

Investment Linked Funds Annual Report

as at 30 November 2013



AIA AFG TAKAFUL

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MESSAGE FROM CEO

31 March 2014

Dear valued Certificate Holders,
Assalamualaikum and salam sejahtera,

In our continuous effort to meet the long-term savings needs of our Certificate Holders, we are committed to developing real solutions to meet the real life needs of our customers. While we continue to focus on prudent management of your investment, we aim to keep you updated with clear, timely and relevant information to help you make informed investment decision. So it gives me great pleasure to present our Investment Linked Funds Annual Report for Financial Year 2013.

Last year, the local bourse experienced sharp volatility caused by general election jitters in the earlier part of 2013, US Quantitative Easing tapering fears and deteriorating fundamentals of some key emerging economies. Yet, local equities witnessed another record-breaking performance, with the FBM Syariah Index closing at a high of 12,734.2 points, up by 16.2 per cent compared with the year before.

We are pleased to inform that our A-Dana Equity Fund recorded a robust growth of 19.93 per cent against the benchmark of 16.22 per cent. The A-Dana Income Fund also showed a healthy growth of 2.86 per cent against the benchmark of 3.24 per cent. As for the A-DALI Equity Fund, the Fund has posted an annualised return of 10.80 per cent against the benchmark 16.29 per cent since inception in January 2013.

Following the historic formation of the new AIA Malaysia on 17 June 2013, it gives us great pleasure to announce another significant milestone for AIA in Malaysia. Effective 1 March 2014, the Takaful businesses and operations of AIA AFG Takaful Bhd. and AIA PUBLIC Takaful Bhd. (*formerly known as ING PUBLIC Takaful Ehsan Berhad*) have been integrated under a single Takaful license and is now known as AIA PUBLIC.

We believe that the single license integration of the Takaful entities will accelerate the growth of our Takaful business in Malaysia and help us achieve our vision of becoming the Undisputed #1 Takaful Operator in Malaysia. With the integration, we now have the right fundamentals to grow our business and we will continue to focus on the expansion of our multi-distribution channels, while offering more innovative Family Takaful solutions.

On behalf of the management team, I would like to thank you for your loyalty and continuous support. We look forward to serving you better as we strive to accelerate our excellence in 2014.

Yours sincerely,

Wan Azman Wan Mamat
Chief Executive Officer

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
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MARKET REVIEW FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2013

1. Local Stock Market Commentary

Market Review

The year 2013 witnessed yet another record breaking performance with the FBM Syariah Index closing at a high of 12,734.2 points, up by 16.2% as compared to the year before. This record closing was arrived after a hard fought tug of war between bullish and bearish forces during the year.

During the year, the local bourse experienced sharp volatility caused by general election jitters in the earlier part of 2013 as well as US Quantitative Easing (QE) tapering fears and deteriorating fundamentals of some key emerging economies. Despite that, the FBM Syariah registered a gain of 16.2% for the financial year, thanks to strong local institutional support, solid interest in oil & gas sector, reduction in political risk, government's pro-active move to address Malaysia's budget deficit, recovering global economy and re-rating of key heavyweight, Tenaga Nasional which received a 15% average tariff increase.

Key Market Drivers:

Positive

- Conclusion of the 13th General Election and the UMNO Election, which saw no major changes, ensured policy certainty at least until 2017/2018.
- Malaysia government undertook a strong commitment to fiscal reform in its 2014 Budget tabled in Parliament on 25 October 2013. This includes implementing a 6% goods and services tax ("GST") from 1 April 2015 to broaden its tax base and in the meantime, cutting subsidies to reduce its operating expenditure with the aim of reducing the fiscal deficit further to 3.5% of GDP in 2014. The subsidies rationalization included abolishment of sugar subsidy; 20 sen petrol hike and an average 14.9% electricity tariff hike.
- Under the Economic Transformation Programme ("ETP"), there were a total of 196 projects with total committed investment of RM219.3 billion in 2011-2013.
- Petronas has awarded around RM40 billion worth of contract, of which RM10 billion each for hook-up, commissioning and maintenance services ("HUC") and transportation and installation ("T&I") packages to domestic oil and gas service providers.
- Privatization of MBF Holdings, Tradewinds (M) Bhd, Tradewinds Plantations and Padiberas Nasional.
- Moody's raised sovereign credit rating outlook for Malaysia to "positive" from "stable".
- Massive quantitative easing by the Bank of Japan advocated by its new prime minister, Shinzo Abe sparked economic recovery in Japan. China avoided an economic hard landing, Euro moves out of recession while US economy recovery gathers momentum.
- A partial shutdown of US government's operation for 16 days from 1- 16 October was resolved swiftly preventing any significant damage to the US economy.
- US military action in Syria was averted.
- Janet Yellen was nominated as successor for Ben Bernake as US Federal Reserve chairperson. She is widely expected to continue with Bernake's loose monetary policy.

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MARKET REVIEW FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2013 (CONT'D)

1. Local Stock Market Commentary (cont'd)

Key Market Drivers: (cont'd)

Negative

- Election jitters at the beginning of the year until early March 13.
- Average CPO price for 2013 is RM2,368 per tonne vs RM2,858 per tonne in 2012.
- Property stocks are affected by Malaysian government's move to curb speculation with higher RPGT (30%) and abolishment of Developer Interest Bearing Scheme ("DIBS").
- Fitch Rating Agency downgraded Malaysia's sovereign rating outlook to negative from stable on 30 July 2013 on account of weaker public finances and the lack of measures to tackle it.
- US Federal Reserve signaled its intention to taper off US\$85 billion monthly asset purchase in May 2013 resulted in foreign outflows weakening currencies and causing interest rates to rise in India and Indonesia. The Federal finally announced a modest USD10 billion reduction of its support to USD75 billion towards the end of the year.
- Twin deficits suffered by regional markets in particular Indonesia and India as well as Malaysia's narrowing current account surplus sparked further foreign outflows.
- Measures by the Chinese government in 1H13 to curb property prices in urban areas affected investor sentiment.
- Fear of a hard landing in China's economy on account of its economic imbalances and policy tightening.

Market Outlook

For 2014, we are cautiously optimistic about the stockmarket on the back of anticipation of economic recovery in the developed countries would in turn spur exports in emerging markets like Malaysia. We anticipate the market to be volatile while returns from equity market is projected to be single digit at best given subpar global economic growth despite recovery, China's growth slowing, outflows of foreign funds as QE tapering gathers momentum while the European debt crisis remains unresolved.

As QE tapering is a matter of timing, the risk of reversal of short-term capital flow from emerging markets back to the developed markets may repeat itself as witnessed in June to August 2013, but with a lesser extends as foreign ownership in the local equity market is slightly above 22%, not far away from its low of 20% recorded during the Lehman crisis.

On the local front, FLCI Syariah is already close to its historic high, cut in government spending, rising cost of living and doing business and possible rise in interest rates are headwinds for the equity market to move significantly higher.

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MARKET REVIEW FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2013 (CONT'D)

1. Local Stock Market Commentary (cont'd)

Long Term Catalysts

- Improving fiscal budget deficit and trade surplus, thus avoiding a rating downgrade and preventing a sovereign rating downgrade and sharp weakness in Ringgit.
- Acceleration in rolling out Economic Transformation Programme ("ETP") and Public-Private Partnership ("PPP") should lift GDP growth, eg LRT extension, MRT project, High Speed Railway, Pengerang oil storage and Iskandar development.
- Both the General Election and UMNO Election are now over, thus the Government can concentrate on implementing economic reforms and putting Malaysia on a sustainable growth path.
- Major transformation programme in China's Third Plenum will transit China into a more stable and stronger economy.
- Abenomics 'Third Arrow' growth strategy is expected to help to sustain Japanese economic growth.

Concerns

- Execution risk of major reform program such as GST implementation and subsidy cut if political pressure mounts.
- Subpar global economic growth.
- FBM Syariah Index is already at all time high making it vulnerable to correction.
- Bank Negara may raise interest rates if growth is better than expected.
- Cut in subsidy and implementation of GST may hurt consumer demand and cost of doing business.
- Risk of fiscal deadlock in the US in 1Q14.
- Euro debt crisis has yet to be fully resolved.
- China may face policy uncertainty and slowdown in growth in the short run as it transit to a new economy as outlined in its recently concluded Third Plenum.

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MARKET REVIEW FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2013 (CONT'D)

2. Local Sukuk Market Commentary

Economic, events and financial market conditions impacted the Fund:

- Elections
Malaysia held its general elections in May. The incumbents were returned to power and this removed the political uncertainty which had clouded the outlook for the Malaysian market. Government Investment Issue ("GII") tracked the rally in Malaysian Government Securities ("MGS") which saw the GII yield curve flatten significantly.
- Tapering
One of the key events this year was the US Federal Reserve's announcement that it would reduce its bond purchases, otherwise known as 'tapering' of its Quantitative Easing programme. The market reacted negatively when the Fed Chairman hinted that the first reduction could occur as early as September. The long-dated GII began their climb from the lows recorded post-elections and resulted in a steepening of the GII curve.

As can be expected, the concerns over reduced liquidity caused foreign ownership of Malaysian Government securities to fall from 48% in May to 41% in July.

Nevertheless, the taper did not materialize in September as widely anticipated because the Fed decided to wait for more evidence that the economic progress could be sustained. This led to a short rally in bonds, as market players came to a realization that the start of tapering was only a matter time.

- Sovereign rating changes and the budget
In July, Fitch Ratings downgraded the rating outlook on the Malaysian sovereign rating to negative from stable because it said that 'prospects for budgetary reform and fiscal consolidation to address weaknesses in the public financed have worsened'. This added to the already cautious sentiment in the market following the hints of QE tapering and the 10-year MGS rose to as high as 4.13%. The high foreign shareholding in the MGS market added to fears of outflows.

The concerns that Fitch had raised were somewhat addressed in the Government's budget, where the government announced some fiscal consolidation measures such as a reduction in subsidies and the introduction of GST. The government said it planned to bring down its fiscal deficit to 3.5% of GDP in 2014 from 4.0% of GDP in 2013.

Following this, in November, Moody's changed the outlook on the Malaysian rating to positive. According to the rating agency, the change was underpinned by the improved prospects for fiscal consolidation and reform and continued macroeconomic stability. However, this failed to lift MGS prices higher as players continued to be bearish and looked to external data releases for guidance. Inflation fears that followed the reduction in subsidies had also sunk in.

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COMPARATIVE PERFORMANCE TABLE

01. A-DANA INCOME FUND

For the fiscal year 2013, on a net basis, the Fund returned 2.86% against the benchmark of 3.24%. Since inception (1 March 2011), the Fund has posted an annualized return 5.28% versus the benchmark 3.22%.

Annualised Return (%) - 1 Year	30 Nov 2013	30 Nov 2012	30 Nov 2011*	Since Inception
A-Dana Income	2.86%	6.67%	5.00%	5.28%
Maybank 12-month General Investment Account ("GIA-I") rate	3.24%	3.25%	2.36%	3.22%

* Period less than 1 year, cumulative return is presented

What investments influenced the Fund's performance over the year?

Positive

- The Fund's bias towards corporate Sukuk versus GII contributed to its return due to their higher yields. Besides, corporate Sukuk yields which were relatively stable vis-à-vis GII had resulted in less volatile return

Negative

- The portfolio's holding of some long-date Sukuk had negatively affected the Fund performance in an environment of rising rates.

What is our outlook going forward?

We think that the coming year will be a challenging one for fixed income markets, with inflation rearing its head and risky assets being preferred. Economic growth in the developed markets is gaining traction and while domestic demand could be dampened by the rising costs of living and household debt, growth overseas will help Malaysian exporters. Ongoing large government-driven infrastructure will also be supportive as we saw in 2013. Healthy economic growth is positive for credit quality and by extension, corporate Sukuk markets. While the US Federal Reserve has announced that tapering will begin in January 2014, markets have taken this in stride and recognize that monetary policy continues to be an accommodative one.

Amidst the prospect of a steepening yield curve, the Fund will invest in short-to-medium tenored as well as high-grade corporate Sukuk that offer good relative values for better yield pick-up while minimizing duration risk.

What changes, if any, we have in the Fund's investment objectives or risk characteristic?

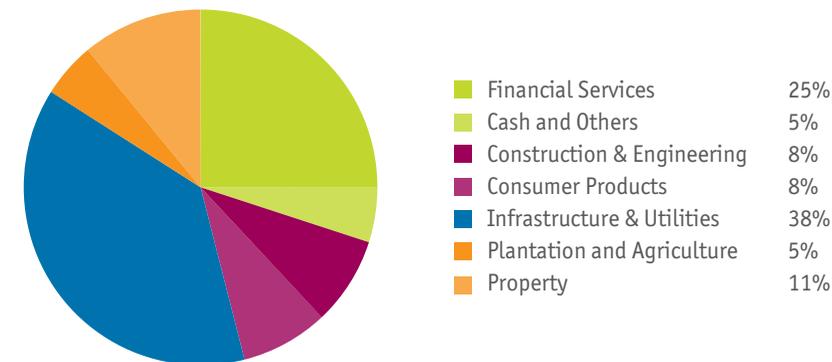
AIA Dana Income Fund continues to focus on maximizing total returns comprising of both income and capital growth by mainly investing in investment grade Islamic bonds (Sukuk) and Islamic money market instruments in Malaysia while minimizing reinvestment risk.

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AIA AFG TAKAFUL BHD.
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COMPARATIVE PERFORMANCE TABLE (CONT'D)

01. A-DANA INCOME FUND (CONT'D)



Sector breakdown as at 30 November

Category/Sectors	2013	2012	2011
Financial Services	25%	0%	0%
Cash and Others	5%	13%	14%
Construction & Engineering	8%	4%	5%
Consumer Products	8%	9%	12%
Government	0%	1%	21%
Infrastructure & Utilities	38%	65%	40%
Plantation and Agriculture	5%	0%	0%
Property	11%	8%	8%
TOTAL	100%	100%	100%

Analysis of changes in Net Asset Value ("NAV")

	30 Nov 2013	30 Nov 2012	30 Nov 2011
Total NAV (RM)	12,892,832	10,971,581	8,761,039
Number of Units	22,357,076	19,559,111	16,624,840
NAV/Unit (RM)	0.577	0.561	0.527
Highest NAV for the year (RM)	0.578	0.561	0.527
Lowest NAV for the year (RM)	0.559	0.525	0.500
Charges:			
- Audit Fee (RM)	5,500	5,000	5,000
- Tax %	8	8	8

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COMPARATIVE PERFORMANCE TABLE (CONT'D)

02. A-DANA EQUITY FUND

For the fiscal year 2013, on a net basis, the Fund returned 19.93% against the benchmark of 16.22%. Since inception in March 2011, the Fund has posted an annualised return 10.37% versus the benchmark 9.01%.

Annualised Return (%) - 1 Year	30 Nov 2013	30 Nov 2012	30 Nov 2011*	Since Inception
A-Dana Equity	19.93%	9.40%	0.00%	10.37%
FTSE Bursa Malaysia EMAS Shariah Index	16.22%	11.30%	-1.53%	9.01%

* Period less than 1 year, cumulative return is presented

What investments influenced the Fund's performance over the year?

Positive

- The Fund was overweight in small to medium cap stocks like Prestariang, Yinson, Syarikat Takaful Malaysia, Kossan and Hua Yang.
- The Fund participated in Initial Public Offering such as Matrix Concepts and UMW Oil & Gas have outperformed.
- The Fund overweight positions in cyclical sectors such as property, oil & gas, construction and technology have outperformed.
- The Fund underweight positions in telecommunication, consumer and plantation sector have underperformed.

Negative

- The Fund participated in IPO such as Airasia X has underperformed.
- The Fund was underinvested with equity exposure of 85% before the election and missed the relief rally post election.

What is our strategy going forward?

With expectations of a synchronized global growth, we prefer growth stocks over yield stocks with focus on companies with good growth prospects, decent profit margins, strong cash flows, balance sheet and decent valuation. We also favour exporters on the back of recovery in global exports and strong US dollar. As such, we like stocks in cyclical sectors i.e oil & gas, selected property stocks, construction and technology.

What changes, if any, we have made in the Fund's investment objectives or risk characteristic?

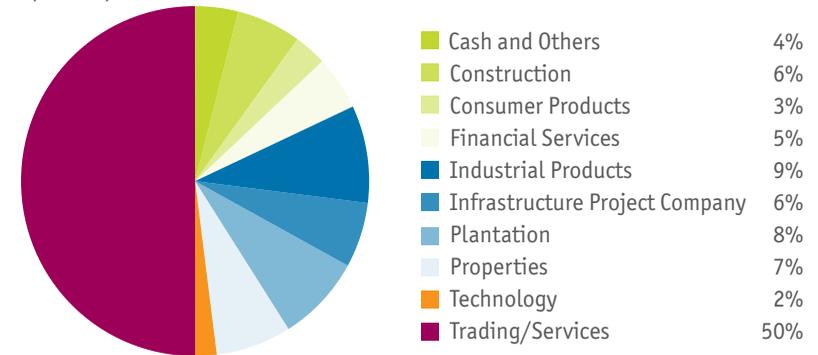
AIA Dana Equity Fund continues to seek medium to long-term growth of capital and income by investing in Shariah-approved equities, Real Estate Investment Trusts (REITs) and equity-related securities listed on Bursa Malaysia.

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COMPARATIVE PERFORMANCE TABLE (CONT'D)

02. A-DANA EQUITY FUND (CONT'D)



Sector breakdown as at 30 November:

Category/Sectors	2013	2012	2011
Cash and Others	4%	4%	49%
Construction	6%	9%	3%
Consumer Products	3%	10%	2%
Financial Services	5%	0%	0%
Industrial Products	9%	13%	4%
Infrastructure Project Company	6%	8%	4%
Plantation	8%	6%	6%
Properties	7%	3%	2%
REIT	0%	2%	2%
Technology	2%	0%	0%
Trading/Services	50%	45%	28%
TOTAL	100%	100%	100%

Analysis of changes in Net Asset Value ("NAV")

	30 Nov 2013	30 Nov 2012	30 Nov 2011
Total NAV (RM)	17,804,022	9,811,300	5,393,487
Number of Units	27,127,605	17,904,878	10,705,000
NAV/Unit (RM)	0.656	0.548	0.504
Highest NAV for the year (RM)	0.656	0.578	0.539
Lowest NAV for the year (RM)	0.537	0.498	0.472
Charges:			
- Audit Fee (RM)	5,500	5,000	5,000
- Tax %	8	8	8

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AIA AFG TAKAFUL BHD.
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COMPARATIVE PERFORMANCE TABLE (CONT'D)

03. A-DALI EQUITY FUND

Since inception in 08 January 2013, the Fund has posted an annualized return 10.80% versus the benchmark 16.29%.

Annualised Return (%) - 1 Year	30 Nov 2013*	Since Inception
A-Dali Equity	10.80%	10.80%
FTSE Bursa Malaysia Syariah Index	16.29%	16.29%

* Period less than 1 year, cumulative return is presented

What investments influenced the Fund's performance over the year?*Positive*

- The Fund was overweight in Tenaga Nasional, UMW Oil & Gas, Dayang and Perisai Petroleum had contributed positively to the Fund performance.
- The Fund was overweight in oil & gas and financial sectors throughout 2013 contributed positively to the Fund performance.
- The Fund was slight underweight in utilities sector had also contributed positive to the Fund performance.

Negative

- The Fund was overweight in Syarikat Takaful Malaysia, Time dotCom Bhd, Kumpulan Perangsang Selangor and Pos Malaysia had contributed negatively to the fund performance.
- The Fund was underweight in IOI Corp, Telekom Malaysia, SapuraKencana Petroleum and PPB Group had also contributed negatively to the performance.

What is our strategy going forward?

We are reducing weightings in stocks that have been "dressed-up" to overvalued levels, and replacing stocks with reasonable valuations and with the potential for an upgrade in earnings. In terms of sectors, we are underweight Banks and overweight Telecommunications and positioning the portfolio for a weaker Ringgit.

What changes, if any, we have made in the Fund's investment objectives or risk characteristic?

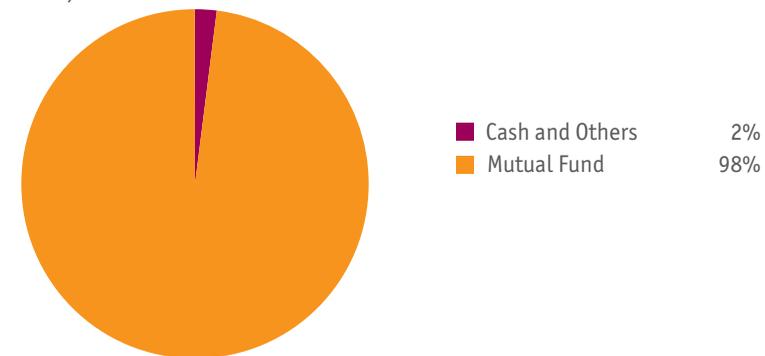
A-Dali Equity Fund continues to seek long-term growth of capital and income through a diversified equity portfolio.

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COMPARATIVE PERFORMANCE TABLE (CONT'D)

03. A-DALI EQUITY FUND (CONT'D)



Sector breakdown as at 30 November:

Category/Sectors	2013	2012	2011
Cash and Others	2%	-	-
Mutual Fund	98%	-	-
TOTAL	100%	-	-

Analysis of changes in Net Asset Value ("NAV")

	30 Nov 2013	30 Nov 2012	30 Nov 2011
Total NAV (RM)	615,762	-	-
Number of Units	1,111,233	-	-
NAV/Unit (RM)	0.554	-	-
Highest NAV for the year (RM)	0.554	-	-
Lowest NAV for the year (RM)	0.492	-	-
Charges:			
- Audit Fee (RM)	5,500	-	-
- Tax %	8	-	-

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DETAILS OF INVESTMENTS

01. A-DANA INCOME FUND

UNQUOTED CORPORATE SUKUKS

Quantity	Name of Counter	Rating	Aggregate Cost (RM)	Market Value (RM)	% of Net Asset Value
1,000,000	BERNAS	AA3	1,004,050	1,001,100	7.76%
867,723	BINARIANG GSM	A2	906,033	865,814	6.72%
760,000	CAGAMAS BERHAD	AAA	760,000	758,024	5.88%
400,000	CIMB ISLAMIC BANK	AA+is	438,500	427,960	3.32%
1,000,000	EVERSENDAI CORP	AA3	1,002,200	995,700	7.72%
700,000	GOLDEN ASSETS INTERNATIONAL	AA2s	700,630	694,190	5.38%
500,000	IMTIAZ SUKUK BHD	AA2s	500,000	500,200	3.88%
1,000,000	KAPAR ENERGY VENTURES	AA+is	1,013,470	1,003,300	7.78%
1,200,000	KIMANIS POWER	AA-is	1,215,168	1,222,920	9.49%
1,582,000	SABAH CREDIT CORPORATION	P1	1,553,238	1,570,033	12.18%
1,470,000	SARAWAK ENERGY	AA1	1,470,000	1,433,691	11.12%
400,000	TANJUNG BIN POWER	AA2	412,460	404,800	3.14%
1,400,000	UEM LAND HOLDINGS BHD	AA-is	1,400,000	1,398,460	10.85%
12,279,723			12,375,749	12,276,192	

DEPOSIT WITH ISLAMIC FINANCIAL INSTITUTIONS

Quantity	Name of Counter	Aggregate Cost (RM)	Market Value (RM)	% of Net Asset Value
400,000	CIMB ISLAMIC BANK	400,000	400,000	3.10%
400,000		400,000	400,000	

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DETAILS OF INVESTMENT (CONT'D)

02. A-DANA EQUITY FUND

QUOTED SHARIAH-APPROVED SHARES

Quantity	Name of Counter	Aggregate Cost (RM)	Market Value (RM)	% of Net Asset Value
CONSTRUCTION				
98,500	EVERSENDAI CORPORATION BERHAD	118,882	117,215	0.66%
105,200	GAMUDA BHD	442,866	500,752	2.81%
94,500	IJM CORPORATION BHD	519,523	552,825	3.11%
CONSUMER PRODUCTS				
49,900	ORIENTAL HOLDINGS BHD	437,169	429,639	2.41%
13,700	UMW HOLDINGS BHD	182,605	170,428	0.96%
FINANCIAL SERVICES				
96,040	BIMB HOLDINGS BHD	331,549	431,220	2.42%
38,000	SYARIKAT TAKAFUL MALAYSIA BHD	219,062	399,760	2.25%
INDUSTRIAL PRODUCTS				
110,800	KOSSAN RUBBER INDUSTRIES BHD	191,422	414,392	2.33%
80,900	PETRONAS CHEMICALS GROUP BHD	518,516	546,075	3.07%
9,700	PETRONAS GAS BHD	186,046	231,442	1.30%
82,700	SUPERMAX CORPORATION BHD	175,843	221,636	1.24%
123,800	TOMYPAK HOLDINGS BHD	163,037	174,558	0.98%
15,000	TOP GLOVE CORPORATION BHD	83,975	85,800	0.48%
INFRASTRUCTURE PROJECT COMPANY				
125,332	DIGI.COM BHD	575,838	610,367	3.43%
122,800	TIME DOTCOM BHD	361,863	478,920	2.69%
PLANTATION				
99,100	IOI CORPORATION BHD	505,201	558,924	3.14%
12,700	KUALA LUMPUR KEPONG BHD	276,481	312,420	1.75%
83,300	KULIM (M) BHD	301,942	306,544	1.72%
196,800	TDM BHD	117,450	191,880	1.08%

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DETAILS OF INVESTMENT (CONT'D)

02. A-DANA EQUITY FUND (CONT'D)

QUOTED SHARIAH-APPROVED SHARES (CONT'D)

Quantity	Name of Counter	Aggregate Cost (RM)	Market Value (RM)	% of Net Asset Value
PROPERTIES				
189,067	HUA YANG BHD	256,343	402,713	2.26%
71,600	MATRIX CONCEPTS HOLDINGS BHD	162,177	230,552	1.29%
57,733	SUNWAY BERHAD	170,200	152,992	0.86%
92,000	UEM SUNRISE BERHAD	294,184	211,600	1.19%
88,800	UOA DEVELOPMENT BERHAD	177,140	176,712	0.99%
43,300	YNH PROPERTY BHD	84,112	75,775	0.43%
TECHNOLOGY				
214,200	GHL SYSTEMS BHD	121,751	168,147	0.94%
71,200	GLOBETRONICS TECHNOLOGY BHD	138,076	224,280	1.26%
TRADING/SERVICES				
200,000	AIRASIA X BERHAD	252,500	208,000	1.17%
173,400	AXIATA GROUP BERHAD	1,067,928	1,165,248	6.54%
9,000	BERJAYA AUTO BERHAD	6,300	13,680	0.08%
9,400	BERJAYA FOOD BERHAD	15,840	15,604	0.09%
88,300	DIALOG GROUP BHD	215,919	263,134	1.48%
53,300	GAS MALAYSIA BERHAD	159,169	206,271	1.16%
419,200	MALAYSIAN AIRLINE SYSTEM BHD	132,996	132,048	0.74%
116,600	MAXIS BERHAD	712,804	819,698	4.60%
64,300	MBM RESOURCES BHD	238,985	230,837	1.30%
146,200	MEDIA CHINESE INTERNATIONAL	163,891	145,469	0.82%
78,300	MISC BHD	417,704	429,867	2.41%
83,700	PERISAI PETROLEUM TEKNOLOGI	99,172	122,202	0.69%
54,300	POS MALAYSIA BHD	202,913	325,800	1.83%
129,700	PRESTARIANG BERHAD	173,784	337,220	1.89%
169,714	SAPURAKENCANA PETROLEUM BHD	569,022	728,073	4.09%
85,300	SIME DARBY BHD	799,445	823,145	4.62%
86,300	TELEKOM MALAYSIA BHD	484,789	443,582	2.49%
138,200	TENAGA NASIONAL BHD	1,024,733	1,362,652	7.65%
56,768	UMW OIL & GAS CORPORATION BHD	173,567	193,011	1.08%
121,000	WESTPORTS HOLDINGS BERHAD	306,060	307,340	1.73%
81,800	YINSON HOLDINGS BHD	292,173	479,348	2.69%
173,200	YTL CORPORATION BHD	303,410	280,584	1.58%
4,924,654		14,926,357	17,410,381	

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

DETAILS OF INVESTMENT (CONT'D)

02. A-DANA EQUITY FUND (CONT'D)

DEPOSIT WITH ISLAMIC FINANCIAL INSTITUTIONS

Quantity	Name of Counter	Aggregate Cost (RM)	Market Value (RM)	% of Net Asset Value
450,000	CIMB ISLAMIC BANK	450,000	450,000	2.53%
450,000		450,000	450,000	

03. A-DALI EQUITY FUND

OTHER INVESTMENT - MUTUAL FUND

Quantity	Name of Counter	Aggregate Cost (RM)	Market Value (RM)	% of Net Asset Value
427,804	CIMB ISLAMIC DALI EQUITY GROWTH	595,409	623,650	101.28%
427,804		595,409	623,650	

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AIA AFG TAKAFUL BHD.
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INVESTMENT-LINKED FUNDS

STATEMENT BY MANAGER

We, Mohd Daruis bin Zainuddin and William Lisle, two of the Directors of AIA AFG Takaful Bhd. ("the Manager"), state that, in the opinion of the Manager, the accompanying financial information set out on pages 20 to 27 have been prepared in accordance with the accounting policies prescribed in Note 3 to the financial information and the Guidelines on Investment-linked Insurance/Takaful Business issued by Bank Negara Malaysia ("BNM").

On behalf of the Manager,

Mohd Daruis bin Zainuddin
Director

William Lisle
Director

Kuala Lumpur, Malaysia
19 February 2014

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

Independent Auditors' Report to the Certificate Holders Of:**A-Dana Equity****A-Dana Income****A-Dali Equity**

(hereinafter referred to collectively as "the Funds")

Report on the Financial Information

We have audited the financial information of the Funds, which comprise of the statements of assets and liabilities as at 30 November 2013, the statements of income and expenditure and changes in net asset value of the Funds for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 20 to 27.

Manager's Responsibility for the Financial Information

The Directors of AIA AFG Takaful Bhd., as the Manager of the Funds, are responsible for the preparation of these financial information in accordance with the accounting policies prescribed in Note 3 to the financial information and the Guidelines on Investment-Linked Insurance/Takaful Business issued by Bank Negara Malaysia ("BNM") and for such internal control as the Manager determine as necessary to enable the preparation of financial information that are free from material misstatement whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial information based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial information are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Manager's preparation of the financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

Independent Auditors' Report to the Certificate Holders Of:

A-Dana Equity
A-Dana Income
A-Dali Equity

(hereinafter referred to collectively as "the Funds") (cont'd)

Opinion

In our opinion, the financial information have been properly drawn up in accordance with the accounting policies prescribed in Note 3 to the financial information and the Guidelines on Investment-linked Insurance/Takaful Business issued by BNM.

Other Matters

This report is made solely to the certificate holders of the Funds, as a body in accordance with the Guidelines on Investment-linked Insurance/Takaful Business issued by BNM, and for no other purposes. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF:1146)
Chartered Accountants

Kuala Lumpur, Malaysia
19 February 2014

SHIRLEY GOH
(No. 1778/08/14(J))
Chartered Accountant

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

STATEMENTS OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2013

Note	A-Dana Income		A-Dana Equity		A-Dali Equity	
	2013 (RM)	2012 (RM)	2013 (RM)	2012 (RM)	2013 (RM)	2012 (RM)
ASSETS						
Investments	4					
- Unquoted corporate Sukuks	12,276,192	9,651,753	-	-	-	-
- Quoted Shariah-approved shares	-	-	17,410,381	9,195,538	-	-
- Other investments	-	844,369	-	212,295	623,650	-
- Deposits with Islamic financial institutions	400,000	340,000	450,000	240,000	-	-
Deferred tax assets	7,965	-	-	-	-	-
Current tax recoverable	-	-	-	5,752	-	-
Other receivables	71,762	8,547	28,658	423,780	574	-
Investment income due and accrued	160,416	147,768	18,416	23,009	-	-
Amount due from Manager	45,052	-	106,652	-	9,300	-
Cash and bank balances	41,731	56,247	106,835	47,578	803	-
TOTAL ASSETS	13,003,118	11,048,684	18,120,942	10,147,952	634,327	-
LIABILITIES						
Current tax liabilities	65,884	38,264	1,816	-	1,348	-
Deferred tax liabilities	-	29,470	198,722	40,565	2,259	-
Other payables	44,402	9,369	116,382	296,087	14,958	-
TOTAL LIABILITIES	110,286	77,103	316,920	336,652	18,565	-
NET ASSET VALUE ATTRIBUTABLE TO CERTIFICATE HOLDERS						
	12,892,832	10,971,581	17,804,022	9,811,300	615,762	-

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

STATEMENT OF ASSETS AND LIABILITIES AS AT 30 NOVEMBER 2013 (CONT'D)

Note	A-Dana Income		A-Dana Equity		A-Dali Equity	
	2013	2012	2013	2012	08.01.2013 to 30.11.2013	2012
	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
REPRESENTED BY:						
Value of unit	11,562,821	9,963,787	14,946,999	9,262,772	579,796	-
Undistributed income carried forward	1,330,011	1,007,794	2,857,023	548,528	35,966	-
	<u>12,892,832</u>	<u>10,971,581</u>	<u>17,804,022</u>	<u>9,811,300</u>	<u>615,762</u>	<u>-</u>
Units in circulation	22,357,076	19,559,111	27,127,605	17,904,878	1,111,233	-
Net asset value attributable to certificate holders per unit	<u>0.577</u>	<u>0.561</u>	<u>0.656</u>	<u>0.548</u>	<u>0.554</u>	<u>-</u>

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

STATEMENT OF INCOME AND EXPENDITURE FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2013

	A-Dana Income		A-Dana Equity		A-Dali Equity	
	2013	2012	2013	2012	08.01.2013 to 30.11.2013	2012
	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
Investment income						
- Profit from deposits with Islamic financial institutions	22,704	11,973	21,530	27,070	-	-
- Profit income from unquoted corporate Sukuks	504,169	390,306	-	-	-	-
- Dividend income	19,847	46,196	342,315	184,164	27,874	-
Gain on disposal of financial investments	352,027	78,168	361,188	102,575	-	-
Unrealised gain on financial investments	-	213,331	1,976,961	411,625	28,241	-
TOTAL INCOME	<u>898,747</u>	<u>739,974</u>	<u>2,701,994</u>	<u>725,434</u>	<u>56,115</u>	<u>-</u>
Unrealised loss on financial investments	467,929	-	-	-	-	-
Investment expense	13,128	-	23,456	-	7,381	-
Investment management fee	61,597	47,919	195,780	116,893	3,519	-
Other outgo	5,877	5,559	5,872	10,346	5,642	-
TOTAL OUTGO	<u>548,531</u>	<u>53,478</u>	<u>225,108</u>	<u>127,239</u>	<u>16,542</u>	<u>-</u>
Excess of income over outgo before taxation	<u>350,216</u>	<u>686,496</u>	<u>2,476,886</u>	<u>598,195</u>	<u>39,573</u>	<u>-</u>
Taxation	(27,999)	(53,952)	(168,391)	(29,262)	(3,607)	-
Excess of income over outgo after taxation	<u>322,217</u>	<u>632,544</u>	<u>2,308,495</u>	<u>568,933</u>	<u>35,966</u>	<u>-</u>
Undistributed income/(loss) brought forward	<u>1,007,794</u>	<u>375,250</u>	<u>548,528</u>	<u>(20,405)</u>	<u>-</u>	<u>-</u>
Undistributed income carried forward	<u>1,330,011</u>	<u>1,007,794</u>	<u>2,857,023</u>	<u>548,528</u>	<u>35,966</u>	<u>-</u>

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

STATEMENTS OF CHANGES IN NET ASSET VALUE ATTRIBUTABLE TO CERTIFICATE HOLDERS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2013

	A-Dana Income		A-Dana Equity		A-Dali Equity	
	2013 (RM)	2012 (RM)	2013 (RM)	2012 (RM)	2013 (RM)	2012 (RM)
Net asset value attributable to certificate holder at the beginning of the financial year	10,971,581	8,761,039	9,811,300	5,393,487	-	-
Amount received from certificate holders for the net creation of units	1,980,860	1,730,444	6,378,645	4,441,824	582,832	-
Amount paid to certificate holders for the net cancellation of units	(381,826)	(152,446)	(694,418)	(592,944)	(3,036)	-
	12,570,615	10,339,037	15,495,527	9,242,367	579,796	-
Excess of income over outgo after taxation						
-Net unrealised (loss)/gain after taxation	(430,495)	196,265	1,818,804	378,696	25,982	-
- Other net gain after taxation	752,712	436,279	489,691	190,237	9,984	-
Net asset value attributable to certificate holders at end of financial year/period	12,892,832	10,971,581	17,804,022	9,811,300	615,762	-

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

NOTES TO THE FINANCIAL INFORMATION - 30 NOVEMBER 2013

1. THE MANAGER AND ITS PRINCIPAL ACTIVITY

The investment linked funds of AIA AFG TAKAFUL BHD. ("the Manager") comprises of A-Dana Income, A-Dana Equity and A-Dali Equity (herein referred to collectively as "the Funds").

A-Dana Income fund focuses on maximizing total returns comprising of both income and capital growth by mainly investing in investment grade Sukuks and Islamic money market instruments in Malaysian while minimising reinvestment risk.

A-Dana Equity fund aims to provide medium to long-term growth by investing in Shariah-approved equities, Real Estate Investment Trusts ("REITs") and equity-related securities listed on Bursa Malaysia. Both A-Dana Income fund and A-Dana Equity fund were established on 1 March 2011.

A DALI Equity fund aims to achieve consistent capital growth over medium to long term via investment in Shariah Compliant equities. The fund was established on 8 Jan 2013.

The Manager of the Funds is AIA AFG Takaful Bhd., a company incorporated in Malaysia, engaged principally in the underwriting of Family Takaful business and investment-linked business.

The Funds' activities shall be conducted strictly in accordance with the requirement of the Shariah principles and shall be monitored by the Shariah Committee of the Manager.

2. BASIS OF PREPARATION

The financial information of the funds have been prepared in accordance with the accounting policies as prescribed in Note 3 to the financial information and Guidelines on Investment-linked Insurance/Takaful Business issued by Bank Negara Malaysia ("BNM").

The financial information have been prepared under the historical cost convention except as disclosed in the significant accounting policies in Note 3 to the financial information.

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

NOTES TO THE FINANCIAL INFORMATION - 30 NOVEMBER 2013 (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial information.

(a) Financial assets at fair value through profit or loss ("FVTPL")

The Funds designate its investments of the Funds as financial assets at fair value through profit or loss ("FVTPL") at inception as they are managed and evaluated on a fair value basis, in accordance with the respective investment strategy and mandate.

Financial assets at FVTPL are initially recorded at fair value. Subsequent to initial recognition, financial assets at FVTPL are re-measured at fair value. Fair value adjustments and realised gain and losses on de-recognition are recognised in the Statements of Income and Expenditure.

(b) Fair value of financial assets

The fair values of unquoted corporate Sukuk and Islamic money market placement are based on indicative fair market prices/indices by reference to the quotations provided by financial institutions and brokers.

The fair values of quoted securities are based on current market prices. If the market for a financial asset is not active, the Funds establish fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models.

Cash and cash equivalents with licensed financial institutions are stated at approximately their carrying amount as at the date of Statement of Assets and Liabilities.

(c) Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand, deposits held at call with financial institutions with original maturities of three months or less. It excludes deposits which are held for investment purpose.

(d) Financial Liabilities

All financial liabilities initially recorded at fair value. Subsequent to initial recognition, financial liabilities are carried at amortised cost using effective interest rate method.

(e) Management fee

Management fees are calculated on daily basis based on the net asset values of the Funds.

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AIA AFG TAKAFUL BHD.
(Incorporated in Malaysia)
INVESTMENT-LINKED FUNDS

NOTES TO THE FINANCIAL INFORMATION - 30 NOVEMBER 2013 (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(f) Net creation of units**

Net creation of units represents Takaful contributions paid by certificate holders as payment for new contract or subsequent payments to increase the amount of that contract less switching within Funds. Net creation of units is recognised on a receipt basis.

(g) Net cancellation of units

Net cancellation of units represents cancellation of units arising from surrenders and withdrawals by certificate holders. Net cancellation of units is recognised upon surrendering of the related Takaful contract.

(h) Taxation

Income tax on the Statements of Income and Expenditure for the financial year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted at the date of the Statements of Assets and Liabilities.

Deferred tax is provided for, using the liability method, on temporary differences at the date of the Statements of Assets and Liabilities between the tax bases of assets and liabilities and their carrying amounts in the financial information. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the date of Statements of Assets and Liabilities. Deferred tax is recognised in the Statements of Income and Expenditure.

(i) Income recognition

Dividend income from equity instruments designated at FVTPL is recognised as investment income in Statements of Income and Expenditure, generally when the security becomes ex-dividend or the right to receive payment is established.

Profit income is recognised in Statement of Income and Expenditure using effective profit method.

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AIA AFG TAKAFUL BHD.
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INVESTMENT-LINKED FUNDS

NOTES TO THE FINANCIAL INFORMATION - 30 NOVEMBER 2013 (CONT'D)

4. INVESTMENTS

The details of the investment of the Funds are set out on pages 13 to 16 of the fund performance report.

5. PERFORMANCE TABLES

The details of the comparative performance tables of the Funds are set out on pages 7 to 12 of the fund performance report.

6. COMPARATIVE

No comparative figures are presented for Statement of Assets and Liabilities, Statement of Income and Expenditure, and Statement of Changes in Net Asset Value for A-Dali Equity fund as this is the first set of financial information prepared from its date of establishment to 30 November 2013.