

### 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	3.6518 million units (31 August 2015)
Fund Size	RM3.7960 million (31 August 2015)
Unit NAV	RM1.0395 (31 August 2015)
Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	CIMB-Principal Asset Management Bhd
Target Fund	CIMB Principal Equity Income Fund
Benchmark	50% FBM100 Index + 50% MSCI AC Asia ex-Japan Index
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>Have a medium to long-term investment horizon</li> <li>Target capital appreciation</li> <li>Do not require regular income</li> <li>Comfortable with higher volatility</li> <li>Willing to take higher risk for potential higher gains</li> </ul>
Fees	Management fee: 1.5000% p.a.
Taxation	8% of annual investment income

### ASSET ALLOCATION

Equities	Min 70% Max 98%	Cash	Min 2%
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### WHERE THE FUND INVESTS

Financials	17.21%	Oil & Gas	2.10%
Trading/Services	14.18%	Construction	2.07%
Finance	11.62%	Utilities	1.80%
Consumer	10.89%	IPC	1.73%
Industrials	9.00%	REITS	1.26%
Telecommunication	8.97%	Others	1.45%
Technology	3.01%	Cash	14.71%

### TOP HOLDINGS OF THE TARGET FUND

Public Bank Bhd	4.81%
Malayan Banking Bhd	4.41%
Tenaga Nasional Bhd	2.91%
China Mobile Ltd (Hong Kong)	2.78%
MISC Bhd - Local	2.02%
Petronas Gas Bhd	1.94%
Telekom Malaysia Bhd	1.82%
Amorepacific Corp (South Korea)	1.79%
China Life Insurance Co. Ltd (China)	1.77%
ComfortDelGro Corp Ltd (Singapore)	1.77%

### 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 31 August 2015:

%	YTD	1M	3M	6M	1-Year	3-year	Since Inception
<b>Fund*</b>	3.28	-2.39	-4.26	-2.69	5.11	N/A	3.95
<b>Benchmark</b>	-2.12	-4.22	-8.40	-7.32	-3.20	N/A	-0.38

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 August 2015, the Fund fell 2.39%, outperforming the benchmark by 1.83%. The Fund's underweight on China contributed to the outperformance. This was partially offset by the underperformance of Malaysia and Singapore. In terms of sectors, the Fund's overweight in Telecommunications contributed to the outperformance. At the stock level, its underweight in Sime Darby and Genting, and overweight in Eclat Textile contributed positively. However, this was offset by its overweight in Cahya Mata Sarawak and Conception Industrial. Year-to-date ("YTD"), the Fund is up 3.28%, outperforming the benchmark by 5.40%.

Asian equities suffer from tight liquidity, fund outflows and volatile currencies. An economic slowdown and deflationary forces in the Chinese economy (negative Producer Price Index ("PPI") for 41 consecutive months, falling corporate profitability) are having knock-on effects on Asian corporate earnings and business confidence. We remain cautious on Asian equities as risk premium is rising as China is de-leveraging and currency volatility is elevated.

We expect corporate earnings to be downgraded post results season, as the recent second quarter of 2015 ("2Q15") earnings continued to disappoint. Market continues to be very narrow and lacks positive catalysts. Healthy earnings growth is essential for the market to move up from here. Earnings Per Share ("EPS") growth is 0% and 9.5% for 2015 and 2016 respectively, with corresponding Price Earnings Ratios ("PERs") of 16.1 times and 14.7 times. Despite the sharp correction, the FTSE Bursa Malaysia Kuala Lumpur Composite Index ("FBMKLCI") continues to look fair for 2016.

During this period of elevated market volatility, we will focus on stocks exhibiting quality of growth and not merely high growth. We intend to buy/sell when investor positioning is deemed extreme and/or prices move beyond what is fundamentally justified on a bottom-up basis. For Malaysia, we remain cautious and the Fund is defensively positioned. We favour stocks which show strong growth despite being in a low growth environment. As such, we like Exporters (Technology, Gloves, Furniture), Ports and Utilities. We remain underweighted in Oil & Gas, Plantations, Telecommunications and Financials.

#### 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.