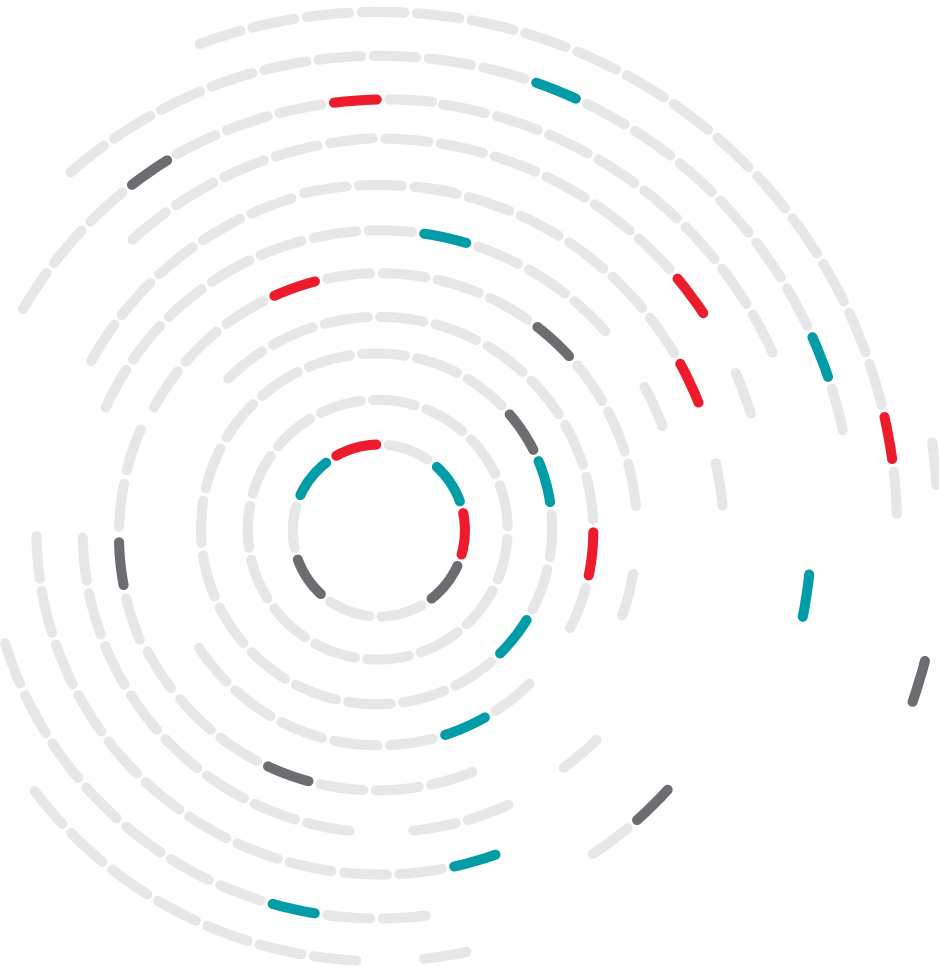


PRUDENTIAL BSN

TAKAFUL

TAKAFULINK DANA ASIA

MASTER FUND FACT SHEET 2022



TAKAFUL & US

Takaful literally means responsibility, guarantee, collective assurance and mutual undertaking. Broadly speaking, takaful is founded on the cooperative arrangement (*Ta'awun*) based on principles of mutuality and solidarity, encompassing the elements of joint indemnity and common interest. Takaful is defined under Section 2 of the Islamic Financial Services Act 2013, to mean an arrangement based on mutual assistance under which takaful participants agree to contribute to a common fund providing for mutual financial benefits payable to the takaful participants or their beneficiaries on the occurrence of pre-agreed events.

Depending on the applicable approved Takaful model, participants' contribution shall be channelled into the relevant segregated funds for investments. Our Funds* are solely invested in Shariah-compliant investments, locally and abroad. Each investment is made after taking into consideration the risk and return involved.

At Prudential BSN Takaful Berhad (PruBSN), we uphold these values through professional practice in order to give the customers everything they need and more. Values that are clearly reflected in each and every one of our transaction. Values that make us a prudent choice.

Through agency and partnership channels, we offer a variety of innovative products that covers you in every aspect of your life. From protection to savings to spiritual fulfilment, each of our product is designed to provide peace of mind for you.

* *Takafulink Funds are Shariah-compliant investment instruments.*



TAKAFULINK DANA ASIA

Features of Fund	
Investment Objective	Takafulink Dana Asia (The Fund) aims to provide capital appreciation by investing in Shariah-compliant securities in the Asia Pacific ex-Japan region including Malaysia.
Investment Strategy & Approach	<p>The Fund seeks to achieve its objective by investing in an Islamic collective investment schemes (Target Fund) that invest in the markets of Asia Pacific ex-Japan region including Malaysia.</p> <p>The Target Fund(s) will be monitored to assess the performance, processes, styles and positioning. The allocation to, or the Target Fund(s) may change if it is deemed unsuitable to meet The Fund's objectives.</p> <p><i>Note: Refer to additional disclosure for details of the Target Fund(s).</i></p>
Asset Allocation	<ul style="list-style-type: none">• Up to 100% of The Fund's Net Asset Value (NAV) in the Target Fund; and• The remaining of The Fund's NAV not invested in the Target Fund will be invested in Islamic money market instruments.
Performance Benchmark	30% FTSE Bursa Malaysia EMAS Shariah Index + 70% MSCI AC Asia ex Japan Islamic Index
Fund Manager	Prudential BSN Takaful Berhad (200601020898 (740651-H))

Fees & Charges	
Asset Management <i>Wakalah</i> Charge	1.5% p.a.
Other Charges, if any	NIL

TAKAFULINK DANA ASIA

Additional Disclosure for Takafulink Dana Asia

Takafulink Dana Asia feeds into Principal DALI Asia Pacific Equity Growth Fund (formerly known as CIMB Islamic DALI Asia Pacific Equity Growth Fund), which is managed by Principal Asset Management Berhad (Target Fund Manager).

Please note that you will only be charged 1.5%, annual asset management *Wakalah* charge at The Fund level. You will not be charged the annual asset management *Wakalah* fee at the Target Fund level.

Fund Performance

Year	Actual Performance	Benchmark ^{^^}
2022	(16.85%)	(15.31%)
2021*	0.26%	(1.89%)

* Takafulink Dana Asia launched on 10 May 2021. Fund Performance is from fund launch date until year end of the same year (non-annualised return).

^{^^} 30% FTSE Bursa Malaysia EMAS Shariah Index + 70% MSCI AC Asia ex Japan Islamic Index.

This table is based on historical performance of the Target Fund.

Year	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net Performance (%)	(18.57)	0.26	24.91	15.73	(15.58)	20.73	(1.10)	9.99	3.54	13.48

Performance is calculated on a NAV[#] year n-1 to NAV[#] year n basis with gross income or dividend reinvested.

[#] The NAV here is referring to Principal DALI Asia Pacific Equity Growth Fund's Net Asset Value.

For further details of the Target Fund, please refer to <https://www.principal.com.my/>

Basis of calculation of past performance:

$$= \frac{\text{NAV}^* \text{ for year } n}{\text{NAV}^* \text{ for year } n-1} \% - 100\%$$

* The NAV here is referring to The Fund's Net Asset Value.

Important Note: Past performance of The Fund is not an indication of its future performance. This is strictly the performance of the investment fund, and not the returns earned on the actual contribution paid of the investment-linked takaful product.

TAKAFULINK DANA ASIA

Forward Pricing

Units are created and cancelled at the next Valuation Date following receipt of contribution or notification of claim respectively.

Risk Factors

Please refer to the detailed Risk Factors listed below:

- **Market Risk**

Market risk refers to potential losses that may arise from adverse changes in market conditions. Market conditions are generally affected by among others, economic and political stability. If the market in which The Fund invests in suffers a downturn or instability due to adverse economic or political conditions, this may adversely impact the market prices of the investments of The Fund.

- **Liquidity Risk**

Liquidity risk refers to two scenarios. The first scenario is where a Shariah-compliant security cannot be sold due to the unavailability of a buyer for that investment. The second scenario is where the investment is thinly traded. This may cause The Fund to dispose the investment at an unfavourable price in the market and may adversely affect participants' investment. Liquidity risk may be mitigated through stringent selection process of liquid securities and active monitoring.

- **Security Risk**

Prices of a particular Shariah-compliant security may fluctuate in response to the circumstances affecting individual companies. As such, adverse price movements of a particular Shariah-compliant security invested by The Fund may adversely affect The Fund's NAV. The Target Fund Manager strives to mitigate the impact of a particular Shariah-compliant security risk through portfolio diversification

- **Risk of Non-Compliance**

Non-adherence with laws, rules, regulations, Shariah resolutions, prescribed practices, internal policies and procedures may result in regulatory censure, tarnished reputation, and reduced expansion potential for The Fund. Investment goals may also be affected should the Fund Manager not adhere to the investment mandate. In order to mitigate this risk, the Fund Manager has stringent internal controls and ensures its continuous compliance with laws, rules, regulations, Shariah resolutions, prescribed practices and the Fund Manager's internal policies and procedures.

Risk Factors

- **Management Company Risk**

The performance of The Fund depends on the experience, expertise and knowledge of the management company. Should there be lack of any of the above qualities by the management company, it may adversely affect the performance of The Fund.

- **Inflation Risk**

This risk refers to the risk when participants' investment in The Fund may not grow or generate income at a rate that keeps pace with inflation, thus resulting in the participants' decreasing purchasing power even though the investment in monetary terms may have increased.

- **Shariah Status Reclassification Risk**

This is the risk that the Shariah-compliant equity securities currently held in The Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the Securities Commission or the Shariah Adviser. If this occurs, the Fund Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Target Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Target Fund Manager is required:

- (i) to dispose of such securities with immediate effect or within one (1) calendar month if the value of the securities exceeds or is equal to the investment cost on the effective date of reclassification of the list of Shariah-compliant securities ("Reclassification") by the Shariah Advisory Council of the Securities Commission or date of review ("Review") by the Shariah Adviser. The Target Fund Manager is allowed to keep dividends received and capital gains from the disposal of the securities up to the effective date of Reclassification or Review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification or Review should be channelled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser;
- (ii) to hold such securities if their value is below the investment cost on last trading day before the effective date of Reclassification or Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one (1) calendar month, capital gains (if any) from the disposal of the securities should be channelled to *baitulmal* and/or charitable bodies approved by the Shariah Adviser;
or
- (iii) to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Target Fund's value.

Risk Factors

- **Counterparty Risk**

The Fund will be exposed to credit risk on counterparties with whom The Fund trade with. The Fund may place Islamic deposits and invest in Islamic money market instruments. In the event that the counterparty is not able to fulfil its obligations especially in the event of bankruptcy this may lead to a loss to The Fund. Counterparty risk may be mitigated by conducting credit evaluation on the counterparty to ascertain the creditworthiness of the counterparty.

- **Management of Target Fund Risk**

While the Fund Manager exercise due skill and care in selecting the Target Fund, it does not have control over the management of the Target Fund and there is no guarantee that the investment objectives will be met. This may result in participants suffering loss in their investments in The Fund.

The Target Fund may change its objective and become inconsistent with the objectives of The Fund. In such instances, the Fund Manager will replace the Target Fund with another Shariah-compliant collective investment scheme which the Fund Manager considers to be more appropriate in meeting the objectives of The Fund. Participants would be notified of such change.

- **Currency Risk**

The Fund will invest in foreign markets, hence, investments will be denominated in foreign currencies. As The Fund is denominated in Ringgit Malaysia, investments in foreign currencies will cause The Fund to be exposed to currency risk. The impact of the exchange rate movement between the base currency of The Fund and the currency of the underlying investments may result in a depreciation of the value of the investments as expressed in the base currency of The Fund. The Fund does not intend to engage in any currency hedging to mitigate currency risk.

Risk Factors

- **Country Risk**

The Fund may be affected by risks specific to the countries in which the Target Fund invests in. Such risks may be caused by but not limited to changes in each country's economic fundamentals, social and political stability, currency movements and foreign investment policies. These factors may have an impact on the prices of Target Fund's investment in that country and consequently affect The Fund's NAV.

Investments in certain markets may be restricted or controlled. In some countries, direct investments in Shariah-compliant securities may be prohibited and restricted due to regulatory requirements. These limitations may increase transaction costs and adversely affect a security's liquidity and the price in connection with the Shariah-compliant security.

The Fund Manager will constantly monitor and observe the developments in these countries where assets of Target Fund are allocated. In addition, the Target Fund Manager will employ a systematic investment process, which includes regular reviews, to manage and mitigate this risk.

- **Concentration Risk**

This risk refers to the risk that the Target Fund invests a substantial portion of its assets in a particular sector or geographical area which may cause The Fund to be more susceptible to adverse economic events affecting that particular industry or region. This risk is mitigated through the diversification process that the Target Fund Manager will employ in the management of the Target Fund whereby The Fund will hold a diversified portfolio of Shariah-compliant securities across various sectors and countries.

- **Emerging and Developing Market Risk**

In emerging and developing markets, the legal, judicial and regulatory infrastructure is still developing and there are much legal uncertainties both for the local market participants and their overseas counterparts. As the emerging and developing markets carry significant risks for The Fund should therefore ensure that, before investing in The Fund, they understand the relevant risks and are satisfied that an investment in The Funds is suitable.

Risk Factors

- **Risk Associated with Investment in Warrants**

There are inherent risks associated with the Target Fund's investment in warrants. The value of warrants is 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, Target Fund Manager will undertake fundamental research and analysis on these instruments with an aim to mitigate its risks.

- **Stock Specific Risk**

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.

- **Risk Associated with Investment in Collective Investment Schemes (CIS)**

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, Target Fund Manager will seek for another Islamic CIS that is consistent with the objective of the Target Fund.

Note: The above should not be an exhaustive list of the risks which participants should consider before investing into The Fund. Participants should be aware that an investment in The Fund may be exposed to other risks from time to time. Participants should consult a professional adviser for a better understanding of the risks.

TAKAFULINK DANA ASIA

Risk Management Strategies

The risk management strategies employed by the Fund Manager include the following:

- Monitoring market and economic conditions;
- Monitoring adherence to The Fund's objectives and investment restrictions and limits;
- Monitoring the performance of The Fund;
- Taking temporary defensive positions, when required; and
- Escalating and reporting investment matters to the investment committee, senior management team, audit committee, Shariah committee and board of directors.

TAKAFULINK DANA ASIA

Other Info	
Target Market	Participants who are seek capital appreciation over long-term investment horizon with high risk tolerance and wish to have investment exposure in Asia Pacific ex-Japan region including Malaysia.
Basis & Frequency of Unit Valuation	<ul style="list-style-type: none"> • Unit pricing is performed daily. • Unit price is calculated based on market value of the underlying assets of The Fund, divided by number of units issued. • The Fund does not pay any dividend. All incomes and capital gains are automatically rolled up in its unit price. • Unit price is a single price at which units are created and cancelled. • The unit price of The Fund shall be valued at the end of each business day (Valuation Date). However, as the value of The Fund's investments at the end of a particular Valuation Date will only be known a business day later, the determination of the unit price of The Fund in respect of a particular Valuation Date shall only be published and made known 2 business days later (T + 2).
Exceptional Circumstances	<ul style="list-style-type: none"> • PruBSN may suspend unit pricing and defer the issuance or redemption of units, or switching to any fund, under this Fund for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange or suspension of particular stocks in which The Fund is invested in. In such event, notice for suspension may be published and may be communicated to the Participants upon any request for top-up, switching, redemption or withdrawal to/from any such Takafulink fund. • PruBSN may suspend unit pricing and certificate transaction if the Target Fund Manager suspends subscription to the Target Fund.

TAKAFULINK DANA ASIA

Information of the Target Fund

Principal DALI Asia Pacific Equity Growth Fund

Investment Strategy

The Target Fund will invest a minimum of 70% and up to a maximum of 98% of its NAV in Shariah-compliant equities in order to gain long-term capital growth and up to 28% of its NAV in other permissible Shariah-compliant investments. The Target Fund may opt to invest in foreign Shariah-compliant equities up to a maximum of 70% of its NAV. Such foreign Shariah-compliant equities must be securities of companies domiciled in, listed in, and/or have significant operations in countries in Asia Pacific ex Japan.

'Significant operations' means major businesses of the company. For example, the Target Fund can invest in a company with significant business and/or operations in Thailand but listed on the New York Stock Exchange. The threshold for 'significant operations' would be if more than 25% of total group revenue derives from countries in Asia Pacific ex Japan. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). The Target Fund may also opt to seek investment exposure via Islamic CIS that is in line with the Target Fund's objective, subject to the requirements of the SC Guidelines.

Disclaimer:

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For All. For Life

Prudential BSN Takaful Berhad is a registered Takaful Operator under the Islamic Financial Services Act 2013 and is regulated by Bank Negara Malaysia.

Prudential BSN Takaful Berhad 200601020898 (740651-H)
Level 13, Menara Prudential, Persiaran TRX Barat, 55188 Tun Razak Exchange, Kuala Lumpur.

Customer Service: +603 2775 7188

E-mail: customer@prubsn.com.my

www.prubsn.com.my



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