economies over the next 2 months, we expect economic activities to recover from depressed levels beginning in 3Q 2020. We expect governments, businesses and consumers to be tentative and cautious; hence the recovery will be gradual. Furthermore, the pace of re-opening would not be uniform but vary widely between sectors and between countries. Countries which have deeper domestic economies would likely lead in recovery compared to countries that depend on global trade or international travel. Fund flows out of Asian markets had been unprecedented in March-April, dwarfing outflows seen during previous crisis episodes like GFC or Taper Tantrum. As recovery takes hold, the return of these foreign funds would be a tailwind for Asian equities. Asia Pacific ex Japan equities trade at 13.6x forward-12M PER, above the 5-year average of 13.0x. Consensus expectations of 2020 earnings growth have been revised downwards, but at -2.5% remains vulnerable to further cuts. Our stock investments are geared towards niche companies which are long-term winners with favourable supply discipline, little competition, or possess significant brand equity. We also like stocks which are beneficiaries of super-low interest rates and discount rates which would likely persist for a long time after the pandemic.

Source : *Principal Asset Management Bhd*
Date : *30 April 2020*

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.