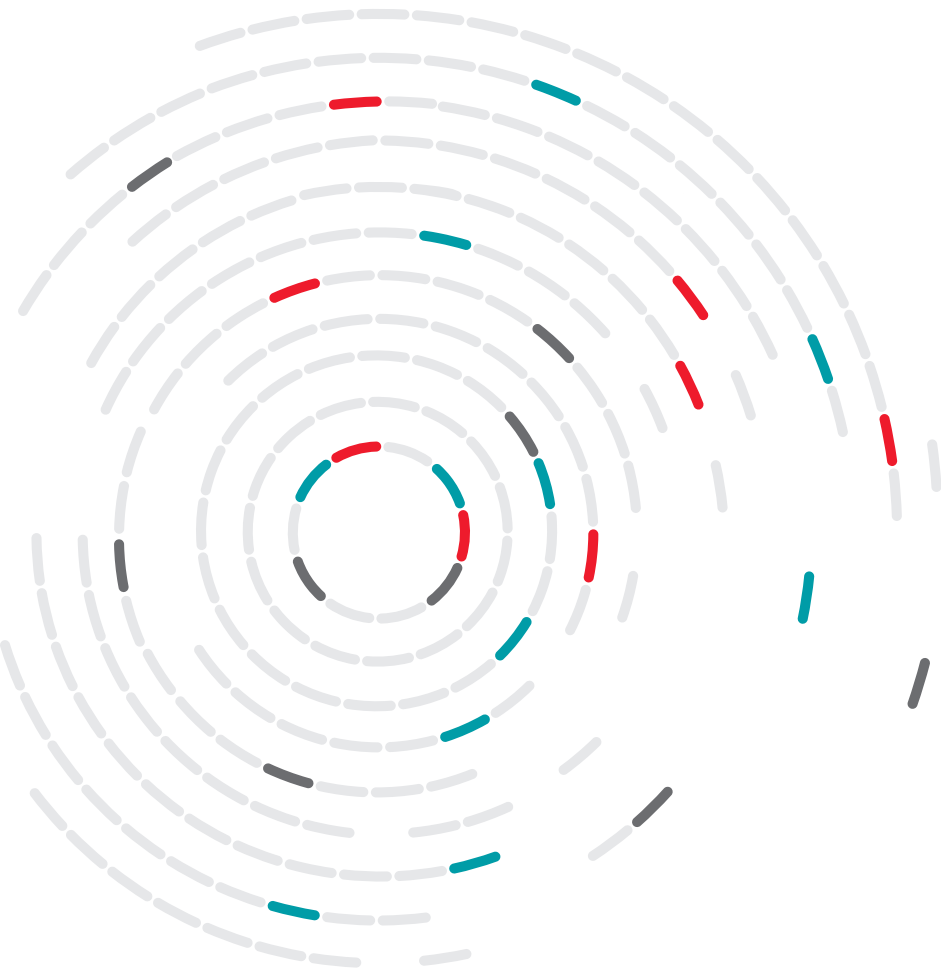


TAKAFULINK DANA URUS

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 URUS

Features of Fund	
Investment Objective	Takafulink Dana Urus (The Fund) seeks to maximise medium-to-long term returns by investing in Shariah-compliant equities, sukuk and Islamic money market instruments through Takafulink Dana Ekuiti dan Takafulink Dana Sukuk, and in any other Takafulink Funds that may become available in the future.
Investment Strategy & Approach	The Fund seeks to achieve its objective by investing in a balanced portfolio comprising Shariah-compliant equities and Shariah-compliant equity-related securities as well as sukuk and Islamic money market instruments via Takafulink Dana Ekuiti and Takafulink Dana Sukuk, and in any other Takafulink Funds that may become available in the future.
Asset Allocation	<ul style="list-style-type: none"> • 70% to 90% of The Fund's NAV in Takafulink Dana Ekuiti; • 10% to 30% of The Fund's NAV in Takafulink Dana Sukuk; • The remaining of The Fund's NAV not invested in Takafulink Dana Ekuiti and Takafulink Dana Sukuk will be invested in Islamic money market instruments.
Performance Benchmark	<ul style="list-style-type: none"> • 80% FTSE Bursa Malaysia Emas Shariah Index (FBMS) + 20% MBB 12-month Islamic Fixed Deposit-i rate. <p><i>Further information on FBMS can be obtained from Bursa Malaysia and Bloomberg websites.</i></p> <p><i>Further information on MBB 12-month Islamic Fixed Deposit-i rate can be obtained from Maybank2u website.</i></p>
Fund Manager	Eastspring Al-Wara' Investments Berhad (200901017585 (860682-K))
Fees & Charges	
Asset Management <i>Wakalah</i> Charge	1.3% p.a.
Other Charges, if any	NIL

TAKAFULINK DANA URUS

Fund Performance

Year	Actual Performance	Benchmark*
2022	(5.39%)	(8.19%)
2021	(1.28%)	(5.07%)
2020	11.86%	8.85%
2019	5.07%	3.78%
2018	(7.08%)	(10.26%)
2017	9.66%	9.19%
2016	(2.08%)	(4.28%)
2015	4.78%	2.61%
2014	1.83%	(2.76%)
2013	11.85%	11.18%

Basis of calculation of past performance:

$$= \frac{\text{NAV* For Year } n}{\text{NAV* For Year } n-1} \% - 100\%$$

* NAV is per unit basis.

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.

* 2013 – 2015 Benchmark: 80% FBMS + 20% MBB 1-month Tier-1 Islamic Deposit rate.

2016 – 2022 Benchmark: 80% FBMS + 20% MBB 12-month Islamic Fixed Deposit-i rate.

Forward Pricing

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

Risk Factors

Please refer to the detailed Risk Factors listed below by order of importance:

- **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 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**

This is the risk that the Fund Manager due to an oversight, may not adhere to the investment mandate of The Fund. This risk is mitigated by the Fund Manager using the following:

- Monitoring by the investment committee;
- Monitoring investment limits and restrictions through front office system, a system used by Fund Managers and dealers for placing trades which also has the capability to monitor various regulatory and internal requirements such as investment breaches; and
- Regular operational and investment risks reporting to the senior management team.

- **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 Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the 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 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;

Risk Factors

- (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 Fund's value.

• Interest Rate Risk

Generally, the valuation of sukuk will move inversely with interest rate movements. Therefore, the valuation of sukuk may fall when interest rate rises and vice versa. Should The Fund hold a sukuk until its maturity, such price fluctuations would reduce as the sukuk approaches maturity. To mitigate the effects of interest rate movements, the Fund Manager will manage the duration of the portfolio by diversifying the tenures of The Fund's sukuk investments based on the Fund Manager's view on the future interest rate trend.

Interest rate is a general economic indicator that will have an impact on the management of The Fund regardless of whether it is an Islamic fund or otherwise. It does not in any way suggest that The Fund will invest in conventional financial instruments. All the investments are carried out for The Fund are in accordance with Shariah requirements.

• Credit/Default Risk

This risk refers to the inability of the issuer of the sukuk held by The Fund to make the profit or principal payments when due. In the event the issuer defaults in the profit or principal payments, the value of The Fund will be adversely affected. The Fund Manager will mitigate The Fund's credit/default risk by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of the issuer. This risk is mitigated by investing only in sukuk with minimum credit rating of A3 and P3 or equivalent rating by recognised domestic or global rating agencies.

• Counterparty Risk

The Fund will be exposed to credit risk of the 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.

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.

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 URUS

Other Info	
Target Market	Participants with moderate-to-high tolerance and medium-to-long term investment horizon.
Basis & Frequency of Unit Valuation	<ul style="list-style-type: none"> • Unit pricing is performed daily. • Unit price is calculated based on the market value of the underlying assets of The Fund, divided by the 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 the single price at which units are created and cancelled.
Exceptional Circumstances	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.

Disclaimer:

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TAKAFUL

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.

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